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All Along the Watch Tower: The European Central Bank and Legitimation Strategies in Times of Crisis

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Abstract
How does the European Central Bank (ECB) legitimise its decisions and monetary policy programmes in the period from 2009 to 2021 in terms of input, throughput and output legitimacy? This article contains an answer to this important question based on a content analysis of speeches made by the presidents of the ECB. Ideally, the institution is founded on its independence and therefore cannot maintain legitimacy through public influence. This article proves that there are clearly most references on output legitimacy in the ECB’s legitimation strategy, showing that it highlights its results as an independent institution to compensate for its lack of democratic channels in terms of legitimacy. Generally, in times of crises, there is an increase in frequency of references to legitimacy. During these periods, ECB actors also more frequently refer to throughput legitimacy in speeches, showing that the institution is in fact sensitive to public criticism.

Keywords: COVID-19 crisis; economic crisis; European Central Bank; legitimation; output legitimacy; throughput legitimacy

Introduction
There is considerable disagreement in the scientific literature as far as the legitimacy and legitimation strategies of the European Central Bank (ECB) are concerned (see, e.g., Table A1). As pointed out by Veer (2020), a reason for this is the lack of systematic studies that examine how the ECB tries to present itself as a competent actor. Based on a rigorous and nuanced methodology, we will provide exactly that in this article.

The issue is important because the ECB is an important institution of the European Union (EU). It handles monetary policy and acts as the central bank for the 20 member states that have implemented the euro as their currency; it supervises the European banking sector; and it is involved in solving economic crises in order to preserve financial stability, for example, by being a member of the so-called Troika along with the International Monetary Fund (IMF) and the European Commission (Hartmann and Smets, 2018). The ECB ideally makes monetary decisions based on the economic perspective of the Eurozone and free from political influence and pressures (Moschella and Diodati, 2020). The ECB is therefore a supranational EU central bank institution with authority in its own right to make decisions over sovereign states. As with other EU institutions and the EU political system in general, we assume that legitimacy is also a salient issue as far as the ECB is concerned: For example, the legitimacy questions involved in Euroscepticism are also relevant for it.

Contrary to national central banks, we assume that there is a spill-over from the more shaky legitimacy of the EU political system to the ECB compared to national institutions, which is often seen as a function of the so-called democratic deficit of the EU.
Bang et al., 2015; Tesche, 2019). In consequence, we assume that the ECB is a sui generis kind of central bank. National central banks normally enjoy the same independence as the ECB, but they are part of a national institutional set-up. Therefore, the ECB is obliged to place a greater focus on its legitimation strategies exactly because it has a more fragile legitimacy and makes decisions on behalf of a supranational body.

Questions about the ECB’s legitimation strategies do not stop because its mandate relies on the Treaty of the EU. Over the years, the bank has experienced a lack of trust towards it, which earlier academic literature has concluded to be due to public opinion, lack of public knowledge and confusing decision-making (Baerg et al., 2021; Moschella and Diodati, 2020). The deficit in transparency in comparison even to other European institutions and the sometimes problematic legitimacy in the ECB have been a major focus of the public and academic literature since the criticism of it and its policies during the Eurozone crisis (Chang, 2019; Schmidt, 2021; Scicluna, 2018; Tesche, 2019). Several studies have been published on how the ECB rhetorically responds to the critique of its legitimacy (Schmidt, 2016; Tortola and Pansardi, 2019) and how the public opinion and national economic interest do in fact create disagreements between board members of the bank, especially since the Eurozone crisis (Moschella and Diodati, 2020).

However, there have been considerable disagreements in the literature on the ECB’s legitimacy and legitimation strategies since the start of the Eurozone crisis. For instance, Veer (2020) mentions examples – selected from anecdotes – on how the ECB tries to base itself on output legitimacy (cf. the definition below). On the other hand, Diessner (2022) points out that the bank has become increasingly dependent on throughput legitimacy (cf. the definition below). Högenauer and Howarth (2016) agree with Diessner (2022). Heldt and Müller (2022) argue that the ECB is characterised by a constant tension between input legitimacy (cf. the definition below) and output legitimacy. See Table A1 for a selection of research contributions that point in different directions on the issue. In this article, we aim to solve these disagreements through a stringent research design that combines both quantitative and qualitative data in a way not previously used in the field. Empirically, it contrasts the legitimation strategy of the ECB during the Eurozone crisis versus the COVID-19 crisis and resolves the arguments in the literature about the bank’s primary legitimacy focus during these shifting periods. We assume that the Eurozone crisis is a relevant critical juncture for the test of the legitimacy of the institution. This is the reason for our focus on the period from 2009 onwards in our investigation of the ECB’s legitimation strategy.

