

ECB Central Bank Communications Conference,

“Communications challenges for policy effectiveness, accountability and reputation”

Opening remarks

by Christine Graeff,

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Ladies and gentlemen,

A very warm welcome to the European Central Bank to all of you, here at our ECB Central Bank Communications Conference. We are delighted to see so many colleagues and friends from the central banking world, academia, the communications profession and the media.

“Central bank communication is right at the heart of monetary policy. It is actually a monetary policy tool in itself” – in the [words](#) of President Draghi.

Your presence here today and your interest in this theme further underscores its importance.

Of course, this is not the first conference on central bank communications; academia, markets and experts have long tackled the topic before. Most of those looked at it from an economics perspective, focusing on commitment, signalling, credibility and effectiveness.

Why this conference is novel

With this conference, we decided to take a more comprehensive and interdisciplinary approach, which we think is both novel but also essential. I am delighted that we managed to bring together high-profile speakers from the entire central bank communications chain:

- from the central banks at the sending end,
- all the way to the public and the financial markets at the receiving end;
- and from what happens *in-between*: commentators, economists, analysts, journalists and so on.

By broadening the horizon beyond the traditional focus – that central banks should “say what they do; and do what they say” –, we want to also shed light on the interactive, dynamic and evolving process *between* both ends, specifically:

- look into how messages are perceived, interpreted, framed, contextualised and translated in many different ways;
- explore the feedback mechanisms involved;
- discuss communication as a two-way street – for it is not only about talking, but also about genuine listening.

One part of this ongoing evolution concerns the potentially revolutionising impact of technology in transforming the traditional information hierarchy, between leaders and the public.

We will have the opportunity to hear first-hand about the evolution, opportunities, challenges and prospects of central bank communications from each link in the chain:

- central bank policy-makers and communicators who craft and deliver messages,
- media, analysts and commentators who assess, frame and transmit these messages;
- market participants who are trying to interpret what they perceive,
- academics who provide insights from their study of these processes, and
- politicians who represent the people and ultimately hold central banks to account.

Framing the conference sessions

Let me briefly outline how the various conference sessions all connect:

First, we wanted to discuss **why** central banks communicate: Communication (i) as a means to policy effectiveness and reputation, (ii) to ensure central bank accountability, and (iii) as a two-way dialogue that helps rebuild trust and reinforces public support for central bank independence.

Second, we wanted to look at **what** central banks are communicating. We will be discussing the quantity and quality of central bank communication and the clarity of message – the so-called signal-to-noise ratio. We will be debating transparency, and potential limits to it. Is the “see-through” central banker the ultimate end of that journey, and what would that imply?

Third, we will be looking at the **how** of central bank communications: How well-intended guidance is offering orientation for markets and the general public, or whether it might lead to over-reliance on the central bank’s assessments and announcements. How the traditional focus of central bank communication on a narrow group of specialists sits with a fast-changing, more polarised and participatory communications landscape, especially online.

How to “get through” with our communications, how to listen and engage beyond our comfort zone, so as to rebuild the public’s trust in expert institutions such as central banks.

It is a particular privilege that we have the governors of the major central banks here to discuss with us the very real challenges and opportunities of communication, as they see them. They are not only at the heart of deciding on policy, but also in the frontline of communicating policy to the outside world, as the public faces of their institutions.

Conclusion

In my profession, we generally tend to say “*it’s all about communications*”. I am delighted that this will be true for all of us, at least for the coming day and a half.

I would not be surprised if, at the end of this conference, we concluded that there is so much more to reflect upon and debate further on this fast-changing subject, and that this conversation should be continued, at a future conference.

On this note, let me conclude by wishing all of us an insightful and exciting conference.

Thank you very much.