

The ABCs of Communication and Education: *The Power of Using Plain Language*

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- *“A successful central bank should be boring — rather like a referee whose success is judged by how little his or her decisions intrude into the game itself.”*
- — Mervyn King, 2000



WANT TO BE BORING?

Pan Zdražení: Lze se ho zbavit?

Zasáhnout může prezident, ale... Šéfa ČNB chrání plno zákonů

PRAHA - Může oslabení koruny, které Čechům zdražilo skoro všechno, zlomit vaz guvernérovi ČNB Miroslavu Singerovi (45)? Nemůže. Jako nadčlověka jej totiž chrání česká a evropské zákony. Text: Vladimír Barák

Šéf ČNB Miroslav Singer je ve vatě • Má bydlení v zahraničí • Přistříhnu mu křídýlka za mnoho milionů i vinice



Jak si žije ten, co nám všechno zdražil

PRAHA - Guverner ČNB Miroslav Singer (45), který poslal korunu ke dnu, sám žije na vysoké noze! Blesk zjišťuje, jak si žije. Text: Vladimír Barák

Zdražili Čechům celý život S výmluvou na levné dovolené

LŽOU nám!

Kritika Singera a spol. z ČNB

Češi si užívali levných dovolených u moře a v Alpách. Česká národní banka se dostala do ztráty! Aby jí pomohl, guverner Singer hodnotí...

Luxusní pracovna guvernéra České národní banky Odsud hlídá české miliardy!

PRAHA (ex) - Po ministru financí je nejdůležitějším mužem českých financí. Jako jeden z mála lidí má klíče k trezorům, kde jsou poslední zbytky státního pokladu. Sedí v kanceláři guvernéra České národní banky Miroslava Singera. Časné národní banky Miroslava Singera. Časné národní banky Miroslava Singera.



Pane Singere, kdo lže, ten...

PRAHA - Jezdili jste moc do Alp a k moři! Tak svérázně vysvětlovala Česká národní banka, proč skončila se ztrátou hodně přes sto miliard. Jenže tenhle důvod není pravdivý!

At' si zkusí vyžít z 10 000!

Co říkáte na krok ČNB, oslabením kterým potopila českou měnu?

Čeští turisté za první čtvrtinu 2013... Právě teď... Právě teď... Právě teď...

- *“... the central bank could ... speak less often and make each speech count by delivering a more focused, cohesive and concise message.”*
- — Federal Reserve Bank of Dallas, Economic Letter, 2016

- *“It’s high time that central banks ... cease viewing words as scarce commodities to be given only grudgingly.”*
- — Alan S. Blinder, Princeton University, 2017

- *“Maybe, instead of insisting that people listen more closely, you could speak more clearly.”*
- — Seth Godin, marketing guru, 2018

The ABCs...