This article will focus on the ECB’s statements, because we also want to solve the problem concerning the lack of agreement in the literature on what the bank’s rhetorical legitimation strategies contain or how these have developed. This enhances both our knowledge of the ECB as an institution and our understanding of the overall impact crises have on such institutions.

We therefore also place a specific focus on the legitimation strategies within the ECB’s rhetoric and not the rhetoric in general, despite its relevance, because in-depth analysis has already been carried out based on length of communication, economic ideas and so forth (e.g., Baerg et al., 2021; Moschella and Diodati, 2020).

The gap in the literature that this article intends to fill has been pointed out above. This discussion leads us to the following research question:
How, why and to what extent does the European Central Bank legitimise its decisions and monetary policy programmes from the rostrum in the period from 2009 to 2021 in terms of input, throughput and output legitimacy covering both the Eurozone crisis and the COVID-19 pandemic?

The article is structured as follows. Initially, its theoretical perspective and methodological basis are presented. Then comes the study of the distribution between input, throughput and output legitimacy in the speeches and the development within the chosen period. Finally, there will be a discussion and conclusions on the basis of the analysis.

I. Legitimacy and Legitimation

This article defines legitimacy as a trait of an institution and all its activities as seen from the rostrum of the institution’s leadership. Implicitly, this trait is recognised and accepted by the subjects, which requires voluntary compliance with the rules (see also Rosanvallon, 2011; Scharpf, 1999). We admit that this definition is rather institution-focused, but in the article, it serves the purpose of our investigation. In consequence, in this article, legitimacy is defined as a concept founded on established objective criteria. This is relevant because the article seeks to analyse how the ECB as an institution aims to establish and maintain its legitimacy, and not directly how this is received and interpreted by the public. The criteria therefore allow it to make legitimacy more measurable through the presidents’ speeches.

Table 1: Operationalisation of Legitimacy and Legitimation in Relation to the Types of Legitimacy.

<table>
<thead>
<tr>
<th>Legitimacy</th>
<th>Legitimation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input legitimacy</td>
<td>(Channels of influence) Inclusion of the population/relevant actors Responsiveness</td>
</tr>
<tr>
<td>Throughput legitimacy</td>
<td>(Institutional structures) Formal chains of responsibility Transparent decision-making processes Legal basis and formal guidelines</td>
</tr>
<tr>
<td>Output legitimacy</td>
<td>(Problem-solving ability) Efficient decision-making processes Goal fulfilment Results</td>
</tr>
</tbody>
</table>

Source: Authors’ construction.
This perspective on legitimacy is further divided with inspiration in Scharpf’s (1999) perceptions on input and output legitimacy in relation to the EU, as well as Schmidt’s (2013) later addition of throughput legitimacy. This threefold perspective follows our definition of legitimacy as a trait of the institution’s activities as seen from the rostrum of the ECB. According to Scharpf (1999), decisions and actions are legitimate in relation to input legitimacy if the opinions of citizens are reflected accurately, whereas output legitimacy is conditioned by the institution’s problem-solving ability. Input legitimacy is therefore created BY the citizens, whereas output legitimacy is generated FOR the citizens (Scharpf, 1999). Schmidt (2013) builds on Scharpf’s legitimacy perspective in the EU context and adds an additional category in the form of throughput legitimacy, which deals with accountability and the transparency behind the decision-making processes carried out within the institutions.

The differentiation between input, throughput and output legitimacy in combination with a stringent methodology enables a more fine-grained analysis as to whether the ECB’s legitimisation strategies include a shift in the weighting between the different types through the period from 2009 to 2021, as well as which type of legitimacy the bank prioritises. In relation to the ECB, the objective criteria are divided as shown later in Table 1.

The criteria dealing with citizens’ influence on the ECB’s monetary policy and policy programmes and decisions are categorised as input legitimacy. An example of this is when the presidents mention that their monetary policy has been the subject of a public hearing or it originates from an acknowledgement of public opinion.

Criteria that deal with the decision-making process that takes place within the institution are categorised as throughput legitimacy, which comprises references to the ECB complying with its mandate and to transparency as to how decisions on a monetary policy and other matters came to be made.

Lastly, criteria that deal with the results and problem-solving abilities of the ECB’s monetary policy programmes are categorised as output legitimacy. This could, for example, be when the presidents announce that the bank’s monetary policy and policy programmes have succeeded in stabilising the economy for the Eurozone or avoided a financial crisis.

