

Ardian Fullani: Bank of Albania exhibition – “The currency and financial literacy through it”

Speech by Mr Ardian Fullani, Governor of the Bank of Albania, at the opening ceremony of the exhibition of the Bank of Albania, Tirana, 4 October 2013.

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Dear Mr Speaker of Parliament,

Dear participants,

In pursuit of alternatives to present the 100-year journey of central banking, the Bank of Albania opens today an exhibition on “The currency and financial literacy through it”. ***The consolidation history of the state and the currency shows they have walked hand in hand over the centuries.*** We are all aware of the importance of currency in everyday events of our civilisation. Cash, lek, franc, ecu, euro, dollar... instruments. Call it as you wish. Money is important! It is important not only for its functions to pay, save, or deposit, but also as an historical and artistic legacy of a nation’s journey through the centuries. To the religious, love for money was the root of all evil. To generals, it was the strongest weapon in the battlefield. To revolutionaries, it represented shackles on the workers wrists. What is money, after all? A mountain of silver, a ceramic tablet, or a piece of paper? How did it evolve into its present-day form, when we seldom see physical money? More often than not, a set of digits on computer screens? Where does money come from and how did it evolve? As you will shortly see in the displays, this exhibition seeks to give an answer to these questions in a comprehensive language for all of us. Above all, however, it commemorates an important date in history.

The opening date for the exhibition “... The bank for Albania is a second victory, after freedom...” is 4 October 2013. Today 100 years ago, on behalf of the Provisional Government of Albania, Ismail Qemal Bey Vlora signed the first concession agreement on establishing an Albanian national bank. At the opening of this exhibition, I feel happy and excited at the same time, not only as the Governor of the Central Bank, but also as an Albanian citizen. The exhibition brings to the fore for the Albanian public one of the meritable contributions of the father of the country’s Independence, placing him on the pedestal he rightfully earned through the activity and vision of a real statesman.

The history tells us that central banking was not built in a day. It did not come into being following a specific event; neither was it a by-product of an accident. Central banking developed as a need of the countries to have an institution that would create and guarantee the supply of the economy with money.

It followed the need to fill the treasuries of the kingdoms, which were emptied to fund military campaigns to expand their territories and colonies, to absorb the economic and financial crises shocks, and restore the economy to equilibrium.

Against this backdrop, the Albanian central banking has a different story to tell. The wise man Ismail Qemali conceived the idea of a central bank based on the principle of freedom, which the Albanians had been longing for in centuries. At the inauguration of the bank, he would say: “I say, for Albania, the bank is a second victory, after freedom, both in economic and political terms.”

Whenever I read these words, I understand how simply Ismail Qemali managed to synthesise the necessity to consolidate the infant independence with a solid financial basis for a prosperous society. Ismail Qemali envisioned the bank as a financial institution that would give life to economic development and stabilization of the newly-independent state of Albania.

It is not a coincidence that in his speech, a few days after the signing of the concession agreement establishing the National Bank of Albania, **Ismail Qemali said**: “From the day Albania was fortunate to become a state among other Balkan and European peers, it is entitled to have one and even more banks to ensure both overall credit as a nation, and individual credit for each Albanian citizen.”

His visionary words are still relevant today. I am proud today, a hundred years later, that thanks to endless efforts we have a modern central bank that has the trust of the public and is capable to fulfil its mandate: price stability and financial stability. During the past twenty years, many women and men, mothers and fathers, young ladies and young gentlemen, or grandchildren of the first professionals, have contributed and continue to contribute wholeheartedly to the life of the modern and successful institution of the Bank of Albania. The characteristics of their work and contribution may be summarised in three simple words: dedication, professionalism, and integrity.

I take this opportunity to thank the staff members of the Bank of Albania for their work insofar, and express my confidence that their dedication will continue to be unlimited in the future as well.

The last economic and financial crisis showed that the role of central banks is essential to ensuring a country's stability and prosperity. I am certain the Bank of Albania has accomplished its mission with professionalism providing a stable environment, especially with regard to banking system stability. This, however, is not accidental. Not wanting to repeat myself, I have to restate that the Bank of Albania has been vigilant, monitoring scrupulously the financial soundness of the system, both before and after the onset of the crisis.

With professionalism, dedication and farsightedness, we have succeeded in consolidating the independence of the institution, thanks to constant communication with all market actors, upholding the “independence-accountability” principle. Transparency is the basis of decision-making in the field of monetary policy and financial stability. Our effort to inject rational optimism with regard to the behaviour of economic agents has been in the synthesis of our stance throughout the difficult period that the global crisis has imposed on us.

Looking ahead, I believe it is indispensable for this spirit to be embraced and transmitted to the economy by all policymakers, economic agents, financial market, including the members of the public. The gist of this philosophy consists in comprehensive structural reforms that would accelerate our progress towards sustainable long-term development of the country.

Dear participants,

The Albanian central banking needs a date of birth. This date provides the opportunity to honour the efforts of the fathers of the nation to establish a central bank and consolidate the Albanian state; commemorate the efforts of all contributors to the development and promotion of this institution; and look at future challenges and find ways to face them. The Bank of Albania will continue to be a responsible and reliable actor, to accomplish its legal mission and support the country's sustainable development.

This first centennial of central banking in Albania is a good omen for all of us.