A

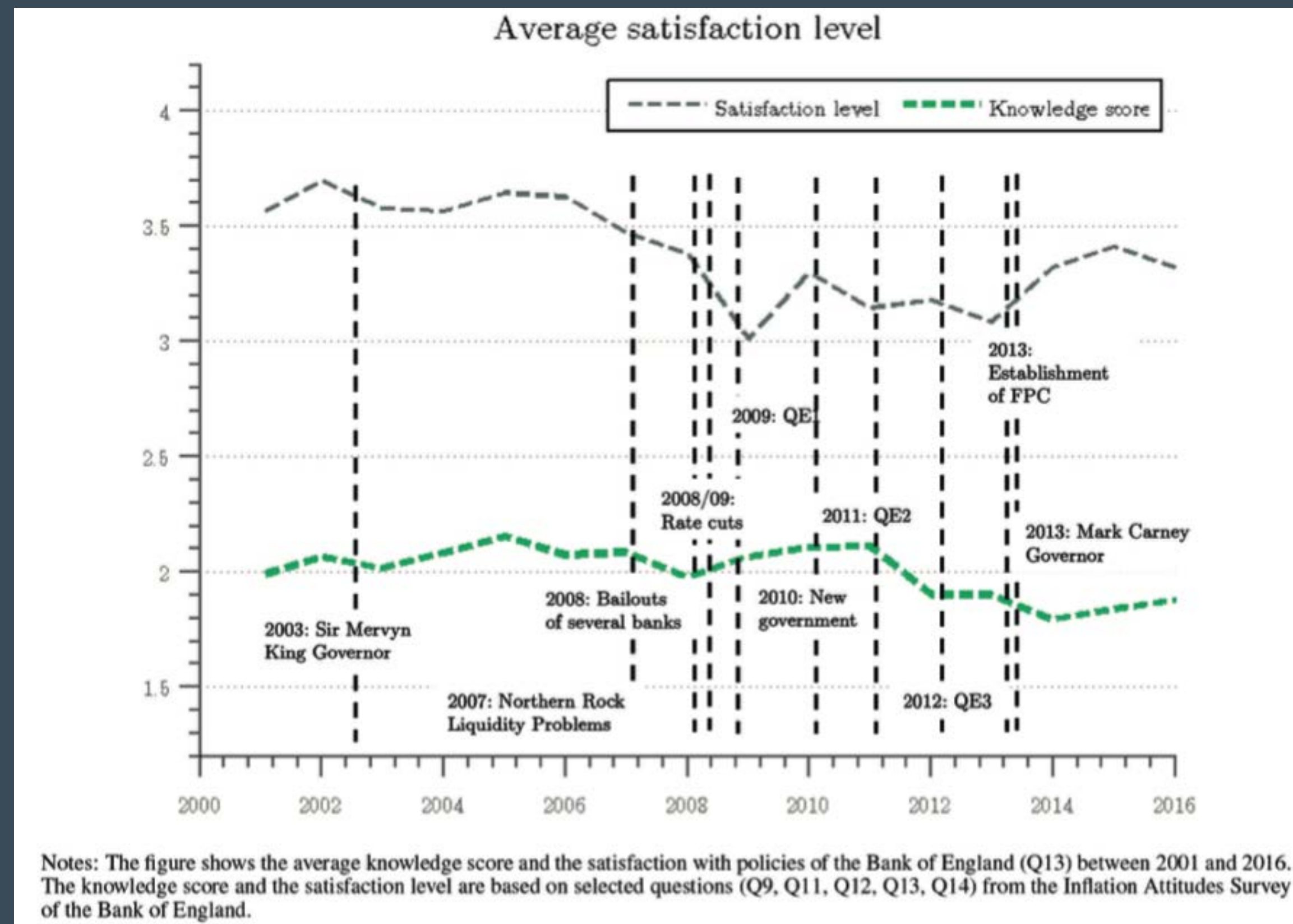
AMUSE

B

BOOST

C

CONVERSE

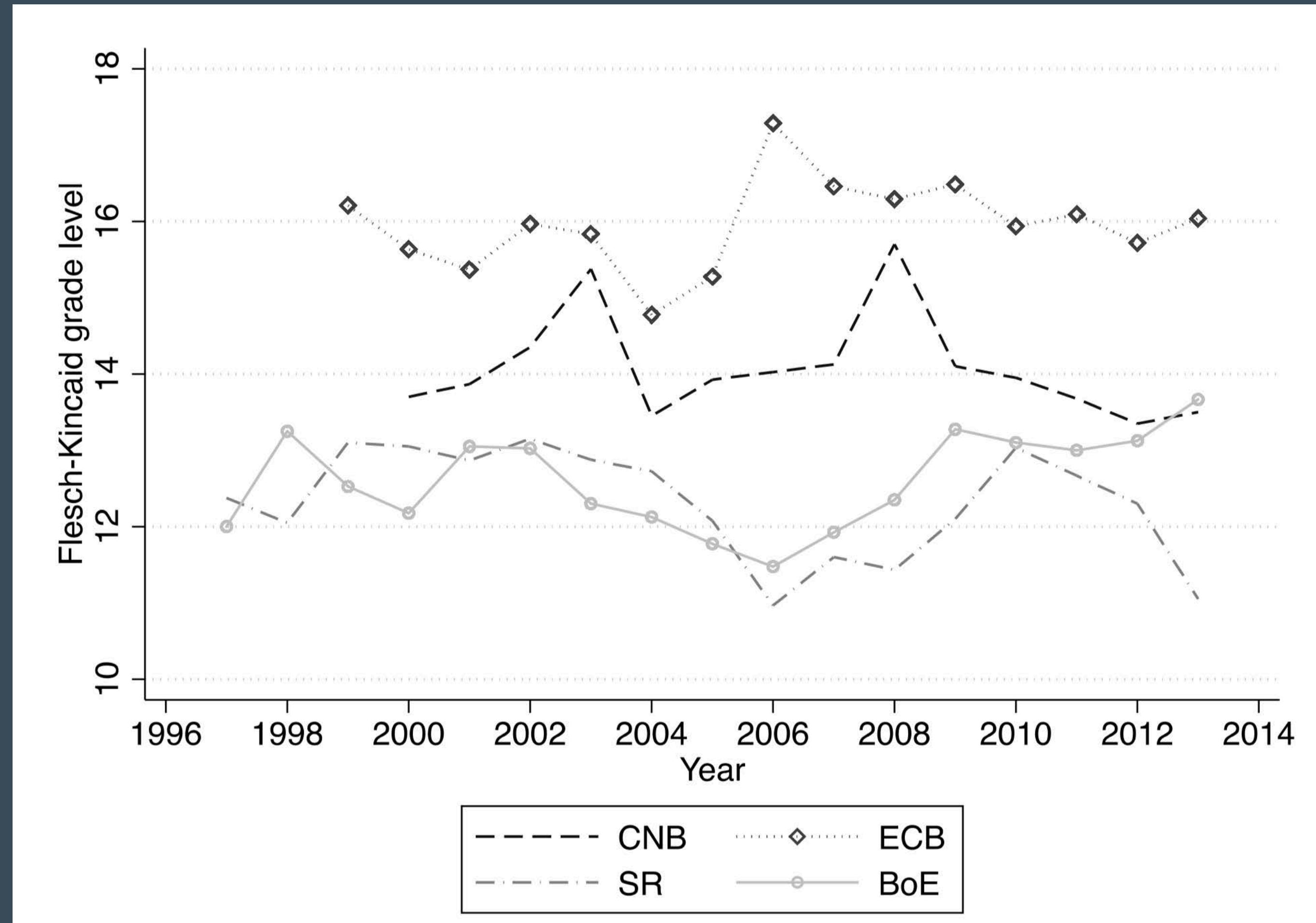


- *“The less someone knows about central banking, the less likely he or she will be satisfied with the institution.”*
- — “Is Monetary Policy Too Complex for the Public? Evidence from the UK”, SNB research paper





HOW DO C.BANKS TALK?



- — Source: Bulíř, Čihák, Jansen (2018): Does the Clarity of Monetary Policy Reports Reduce Volatility in Financial Markets?



USELESS AMBIGUITY

- *“In arriving at its decision, the Board carefully considered the current and expected domestic and global economic developments.”*
- — An emerging market central bank, 2008

- *“The Committee will continue to monitor developments and take any necessary action, if required, to achieve the medium term inflation target.”*
- — An emerging market central bank, 2017



BOLD ACTION & PLAIN TALK

- *"The important thing is that the trend in inflation approaches the target and that confidence in the inflation target is not weakened.*
- *The Executive Board therefore still has a high level of preparedness to make monetary policy even more expansionary, even between the ordinary monetary policy meetings."*
- — Sweden's Riksbank, 2016