It is emphasised by Schmidt (2013) that increased input or output legitimacy will strengthen the legitimacy level of institutions, whereas increased throughput legitimacy is not assumed to have the same effect. Conversely, however, it has been proven that a decrease in throughput legitimacy can weaken an institution’s overall level of legitimacy (Schmidt, 2013).

In addition, a differentiation between legitimacy and legitimation is used, based on Vila-Henninger (2020), where legitimation refers to the process through which the institution justifies its authority and decision-making competence. Against this background, legitimation inspired by the above will be understood as the rhetorical strategies used by the ECB in its speeches to justify and support the institution’s decisions and monetary policy programmes. It will be referred to as the ECB’s rhetorical legitimation strategies.

The operationalisation of legitimacy and legitimation can be seen in Table 1.
II. Data

The primary empirical data consist of speeches published on the ECB’s official website by the presidents from 2009 to 2021. This period was chosen based on the research question and the initial read-through of the present literature in the field, which mentioned the ECB’s actions during the Eurozone crisis as the primary threats to the institution’s perceived legitimacy.

The ECB’s website contains all the speeches systematically and consistently published by the institution during the period analysed, totalling 354. From 2009 to 2021, Jean-Claude Trichet, Mario Draghi and Christine Lagarde were in office. The presidents’ speeches have been chosen over those of the other members of the Executive Board as they not only represented the institution but also headed it. This is in line with the focus of this article, because we aim to analyse the ECB’s intended overall rhetorical legitimation strategies and its own view of the institution. However, as part of our own understanding of the ECB’s rhetorical legitimation strategy, we also initially analysed the vice-presidents’ and board members’ speeches from 2009 to 2020 with regard to legitimacy through frequency analysis of word counts where a cluster of four words represented a legitimacy type. The words were selected based on a read-through and word count of the coded passages of the presidents’ speeches within each legitimacy type. The results can be found in Table A2 and correspond largely to the later presented analysis of the presidents’ speeches.

III. Qualitative and Quantitative Content Analyses

This article contains both a qualitative and a quantitative content analysis. A qualitative content analysis is a method that is based on a qualitative, systematic description and review of communication material and documents (Bryman, 2016) and has here been carried out as a thematic analysis of the presidents’ speeches in the period from 2009 to 2021.

In the thematic analysis, coding is based on themes and sub-themes founded on the theoretical perspective on legitimacy and legitimation, as presented earlier. Initially, a deductive approach was chosen, in which legitimacy theory was used to derive the overall themes from which the speeches were analysed. The themes are based on the three types of legitimacy mentioned: input, throughput and output. Subsequently, sub-themes for each of the overall themes were derived inductively through a close reading of the coded references under each of the legitimacy types. The earlier presented distinctions between the different types of legitimacy were used as guidelines throughout the coding to differentiate the text paragraphs between the different themes.

The approach to deriving these sub-themes was based on an exhaustive coding, where the purpose was to find all the potential sub-themes and later group them into a maximum of two under each overall theme. This is due to a desire for a simple and clear analysis, as well as an equal weighting of the three main themes. The sub-themes (in brackets below) that were derived within the three types of legitimacy for the qualitative content analysis comprised the following: input legitimacy (attitudes of citizens and inclusiveness); throughput legitimacy (transparency and legal basis); and output legitimacy (problem-solving ability and results). Examples of the coding can be found in Tables A3–A8.
In the analysis, we made a distinction between passages concerned with the collaborative efforts of the EU and the institutions within it and the efforts and policies handled alone by the ECB. We chose to code only the latter because this article concerns the legitimation strategies regarding the ECB’s own policies and decisions. To provide an example, when the presidents mentioned the work in the Troika, we coded only the passages relating to the deliberation of entering into the collaboration and how the actions were justified in regard to the ECB’s mandate and responsibilities.

After these sub-themes were derived, the full content analysis was started by coding according to the various overall and underlying themes. The coding was implemented in NVivo 12. The coding units were agreed upon to be paragraphs of a maximum of five sentences, which gave the opportunity to capture the meaning and intended message behind the sentences but did not confuse or entangle different points within one coding unit. However, a coding unit of this size also means that certain paragraphs of the presidents’ speeches can contain elements of two different themes and sub-themes. This is no problem for the given analysis, because it is the distribution between the themes and sub-themes against the total number of speeches that is of relevance, not the distribution of the different themes and sub-themes within one speech. Therefore, a coding unit was allowed to be coded into both ‘Throughput Legitimacy’ and ‘Input Legitimacy’, for example.

