

Jürgen Stark: Short address at the opening ceremony for the “Language of Money” exhibition

Speech by Mr Jürgen Stark, Member of the Executive Board of the European Central Bank, at the Museum für Kommunikation, Berlin, 24 September 2009.

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Ladies and gentlemen, distinguished ambassadors and members of parliament, I am delighted to be here with you in these wonderful premises of the Museum für Kommunikation in Berlin, the oldest former postal museum in the world, and to be able to open the “Language of Money” exhibition.

It is with great pleasure that President Trichet acts on behalf of the European Central Bank as a patron of the “Language of Money” exhibition and he deeply regrets not being able to attend today’s opening ceremony in person.

The European Central Bank appreciates and supports activities aimed at educating the public in financial and economic matters and the exhibition which we will see tonight contributes to this goal. It explains the different forms that money took in past societies and the role of money nowadays.

The language of money added a new word to its vocabulary in December 1995 and this new word was the euro. You might recall the debate that was had at the time – the name “ECU” did not sound particularly good in German while, for the French, it was the name of an ancient coin. It was decided that choosing the word euro ought to favour no language in particular. This created a solid foundation for the new currency. However, not only the “professional euro-sceptics”, but many others too would not have predicted that the euro would be such a success.

The euro came into being on 1 January 1999 and it is now the currency in 16 Member States of the European Union. With the creation of the euro, it became clear that a currency could represent a decisive step on the long path towards an ever closer union among the peoples of Europe.

Since the euro’s introduction, Europeans have benefited from price stability. This is a great success story. The maintenance of price stability, which constitutes the primary goal of the ECB, benefits all citizens of the euro area directly. It protects income and savings, and helps reduce borrowing costs, thus promoting investment and economic growth, which are prerequisites for job creation and prosperity. In recent months, we have seen another of the euro’s benefits during the financial crisis. The euro protected the euro area from internal exchange rate tensions as well as from political ones, as it had done on previous occasions.

As the euro banknotes and coins were introduced on 1 January 2002, they became one of the most tangible symbols of Europe. The euro has quickly become an integral part of the everyday lives of citizens within the euro area and it is now used by almost 330 million Europeans on a daily basis. Some 12.5 billion euro banknotes are currently in circulation in Europe and beyond, with a total face value of more than €750 billion. Today, the euro is an internationally accepted currency. People have confidence in the euro – confidence that others accept the currency, that this money is “valid” and that its stability will be sustained over the long term. This confidence is crucial for a currency to thrive.

These days, with the euro as our currency, we hardly give a thought to how much it has changed our everyday lives; we can travel without paying a commission to exchange money within the euro area or transfer money within this area and pay the same fee as for a national transfer. In all euro area countries, we can simply hand over some cash or give the cashier a payment card or have the amount due transferred from our bank account to another account with one click of a mouse. However, we should not forget that it has not always been this

easy. In this respect, the exhibition is a worthwhile attempt to make people more familiar with the language of money, as money is an integral part of our society.

The importance of money in the modern economy is such that it is crucial to be proactive in educating all citizens about how to deal with their own financial affairs in a responsible and cautious manner. This exhibition explains the various forms that money can take.

I should also like to take this opportunity to highlight the fruitful cooperation between the European Central Bank and the Museum für Kommunikation which has given the ECB the opportunity to display its “Euro Exhibition” in the museum’s premises from 20 November 2009 until 17 January 2010. I do not want to reveal too many details at this stage, but, as you may have a chance to discover for yourselves later this year, the “Euro Exhibition” features a common theme that will naturally complement the exhibition on the “Language of Money”. It will tell you all about the euro banknotes and how to detect counterfeits in an interactive and entertaining manner. You will be able to learn how the euro aids communication and connection between the people in Europe and the rest of the world. I should therefore like to warmly invite you to this exhibition, which opens on 20 November here at the Museum für Kommunikation in Berlin, before it continues its journey around Europe, having already been shown in Italy, Slovakia and Spain.

I should like to take this opportunity to wish you a very enjoyable and informative experience during your visit to the “Language of Money” exhibition and to once again congratulate the Museum für Kommunikation in Berlin on this valuable initiative.