

The politics of safe money

In 2016, Parliament of the Netherlands considered *that we want to give the Dutch the choice to be able to save at an institution that keeps the money purely for them digitally*. It believed that citizens should be given the opportunity to hold money in their account without providing it as financing to a bank ([A safe-haven for book-entry money](#)).

Following a unanimous parliamentary vote in favour of *safe accounts*, a study was conducted by the Scientific Council for Government Policy (WRR). It advised the government of the Netherlands to introduce a safe alternative to the bank account:

“(...) creating a safe alternative can contribute to a more stable system. The fact that one has an alternative will have a disciplinary effect on the existing banks. It will force banks to finance more responsibly, with more equity (capital) and long-term debt. In this way, the creation of money and debt by commercial banks is also better contained.” ([Scenario for a Modern Jubilee](#)).

Full reserve banking – Safe account – Public depository

In 2016 the focus was on (non-profit) full reserve banking. In 2019 we improved the story and started to talk about *personal safe accounts* held at a *public depository*. Personal safe accounts are issued by a public depository and accessed via a payment service provider of choice.

*The safe account is personal. The holder takes it to his payment service provider of choice. An ING customer places his safe account in his ING payment environment. However, he can also choose to transfer the same account to another bank or a different type of payment service provider. He can also decide not to allow any commercial payment service provider access to his safe account. He then manages it from the digital environment that the public depository provides. The holder of the safe account determines who has access to his payment data, and for what purposes this data can be used.*¹

The debate is on

In 2020 the debate continued. The Netherlands Central Bank (DNB) published a [report on CBDC](#) and Parliament voted again in favour of safe accounts. The ECB also issued a [report on CBDC](#), which was [warmly welcomed](#) by the Dutch government

Edgar will discuss the current status of the political debate in the Netherlands, and the interests at stake.

¹ [A personal safe account for everyone.](#)