As mentioned, legitimacy was created as the parent node in NVivo and is therefore the primary analysis unit. The three types of legitimacy were subsequently created as child nodes in NVivo. In addition, two sets of sibling nodes were created for each of the sub-nodes. All node record coding was from sub-nodes, as it is not only the distribution between the different types of legitimacy that is of interest to the research question. The coding tree is presented in Figure 1.

One of the authors was responsible for the coding and, therefore, extra focus was given to the reliability throughout the analysis. To protect us against bias in the coding, a reliability test (intercoder reliability test in NVivo) has been prepared. This was done through a double coding of the first 10 speeches. The initial coding of the speeches had been

Figure 1: Coding Three.

Source: Authors’ construction.
carried out 2 months prior to the last coding of them and showed an agreement level of 91.9%, indicating that, overall, there has been consistency in the coding throughout the process. The difference primarily lays in the coding units where the initial ones could contain a sentence more than in the latter coding; however, this was not seen as an issue because the coding density of the individual speeches is not a focus of this article.

The quantitative content analysis was also performed using NVivo and consisted of a frequency analysis of the references within the types of legitimacy in the presidents’ speeches, which were extracted through the qualitative content analysis. Here again, a cross-table was made, where the three types of legitimacy were set up against the year in which the speech was given. Thereafter, the cross-table with the absolute numbers was converted to a percentage of the total number of analysed speeches in the same year.

IV. The Content of the ECB’s Rhetorical Legitimation Strategies

When comparing all the speeches made by the presidents in the period from 2009 to 2021, there are more references to output legitimacy than to the other two types of the concept. Figure 2 shows the proportion of the presidents’ speeches within a given year, which contained references to legitimacy in general and by type of legitimacy and year.

It can be seen in Figure 2 that it is output legitimacy that is primarily used in the ECB’s rhetorical legitimation strategies in the analysed period, with the highest percentage frequency seen in relation to the other types of legitimacy. Output legitimacy can be strengthened by highlighting criteria such as the institution’s problem-solving ability, efficiency and results. In this way, the ECB can justify the institution’s mandate and existence through the success of the results for the citizens, which is assumed to increase the level of legitimacy of the institution (Scharpf, 1999). It is also output legitimacy that contributes to the high frequency of references to legitimacy in general, whereas input

Figure 2: Proportion of the Presidents’ Speeches with References to Legitimacy and by Type of Legitimacy and Year.

legitimacy does not have a significant impact and is used to a much lesser extent. This can demonstrate evidence of the institution’s independence and the fact that the ECB’s Executive Board and Presidency are not the results of a popular vote. This limits the institution’s ability to legitimise itself through input legitimacy. The frequency analysis of references to input legitimacy in the presidents’ speeches denotes an average incidence in the speeches of 8%.

Our study settles the discussion in the literature on whether output legitimacy is dominant, whether this was also the case during the Eurozone and COVID-19 crises and what role throughput legitimacy plays in periods of crisis. As noted at the beginning of the article, there has so far been no agreement on these issues.

However, throughput legitimacy is far from unimportant, but its importance varies a lot. The references to it in the speeches from 2009 to 2021 range between 13% and 59%. The argument as to why throughput legitimacy gained ground during and after the Eurozone crisis is that the ECB was forced to be more transparent in the decision-making processes and in compliance with the legal basis behind the institution (Chang, 2019; Tesche, 2019; Tortola and Pansardi, 2019). Therefore, there was a greater focus on the criteria for throughput legitimacy in the legitimation strategies. This is partly because the monetary policy programmes and decisions by the ECB during the Eurozone crisis met with criticism for being on the edge of its mandate. This was not least indicated in the so-called Gauweiler case that ended at the European Court of Justice: It concerned the legality of the Outright Monetary Transactions (OMT) programme of the ECB (Hinarejos, 2019); compare below in the article. Also, the Weiss case concerning the validity of the ECB’s programme for the purchase of government bonds on secondary markets in light of EU law was a sign of the deep criticism of the institution (Mooij, 2019); compare below in the article for more on this initiative. In addition, the ECB was criticised for having taken on such an influential role in the Troika, which required more transparency in the decision-making processes, because the bank now had much more influence on national economic and fiscal policies (Tesche, 2019; Warren, 2020).

