

"Kronberg" Monetary Conference: the history

From the very first years of its existence, ELEC showed for the monetary aspects of European integration a keen interest which remained unabated ever since ¹. The first working commission to be set up was its monetary commission, whose members were Belgian, British, Dutch, French and Italian experts and which issued the first pamphlet to be published by ELEC in 1949, entitled "*Un système de convertibilité des monnaies européennes entre elles*".

The founding of the German section of ELEC in 1950, chaired by the banker Hermann J. Abs, turned out to be instrumental for the future operation of the Monetary Commission. Indeed, on the 14th of July, 1956, it convened in Kronberg (north of Frankfurt), at Deutsche Bank's invitation and under Herr Abs' presidency, in order to examine the monetary conditions of the common market. This meeting of the Monetary Commission at the *Schlosshotel* in Kronberg was to be the first in a long series of yearly gatherings at this same location, stretching almost without interruption for more than half a century.

The format that became established for such meetings was the following:

- participants, numbering between 60 and 70, were personally invited by Deutsche Bank on account of their competence in monetary and financial matters, after being selected on lists of names proposed by ELEC's national sections;
- meetings were held in the fall season, generally in November, and started with the Friday luncheon to end up with the Saturday lunch;
- the programme, drawn up by Deutsche Bank, included two working sessions on Friday afternoon and one on Saturday morning, each comprising a presentation by a - generally prestigious - speaker ² invited by Deutsche Bank, followed by a debate open to all participants, the language of the meeting being English;
- Deutsche Bank took over the costs of the meeting rooms, expenses for the speakers' travel and board (at the *Schlosshotel*), as well as the costs of the meals (Friday lunch and dinner and Saturday lunch) whose menus, having once and for all been fixed by Herr Abs, gave those meetings the appearance of an immutable ritual.

On account of this annual pilgrimage to Kronberg which became its principal activity, ELEC's monetary commission operated less and less like its other working commissions, and the November meeting was in fact a monetary and financial conference.

This is the reason why a "Monetary Panel" was created in 1969 and originally chaired by Kredietbank President Luc Wauters: the Panel was a core group of ELEC experts whose work, elaborated over several meetings each year, was from then on to stimulate the reflections and nourish the discussions of the "Monetary Commission".

¹ One can find in the book that historians Michel Dumoulin and Anne-Marie Dutrieux devoted to "*La Ligue Européenne de Coopération Economique (1946-1981)*" a detailed account of the successive manifestations of this interest: its sixth and last chapter (pp. 207-255) deals with "*La LECE face aux questions monétaires (1949-1981)*".

² Thus came as speakers to Kronberg presidents of big European banks, central bank governors, European commissioners and high officials, influential members of the European Parliament, members of the board of the European Central Bank... ECB President Jean-Claude Trichet in person took part as a speaker in 3 out of the latest 4 "Kronberg" meetings.

In November 2007, Deutsche Bank hosted for the last time the meeting of the Monetary Commission in Kronberg. Nevertheless, ELEC decided to maintain this tradition by asking other important European banks to take over this function on a rotating basis and to host, according to a format close to the Kronberg one, this periodic gathering of its members cognizant in monetary and financial matters. At the same time it decided, in order to eliminate a source of frequent confusion, to reserve the name "Monetary Commission" for what was until then the Monetary Panel and *de facto* functioned as a working commission, and to christen "ELEC monetary and financial conference" the Kronberg-type meetings.

Thus, on the 5th and 6th of March 2009 the ING Group received ELEC in Amsterdam for a conference which, according to all participants, did honour to the Kronberg tradition by the quality of the hospitality, the excellence of the speakers ³ and the interest of the discussions. Comforted by this success, ING has decided to host again in 2011 the next "ELEC Monetary and Financial Conference".

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³ Jacques de Larosière, Jean-Claude Trichet, as well as the president of the Dutch central bank Nout Wellink and the president of the *Committee of Banking Supervisors* Kerstin af Jochnick.