

Carl-Ludwig Thiele: Welcome remarks - International Cash Conference 2017

Welcome remarks by Mr Carl-Ludwig Thiele, Member of the Executive Board of the Deutsche Bundesbank, at the International Cash Conference 2017, Island of Mainau, 24 April 2017.

* * *

Ladies and gentlemen

I would like to extend to you a very warm welcome to our third international cash conference here on beautiful Island of Mainau. I am delighted that all of you have come, some from very far away, to attend and shape this exciting conference. I hope that you all had a pleasant trip to Lake Constance.

As the Bundesbank Executive Board member responsible for cash and cashless payments, I am pleased to see the great interest with which the topic of cash is apparently being greeted.

I recall some of you from the previous conferences or from other events, and it is nice to see you back here again. But those of you who are attending our cash conference for the first time are equally deserving of a warm welcome. I am looking forward to fruitful and animated discussions of highly topical issues relating to cash.

Academic interest in cash seems to be mounting, as is being evidenced by the increasing attendance at this conference or also the number of research papers that will be presented here. The format of this conference, designed to promote exchange not only between researchers specialising in cash but also between academics and central banks, appears to be becoming increasingly established in academic circles and is growing ever more popular.

Following the 2014 cash conference, the main theme of which was "The usage, costs and benefits of cash", for this year's conference we would like to focus on the "War on Cash" and, in the process, discuss the question of whether cash has a future. The "War on Cash" has gone from being a purely academic matter some years ago to a topic of general public debate. In the debate, cash, a topic with many facets which is, to some degree, highly emotionally charged, is coming under repeated criticism. Its detractors refer to it as inefficient, expensive and a tool for facilitating illicit transactions. They also see cash as impairing the effect of certain monetary policy measures since it prevents extremely negative interest rates from being simply enforced at the drop of a hat. Some opponents of cash – including heavyweights in the field – are calling for limits on cash payments or even for cash to be abolished altogether. It is certainly no secret that we, the Deutsche Bundesbank, are critical of many of the demands currently being voiced. In this context, it is a great honour for us to be able to present to you Mr Peter Sands and Professor Friedrich Schneider as the keynote speakers at this year's conference. Whereas Mr Sands' main areas of research are banks and financial markets, Professor Schneider has made a name for himself as an expert on the shadow economy. Mr Sands will kick off the conference by discussing "The dark side of cash". Professor Schneider will follow by taking a critical look at the question of whether abolishing cash is an efficient instrument in the war against the shadow economy, crime and terrorism. Following these two speeches, our two keynote speakers will take part in a panel debate on the future of cash. I am already eagerly looking forward to the clash of views and opinions we will be likely to hear.

Even after this morning's proceedings, which will already be very exciting and informative, the rest of our programme for this year's conference will once again rest on a broad basis. This year, we received so many high-quality papers that we have decided to conduct the conference in two parallel sessions. This enables us to look not only at the components and motives of cash demand but also payment behaviour. In addition, cash experts will speak on restrictions on cash

payments and on the theme of our conference, the “War on Cash”.

I would additionally like to welcome the delegates from Austria, our guest of honour at this year’s conference. At this juncture, I would like to thank you for your willingness to contribute talks on trends in cash usage and on technical innovations in cash processing to our third cash conference.

It is precisely in questions concerning cash usage patterns or also the motives behind the demand for cash where, in my opinion, cultural differences are especially important. This is why I am pleased once again to be able to present you with a large number of speakers from a wide array of countries. These talks on cash-related themes will be delivered by leading experts from Japan, India and Europe, but also the United States and Canada. This international variety is a hallmark of our research conference.

I don’t want to keep you on tenterhooks so I will now hand over to the Head of the Bundesbank’s Directorate General Cash Management and the chair of the first session, Stefan Hardt. I hope we all have a fruitful conference from which everyone will hopefully come away having learned something new, and I am looking forward to the many interesting speeches. Mr Hardt, the floor is yours.