The references to output legitimacy in the speeches vary between 54% and 84% during the analysed period of time. In the reading of the references to it during the qualitative content analysis, two sub-themes could be deduced in the form of ‘Action’ and ‘Results’. Here, the first refers to legitimation by highlighting the ECB’s own power of ‘Action’ and ‘Efficiency’. The second relates to the successes and results that the institution highlights having helped to achieve. There are more references through the 13-year period within the sub-theme ‘Results’ than there are for ‘Action’ with an average occurrence in response: 56% and 24% of the presidents’ speeches during those years. Based on a review of the references to throughput legitimacy, two sub-themes could be established in the legitimation strategies in the form of references to ‘Transparency’ and the ‘Legal Basis’. That is, the former strategies promote throughput legitimacy by emphasising transparency in the institution’s decision-making process and results, whereas the latter promote throughput legitimacy through a focus on how the institution acts in accordance with the ECB’s regulatory framework. From the frequency analyses of the presidents’ speeches, it is clear that there are most references during the period to the ECB’s actions and policies in relation to the ‘Legal Basis’, with an average seen in 27% of the speeches, whereas concerning ‘Transparency’, there was an average frequency of 13%.
The ECB’s legitimation strategies do not contain a significant focus on justification through input legitimacy and therefore no criteria in the form of inclusion of relevant actors, as well as the public and the institution’s responsiveness. In the total of 354 speeches from the presidents, there are only 30 references to input legitimacy.

Based on the disagreement in the literature in the area, which was addressed in the introduction of the article, it can be deduced from the first sub-analysis that there are most references to and therefore a primary focus on output legitimacy in the ECB’s rhetorical legitimation strategies, most of which refer to the results of its decisions and monetary policy programmes. As a low level of input legitimacy is theoretically assumed to be offset by a high level of output legitimacy, it can be derived as evidence of the high frequency in the references to that type of legitimacy. This is not least due to the ECB’s mandate, where the primary purpose is to deliver results in the form of, for example, price stability.

It can also be concluded that there is a high level of references to legitimacy in general throughout the period, ranging from mentions in 50% to 80% of the speeches each year. This is noteworthy because the ECB, as noted, is supposed to be a technocratic institution that does not rely on political legitimacy processes. In line with the argumentation at the beginning of this article, the authors of this text believe that the ECB needs to justify the earnings and mandate of the institution in the eyes of the public so that a negative reputation does not lead to the politicians reconsidering the importance of its independence from the political system. This is a spill-over from the more shaky legitimacy of the EU political system compared to national political systems (Bang et al., 2015). In this regard, the ECB differs from central banks of nation-states; that is, it has some clear sui generis characteristics. This can explain the references to legitimacy in the periods with lower frequencies such as 2009, 2010 and 2016 to 2019, years that can also be assumed to be the baseline for a normal level of references to legitimacy given the consistency of them and lack of introduction of unconventional policy programmes. The other years with a higher frequency of references to legitimacy are, as mentioned, argued to be a response to the direct criticism from the public sphere and the higher level of tasks stemming from times of crisis. This will be explained further in the following section.

V. How Have the Rhetorical Legitimation Strategies Evolved from the ECB’s Rostrum over the Period 2009–2021?

The selected period starts in 2009, which marks the beginning of the Eurozone crisis: This arose as a result of the global financial crisis that occurred in 2008 following the bankruptcy of the US investment bank of Lehman Brothers (Warren, 2020). There is no clear agreement in the literature as to whether the ECB began the crisis with a primary focus in the rhetorical legitimation strategies on throughput or output legitimacy (cf. Table A1). However, many studies have concluded that there is a shift in the rhetorical legitimation of the institution. In this article, we attempt to determine this question based on both our qualitative and quantitative content analyses.

Part of previous research in the field concludes that the ECB entered the crisis with a focus on throughput legitimacy, through which the institution’s decisions and actions were rhetorically legitimised via references to compliance with the legal basis and transparency in the decision-making process. During the Eurozone crisis, this literature

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deduces that the ECB shifts its focus towards promoting the institution’s performance and action and criteria based on output legitimacy (Orphanides, 2018; Schmidt, 2016; Scicluna, 2018). The studies indicate that this shift is due to the ECB’s monetary policy decisions and participation in the Troika bordering on a breach of the mandate and thus the legal basis behind the institution, which problematised legitimation strategies founded precisely on the bank’s compliance with the legal basis through criteria for throughput legitimacy (Orphanides, 2018; Scicluna, 2018). Another part of the literature concludes that the ECB entered the crisis with a focus on the presented criteria regarding output legitimacy in the legitimation strategies and changed along the way to prioritising criteria for throughput legitimacy, as it was considered necessary for the institution to create more transparency around its decision-making processes and monetary policy programmes as a result of the actions during the Eurozone crisis (Tesche, 2019; Tortola and Pansardi, 2019). We will address this research disagreement below.

