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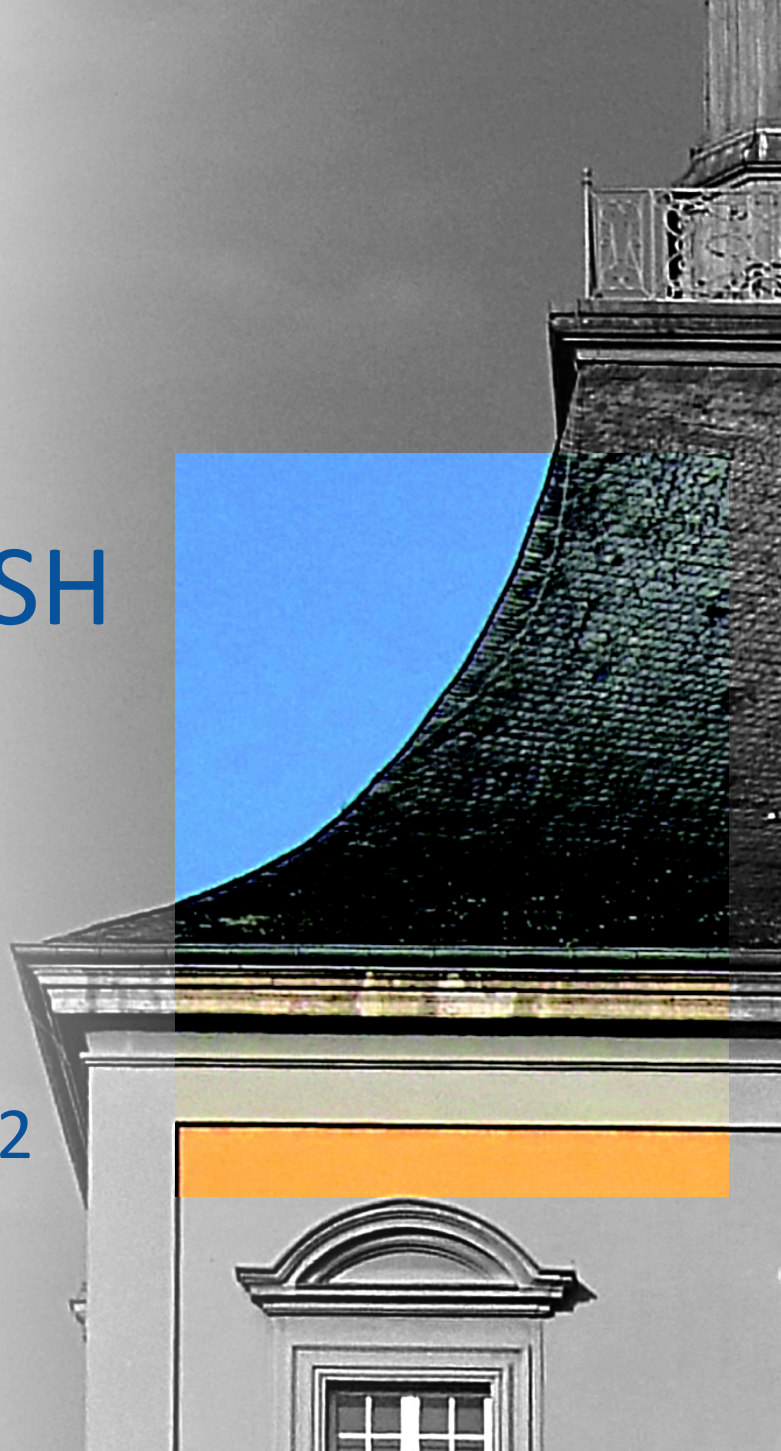
THE VALUE OF CASH

MORE THAN ‘DIRTY MONEY‘

37TH ESTA CONFERENCE 2022

CASH IS CLEAN!



17.5.2022

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THE VALUE OF CASH – MORE THAN DIRTY MONEY

Sources: Jumas.de; Pixers.de/Patrick Poendl

1. A Look at the Law
2. The Case Against Cash
3. Tipping the Scales
4. Conclusion

1. A LOOK AT THE LAW

Art. 128 § 1 TFEU

The European Central Bank shall have the exclusive right to authorise the issue of euro banknotes within the Union.

[…] The banknotes […] shall be the only such notes to have the status of legal tender within the Union.

1. A LOOK AT THE LAW

- Legal Tender
- ECJ, January 2021:

- means of payment cannot generally be refused in settlement of a debt denominated in the same currency unit, at its full face value, with the effect of discharging the debt.
- calls only for acceptance in principle of banknotes […], not for absolute acceptance.
- precludes the adoption of a national rule the object or effect of which is to abolish, in law or in fact, cash in euro […].
- may, in principle, be restricted by the Member States for reasons of public interest.
- such restrictions must be proportionate to the public interest objective pursued.

1. A LOOK AT THE LAW

- principle of proportionality
- appropriate for attaining the legitimate objectives pursued
- do not go beyond what is necessary in order to achieve those objectives
- e.g.: unreasonable expense which would prevent cost-effective service

The Case against Cash

- Hygiene
- Money Laundering
- Terrorism Financing
- Monetary Policy
- Digitalisation

Source: depositphotos.com

3. TIPPING THE SCALES: THE CASE FOR CASH

The Case for Cash

- Central Bank Money
- Fundamental Rights: EU-Charter, 18.12.2000
- Right to Privacy: Artt. 7, 8
- Right to Property: Art. 17
- Proportionality: Art. 52 § 1

3. TIPPING THE SCALES: ALTERNATIVES

Alternatives ≠ Replacements

- Cashless Payments?
- Crypto Currencies?
- Digital Euro?

→ Liberty: Choice

4. CONCLUSION

Cash is coined liberty.

≈ F. M. Dostoevsky,

Notes from a Dead House, 1862

Source: dreamstime.com/Kanvag

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Thank you very much for your attention!

FnG Forschungskolleg normative Gesellschaftsgrundlagen

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