

TRUST IN EUROPEAN INSTITUTIONS: THE EUROPEAN CENTRAL BANK

The Eurobarometer is a survey conducted on behalf of the European Commission Directorate-General for Communication. It monitors the evolution of public opinion across the European member states over time. The survey is conducted twice a year (spring and autumn) and it covers the population of the European Union member states, more precisely, residents aged 15 years and over. The survey is carried out in 33 countries or territories: the 27 member states of the European Union and the five candidate countries (Croatia, the Former Yugoslav Republic of Macedonia, Turkey, Iceland and Montenegro).

Among other issues, the Eurobarometer indicates the confidence in national governments and parliaments and the European Union and its institutions, in particular, the European Commission, the European Parliament and the European Central Bank (ECB). Trust in institutions is determined by asking citizens the following question: “For each of the following European bodies, please tell me if you tend to trust it or not to trust it.” The respondent is then presented a range of European institutions (e.g., the ECB) and has three possible answers “Tend to trust”, “Tend not to trust”, and “Don’t know”. These country-specific trust levels are reported twice a year. With respect to the ECB data are available from 1999 up to present.

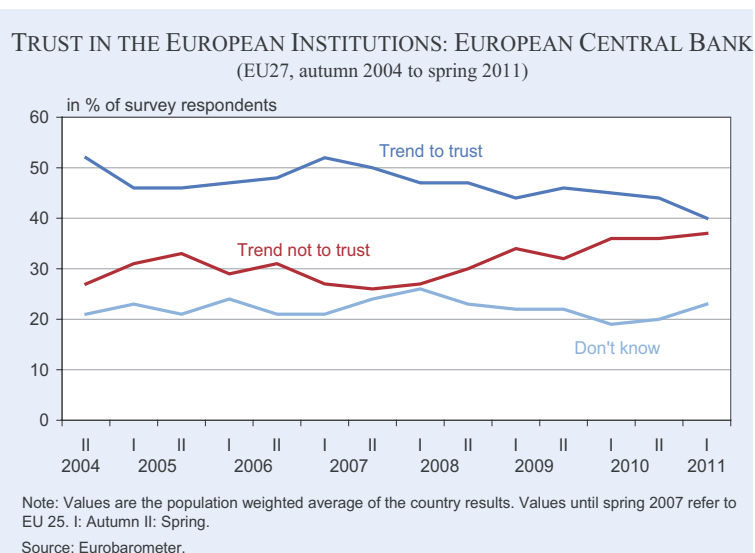
The Eurobarometer survey has enabled the measurement of significant movements in European public opinion since the start of the financial and economic crisis. As in the case of the European Parliament and the European Commission, trust in the ECB has been adversely affected by the financial crisis. As it is directly involved, the ECB has logically suffered even more. The corresponding level of trust has declined constantly over time from high levels of 50 percent in autumn 2008 to 40 percent in spring 2011, while distrust has increased by 16 per-

cent from 22 to 38 percent. The level of “Don’t know answers” remained roughly constant (Figure).

In spring 2011 the Eurobarometer indicated that trust in the ECB was the highest in Denmark (64 percent) and the Slovak Republic (61 percent) as in previous waves (Table). In Finland, which was among the most trustful countries in the past, the level decreased considerably to 55 percent. In Germany (47 percent), as in Italy (43 percent), a good majority continues to trust the ECB. In spring 2010, distrust outweighed trust in four out of the 27 EU member states (France, Greece, Latvia and the United Kingdom). One year later this has been the case in seven countries: Greece (24 percent tend to trust vs. 72 percent tend not to trust), the United Kingdom (22 percent vs. 46 percent), Spain (33 percent vs. 47 percent), Latvia (32 percent vs. 40 percent), France (33 percent vs. 38 percent), Ireland (36 percent vs. 40 percent) and Portugal (41 percent vs. 42 percent). It is worth mentioning that the ECB seems to be fairly well known in Greece nowadays which shows by far the lowest level of “Don’t know answers” (4 percent).

These data have been used in a number of studies. Fischer and Hahn (2008) have analyzed the determinants of citizens’ trust in the ECB during the start-up phase from 1999–2004 and concluded that higher inflation rates reduce trust. Roth, Lehmann-Nowak and Otter (2011) have studied the determinants of trust in the national institutions, the European Parliament and the European Commission. They have found evidence that in times of crisis, unemployment is most important determinant of trust.

Figure



Table

Trust in European institutions: The European Central Bank, spring 2011

	Tend to trust	Tend not to trust	Don't know
Austria	51	40	9
Belgium	57	33	10
Bulgaria	48	24	28
Cyprus	49	28	23
Czech Republic	51	36	13
Denmark	64	18	18
Estonia	56	22	22
Finland	55	27	18
France	33	38	29
Germany	47	39	14
Greece	24	72	4
Hungary	46	38	16
Ireland	36	40	24
Italy	43	34	23
Latvia	32	40	28
Lithuania	43	22	35
Luxembourg	61	24	15
Malta	44	19	37
Netherlands	59	27	14
Poland	40	27	33
Portugal	41	42	17
Romania	47	27	26
Slovak Republic	61	30	9
Slovenia	43	42	15
Spain	33	47	20
Sweden	55	27	18
United Kingdom	22	46	32
Croatia	40	42	18
Macedonia	46	23	31
Turkey	16	51	33
EU 27	40	38	22

Source: Eurobarometer 75, spring 2011.

Inflation seems to reduce citizens' trust only when the economy is running smoothly.

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References

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Roth, F., D. Gros and F. Nowak-Lehmann (2011), "Has the Financial Crisis Eroded Citizen's Trust in the European Central Bank? Evidence from 1999–2010", CEPS Working Document.