From the quantitative content analysis, it can be deduced that the president of the ECB begins the analysed period and the start of the Eurozone crisis with a low frequency of references in the speeches on legitimacy in general. This is also why at the beginning of the crisis there was not so much focus on promoting the legitimacy of the institution. Only later, after criticism from the public, did this change. This can be seen as yet another sign that the EU institution of the ECB lacks the same ‘natural’ legitimacy that central banks possess in nation-states, which materialises in times of crisis. However, there are relatively few references to input legitimacy from 2010 to 2013. This is in accordance with the qualitative content analysis that deduces that the content of references to throughput and output legitimacy at the beginning of the Eurozone crisis and up to 2012 primarily depends on the ECB’s co-operation in committees and with other institutions, respectively. As this shows, during this period, there was a particular need for the ECB’s legitimation strategies outside the monetary policy, where the bank traditionally had responsibility.

Nevertheless, despite the greater focus on co-operation in the ECB’s legitimisation strategies at the beginning of the analysed period, both the qualitative and quantitative content analyses show that output legitimacy fills most of the bank’s legitimisation strategies from 2009 to 2011. This is in line with the part of the literature highlighting that the strategies at the beginning of the period focused on results, efficiency and problem-solving capacity within the institution (Chang, 2019; Tesche, 2019; Tortola and Pansardi, 2019). That is, legitimation strategies as far as the ECB itself is concerned. It can inter alia be seen in relation to the fact that the bank’s primary purpose is to maintain price stability within the Eurozone. It can therefore be argued that there is a given focus on the ECB’s results in relation to the justification of the institution’s decision-making powers, which enables legitimation through highlighting results within this.

From 2011 to 2012, the price of government bonds began to plummet. This led the ECB to introduce more unconventional methods such as the OMT programme, which operated in the secondary government bond market through which the ECB acquired national debt conditional on programmes under the European Stability Mechanism (ESM) or its predecessor, the European Financial Stability Facility (EFSF) (Warren, 2020). This decision is conveyed in large parts of the existing literature as the reason for the increased focus on the legitimacy of the ECB and the issues within it during the Eurozone crisis. It is also from this that previous research suggests that there is a shift in rhetoric where,
however, as mentioned, there is no agreement as to whether the ECB’s legitimisation strategies change to a focus on results and efficiency or transparency and compliance with the legal basis (Tesche, 2019; Tortola and Pansardi, 2019), which in this article are set in relation to criteria for output and throughput legitimacy, respectively.

In our analysis, some of the above results are supported by the frequency analyses of the presidents’ speeches in the chosen period, where there is a marked increase in references to throughput legitimacy from 2012 to 2013. Here, the qualitative content analysis concludes that there is a particular focus in relation to transparency around the decision-making processes and the institution’s work in the presidents’ speeches. In Figure 3, the result of the frequency analysis is illustrated on the proportion of references to throughput legitimacy in the presidents’ speeches within a given year shown in percentages. This shows that there were the most references in 2012 and 2013 with 52% and 59%, respectively.

As far as throughput legitimacy is concerned, the ECB’s legitimation strategies from the presidents’ rostrum primarily involve references to the legal basis behind the institution, one of the previously mentioned sub-themes under throughput legitimacy, that is, the EU Treaties, which set out the mandate’s limitations and room for manoeuvre for the bank. The references to the mandate can be seen in relation to meeting desired results on price stability within output legitimacy but also promoted as part of strengthening throughput legitimacy, as these signal how the ECB acts in accordance with the legal basis to justify the institution’s decision-making competence.

However, it is not only within throughput legitimacy that there is an increase in the references to legitimacy. Those concerning output legitimacy also increase in the presidents’ speeches from the years 2012 to 2013, which further contribute to a rise in terms of legitimacy in general in the said period. In contrast to the increase in references

Figure 3: Proportion of the Presidents’ Speeches with References to Throughput Legitimacy by Year.

to throughput and output legitimacy, both the qualitative and quantitative content analyses show that, overall, in the period from 2012 to 2015, there is a decrease in the references to input legitimacy. As mentioned above, the ECB does not have a significant focus on input legitimacy in its legitimation strategies, but the decline can be understood in relation to the noted criticism that it received for participating in the Troika, whereby that co-operation was not a favourable thing to promote in its legitimisation strategies.

