

## Mark Carney: The New Fiver

Opening remarks by Mr Mark Carney, Governor of the Bank of England and Chairman of the Financial Stability Board, at the £5 note launch, Blenheim Palace, Oxfordshire, 2 June 2016.

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I would like to express my gratitude to his grace, the Duke of Marlborough, for his generosity in hosting this historic event at one of the nation's greatest architectural treasures.

On September 3rd 1939, with *The Gathering Storm* about to break, a new First Lord of the Admiralty was appointed. He was so familiar to the Navy that the signal to the Fleet said simply: "Winston is Back."

In the years that followed, Britain's resolve, tenacity and spirit would all be tested. The nation proved more than equal to the task.

Britain stood steadfast through its *Finest Hour*. In North Africa, Asia and the Balkans, the United Kingdom helped turn the *Hinge of Fate*. It would forge *The Grand Alliance* to liberate Europe from tyranny, and then with victory, set the vision for the reconstruction of the post-war era.

The "bulldog spirit" of those years was embodied and emboldened by Winston Churchill. This spirit is just one of his many contributions that the Bank commemorates with The New Fiver.

Churchill was not just a martial leader – though he was an exceptional one – he was also one of the greatest statesmen of all time.

### Blenheim

Great statesmen know their history, and Churchill knew more than most. Indeed, the author of the *Life and Times of Marlborough* would likely have approved of this choice of venue for today's launch.

After all, Blenheim Palace was built as a gift to the first Duke of Marlborough, John Churchill, in recognition for his leadership of the Allied forces to victory in the Battle of Blenheim in 1704 – a victory that would decisively turn the War of Spanish Succession. Winston Churchill was born here in 1874 and proposed to his wife, Clementine Hozier, on these grounds in 1908.

### Banknote character

Winston Churchill will replace Elizabeth Fry, the prison reformer, on the Fiver from September of this year. The new £5 note will in due course sit alongside the new £10, which will feature Jane Austen, the new £20, which celebrates JMW Turner, and the existing £50 which profiles Boulton and Watt.

Individuals who symbolise the breadth and depth of British achievement across statecraft, social reform, literature, visual arts, science and commerce.

This demonstrates that our banknotes do not just have economic value – the classic roles of money to facilitate trade, store value, and provide a unit of account. Banknotes have cultural value as well.

By depicting characters on our banknotes, we celebrate those who have advanced British thought, spurred innovation, shown exceptional leadership, shaped this diverse society and forged its common values.

In these regards, money is memory for a country and its people.

I have already alluded to why Churchill is a worthy choice. Were that in doubt, consider that, in 2002, Churchill was voted “the greatest ever Briton” in a BBC poll. Or that he continues to command vast international recognition as a hero of the free world.

Churchill’s contributions extended beyond his pivotal roles in the nation’s martial and political histories. He is the only British Prime Minister to have won the Nobel Prize in literature. He was a prodigious painter, and, perhaps thankfully, the only Prime Minister to enter the music charts.

The wisdom of his witticisms is legion, extending as far as the dismal science. Central bank forecasters can identify closely with his advice that, “it is a much better policy to prophesy after the event has already taken place.”

## **Polymer**

But in some prophecies we can be confident: for example that our new polymer banknotes, of which The New Fiver is the first, will stand the test of time.

Polymer marks a major innovation. It is cleaner, safer, and stronger.

It is resistant to dirt and moisture, so the note won’t wear out as quickly as the current fivers but will stay in good condition for longer.

It is stronger than paper and can better withstand being repeatedly folded into wallets or crunched up inside pockets. Polymer notes can survive a splash of Claret, a flick of cigar ash, the nip of a bulldog, and even a spin in the washing machine afterwards to boot.

This added strength means we expect polymer notes to last at least two-and-a-half times longer than the current generation of £5 banknotes, generating cost savings over time.

Polymer notes are also better for the environment. Because they will last longer, we will have to print fewer. That means less energy in production and transportation. And when a polymer banknote has reached the end of its useful life, it will be recycled.

Importantly, using polymer means we can incorporate better security features. It allows for see-through panels, coloured foils, detailed metallic images, and a new advance: tactile features. In fact, I can announce today that tactile features will be present on all the other denomination polymer notes, leaving The New Fiver identifiable by their absence. This all means safer banknotes, with the tactile feature helping the visually impaired to recognise our different notes, ensuring the nation’s money is as inclusive as possible.

By adopting polymer, we’re aligning with international best practice, alongside Australia, New Zealand, and Canada. As Churchill did, we may have to wait a while for the Americans to join up.

We have exploited polymer’s possibilities in The New Fiver’s design. It features Churchill’s portrait, captured in Ottawa by Yousuf Karsh. The famous glower of the war-time hero prompted, in this case, by the photographer’s decision to take Churchill’s cigar away from him.<sup>1</sup>

Behind the portrait is an illustration of the Houses of Parliament by Abigail Daker, viewed from the South Bank, looking across Westminster Bridge. The hands on the Great Clock on Big Ben are set to the time on 13 May 1940 when Churchill made his inaugural speech to the House of Commons as Prime Minister.

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<sup>1</sup> Karsh described taking the photograph thus: “I stepped toward him and without premeditation, but ever so respectfully, I said, ‘Forgive me, Sir’ and plucked the cigar out of his mouth. By the time I got back to my camera, he looked so belligerent he could have devoured me. It was at that instant I took the photograph. The silence was deafening. Then Mr Churchill, smiling benignly, said, ‘You may take another one.’ He walked toward me, shook my hand and said, ‘You can even make a roaring lion stand still to be photographed.’”

His declaration then – “I have nothing to offer but blood, toil, tears and sweat” – is quoted beneath the portrait.

Let’s take a look at some of these features with a video.

## **Conclusion**

“A gigantic historical figure during his own lifetime, superhumanly bold, strong, and imaginative, one of the two greatest men of action his nation has produced, an orator of prodigious powers, the saviour of his country, a legendary hero who belongs to myth as much as to reality, the largest human being of our time.” This was the judgment of his contemporary, the philosopher and historian Isaiah Berlin.

Churchill himself said that “a nation that forgets its past has no future.”

Our banknotes are testaments to the outstanding achievements of the nation’s greatest individuals; they are repositories of the United Kingdom’s collective memory. That contribution will continue with the new £5, which brings together the future, in the form of polymer and the most advanced security features yet, and Britain’s glorious history, in the achievements of Sir Winston Leonard Spencer Churchill.