Contrary to those parts of the literature that deduce that the ECB’s rhetorical legitimation strategies take a primary focus on throughput legitimacy through the Eurozone crisis, both our qualitative and quantitative content analyses show that there are more references to and greater focus on output legitimacy throughout the period from 2009 to 2021 although it also has to be said that the references to throughput legitimacy are quite numerous in certain years. This result – based on our methodology – resolves and nuances the discussions in the literature that have been seen between the output legitimacy advocates and the throughput legitimacy advocates (see Table A1). Both are correct to a certain extent, but the output advocates are mostly right, even if the throughput advocates have a point in certain years.

Assessing the period from 2012 to 2015, the content analysis of output legitimacy in the presidents’ speeches shows a relatively stable development throughout the period, where the highest frequency occurs in the period from 2011 to 2015. The increase is mainly due to references to the ECB’s ‘Results’ from 2012 to 2015, whereas there is a decrease in references to ‘Action’. The reason for highlighting the results in particular can be seen both in relation to the institution’s primary purpose of ensuring price stability and also in the criticism that it received during the period of having acted more slowly than other central banks at the beginning of the crisis (Morelli and Seghezza, 2021).

Figure 4 shows the percentage of the presidents’ speeches, which contain references to output legitimacy within a given year. As mentioned, there are most references to output legitimacy in the period from 2011 to 2015 and again in 2020 to 2021. These are periods
when the European economy feels the consequences of major crises in the form of first the Eurozone crisis and later the COVID-19 pandemic and where, more importantly, the ECB is most active in combatting the crises. This may be because in times of crisis there was more doubt about the ECB’s power of action, results and problem-solving capabilities, as the European economy was just feeling the consequences of the events, and the institution therefore did more rhetorically to promote output legitimacy. At the same time, these were also times when the ECB most often stepped out of its core monetary role and, thereby, potentially weakened its legitimacy based on the EU Treaties.

In the presidents’ speeches, the legitimacy of output is particularly emphasised through the results of the ECB and the effect that their monetary policy decisions have on the European economy and market. This is also consistent with the part of the literature that suggests that focusing on results in the legitimation strategies may offset the absent democratic channels of influence and the independence of the political system (Tortola and Pansardi, 2019).

Over the years, the ECB has taken a number of initiatives where the bank has acted outside its traditional monetary area in a narrower sense. Already in 2008, it included an unprecedented central bank emergency liquidity assistance (ELA) in its repertoire. And in 2015, it implemented even more unconventional policy measures under the quantitative easing (QE) policies. The public sector purchase programme (PSPP), in particular, was criticised by the public. The programme meant that the ECB could buy assets in the form of bonds from banks in the member countries. This was again done with the aim of restoring economic growth within the EU, but it also created doubts about the ECB’s politicisation and actual independence from the political system (Hinarejos, 2019), which can also be seen in relation to the increased frequencies in references to both output and throughput legitimacy in the speeches in 2015.

The period from 2016 to 2019 furthermore comprises the years in which the president made the lowest share of the total number of speeches in the 13-year period. This must be analysed in the context of a decline in the references to legitimacy in general in 2016 and 2017. There are many indications that this is because the ECB’s legitimacy had not been as doubted or criticised during this period. Therefore, it was not as much of a focus for the institution as in the period from 2012 to 2015. The ECB’s rhetorical legitimisation strategies can thus also be regarded in relation to the status of the European economy, as times of crisis in this study are linked to increased frequencies of references to legitimacy. Again, the inherited lower level of legitimacy of the ECB than for national central banks implies that the institution needs more deliberate legitimisation strategies, especially in times of crisis.

The World Health Organization declared a COVID-19 pandemic on 11 March 2020, with serious consequences for Europe’s economy, society, labour market, health sector and so forth (Eurofound, 2020). The survey of the presidents’ speeches in 2020 and 2021 shows an increase in the references to both legitimacy in general and by type. It is especially the field of input legitimacy references to citizens’ attitudes that is behind the increase from 2020, which is in line with the rhetorical legitimisation strategies at the beginning of the Eurozone crisis, where there was also an increased focus on inclusion and co-operation in the presidents’ speeches. In the field of throughput legitimacy, there is a fluctuated increase in the references to both the institution’s transparency and the legal foundation. However, it should be noted that there is a change in the content of
the references to the legal basis, where in 2020 and 2021, more was said about citizens’ expectations and confidence in the ECB’s compliance with the mandate, which in turn is in line with the legitimation strategies at the beginning of the Eurozone crisis. In the field of output legitimacy, there was also an increase in references to the ECB’s performance and power of action in relation to public expectations and confidence in the institution. However, the increase is mainly due to a higher frequency of references to the bank’s results and successes in general.

As noted earlier, the growth in the number of references in the presidents’ speeches on legitimacy can generally be related to the increased need for legitimation and, thereby, justification of the ECB’s monetary policy programmes and decisions in times of crisis. When the Eurozone economy is in trouble, there is more focus on the ECB’s actions and decisions. Furthermore, the qualitative content analysis of the presidents’ speeches shows that the legitimation strategies focus on the public and the ECB’s work, as well as related decisions, which was also the trend in the initial period of the COVID-19 crisis in 2020.

Conclusions

A general result of both the qualitative and quantitative content analyses of the article is that output legitimacy is a primary focus in the ECB’s rhetorical legitimation strategies in the period from 2009 to 2021, whereas it can be concluded that input legitimacy is not a significant focus. However, we have also shown that the references to throughput legitimacy increase in periods of crisis, but the number does not exceed the number of references to output legitimacy. This nuanced result is due to our fine-grained research design.

The legitimation strategies primarily contain references to the ECB’s performance, action and problem-solving capacity, of which in particular the results of monetary policy programmes and decisions, as well as the maintenance of price stability, are used to justify the institution’s mandate. Within the less dominant throughput legitimacy, there is similarly a focus on the purpose of maintaining price stability within the limits of the mandate and the independence of the central bank, which characterised the content of most references to the type of legitimacy.

The existing literature in this field of research derives an increased focus on the part of the ECB on promoting the legitimacy of the institution in the period from 2012 until the end of the Eurozone crisis. However, the type of legitimacy the legitimation strategies are based on has so far been uncertain. Here, our study supports the part of the literature that points to results, problem-solving ability and so forth, and therefore output legitimacy, as again in this period, there are most references to this. Thus, neither the qualitative nor the quantitative content analyses denote a shift in the ECB’s rhetorical legitimation strategies from the primary type of legitimacy promoted in the speeches published on the bank’s website from 2009 to 2021.

Also, changes can be deduced in the frequency of references to the types of legitimacy, especially in the period from 2012 to 2015 and again in 2020 and 2021, which can also be seen in relation to the crisis situation of the Eurozone economy and public criticism of the institution. Furthermore, there is a connection between parts of the content of the legitimation strategies during the first years of the Eurozone crisis and the first year of the COVID-19 crisis, where there are several references within the types of legitimacy,
involving the public, citizens’ expectations, needs and trust. A thorough analysis, as we have done in this article, will probably show the same trend in the current inflationary crisis. The trend discovered in the two former crises may even be stronger, because price stability is at the heart of the ECB’s area of responsibility.

The results and conclusions of the article contribute to the field of research with a new perspective on the ECB’s rhetorical legitimation strategies and developments during the Eurozone and COVID-19 crises by deriving output legitimacy as the primary type of legitimacy used throughout the period, as well as a correlation between times of crisis and frequency of references to the types of legitimacy of the institution’s rostrum. This is our contribution, and it settles many discussions in the area. Further research can use the results to examine how the different frequencies of references to the types of legitimacy and the content within are received by the citizens of the Eurozone and what effect the rhetorical legitimation strategies have on the level of legitimacy of the institution. In addition, the conclusion could be used to compare the ECB’s rhetorical legitimation strategies in the speeches with other communication platforms such as social media.

In general, our analysis has shown that the ECB is an institution characterised by both consistency and change in the period from 2009 through to 2021. There is consistency with regard to the dominance of output legitimacy, but there are ongoing changes when it comes to how often the card of output legitimacy, as well as other types of legitimacy, is played, especially in times of crisis.

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Supporting Information

Additional supporting information may be found online in the Supporting Information section at the end of the article.

Table A1. Selected research contributions regarding the ECB’s legitimacy and legitimation strategies.
Table A2. Examples of references to the legitimacy types.
Table A3. Most frequently used words within the three legitimacy types in the presidents’ speeches in the period from 2009 to 2020.
Table A4. Speeches published by the ECB from 2009 to 2020, divided by the function of the speaker.
Table A5. Portion of speeches with occurrences of the words within each legitimacy type by year.
Table A6. Portion of speeches with occurrences of the words within input legitimacy by year.
Table A7. Portion of speeches with occurrences of the words within throughput legitimacy by year.
Table A8. Portion of speeches with occurrences of the words within output legitimacy by year.