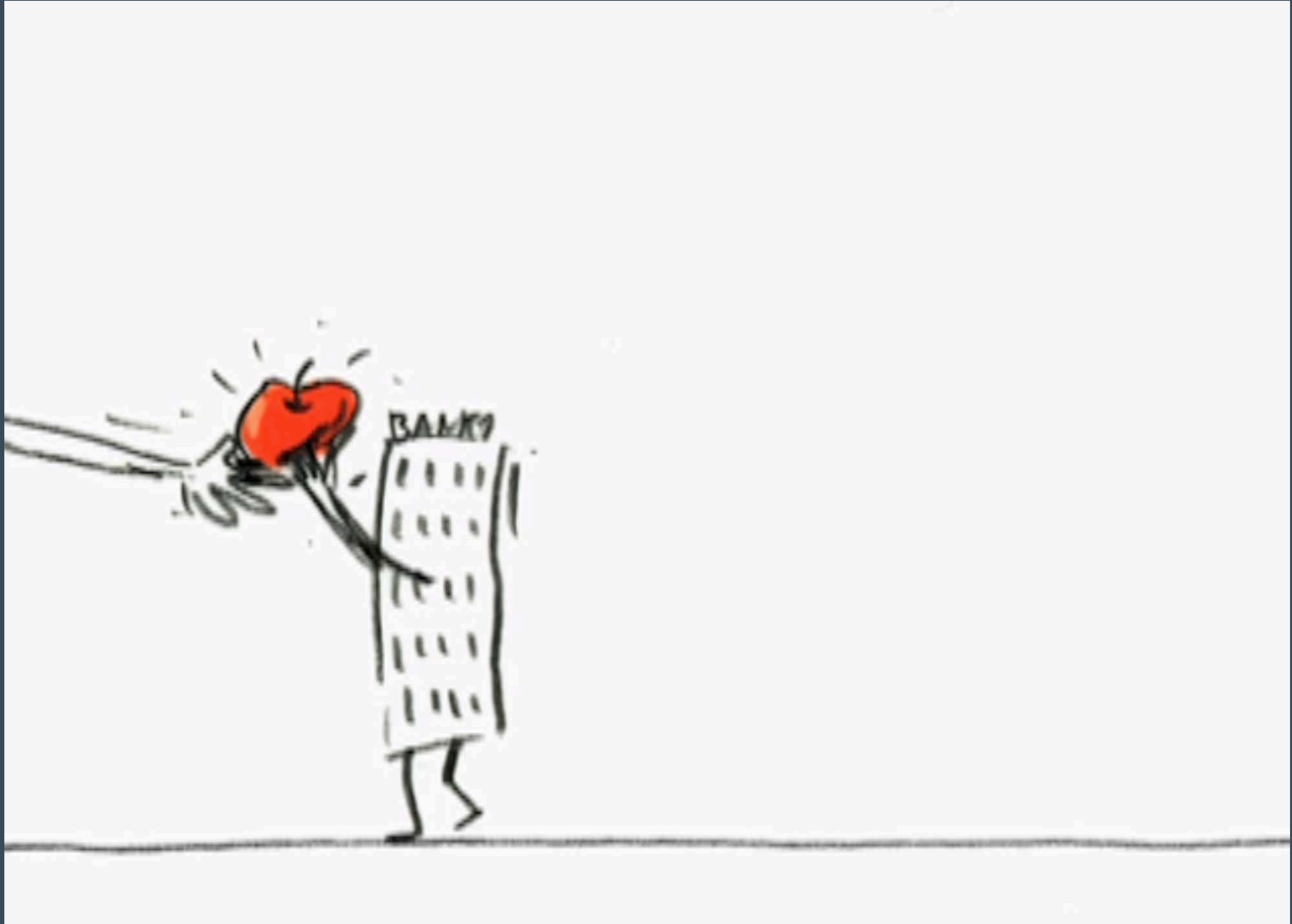


THE CASE OF RIKSBANK

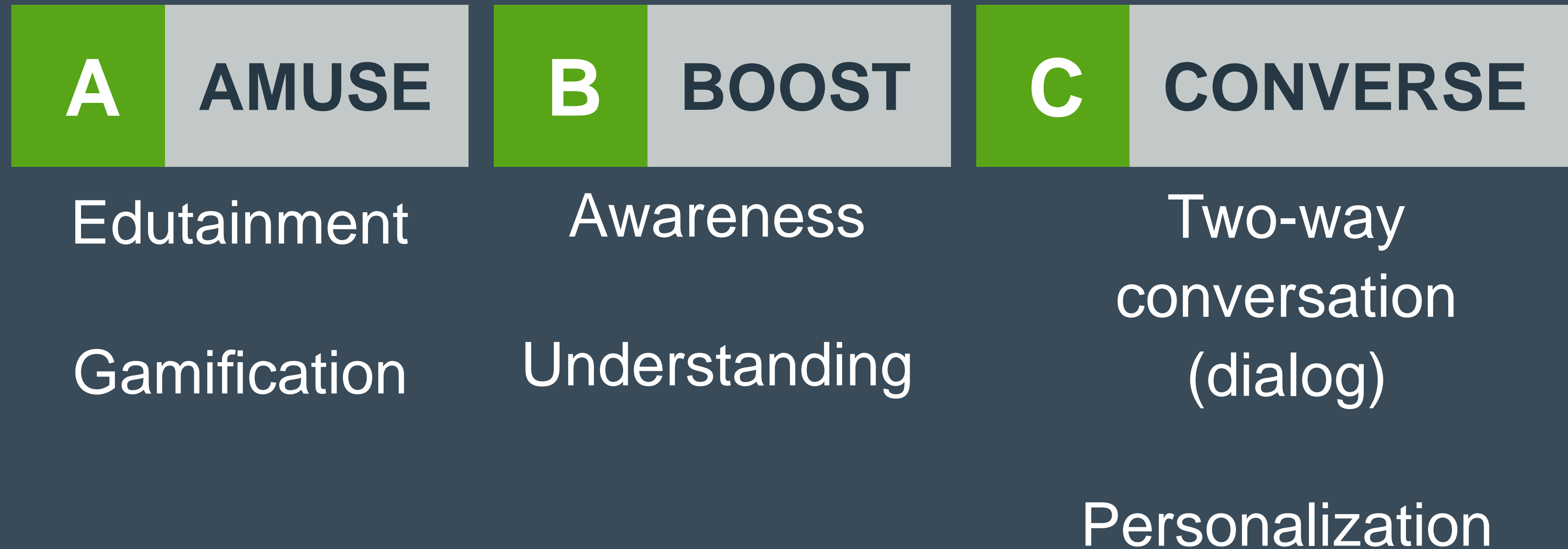
- Plain language is a natural part of the work
- Language coaching for all new employees and others
- Open seminars on specific language issues
- Seminars for particular groups — speechwriters, report editors
- Proofreading and editing



IS IT ALL ABOUT WORDS?



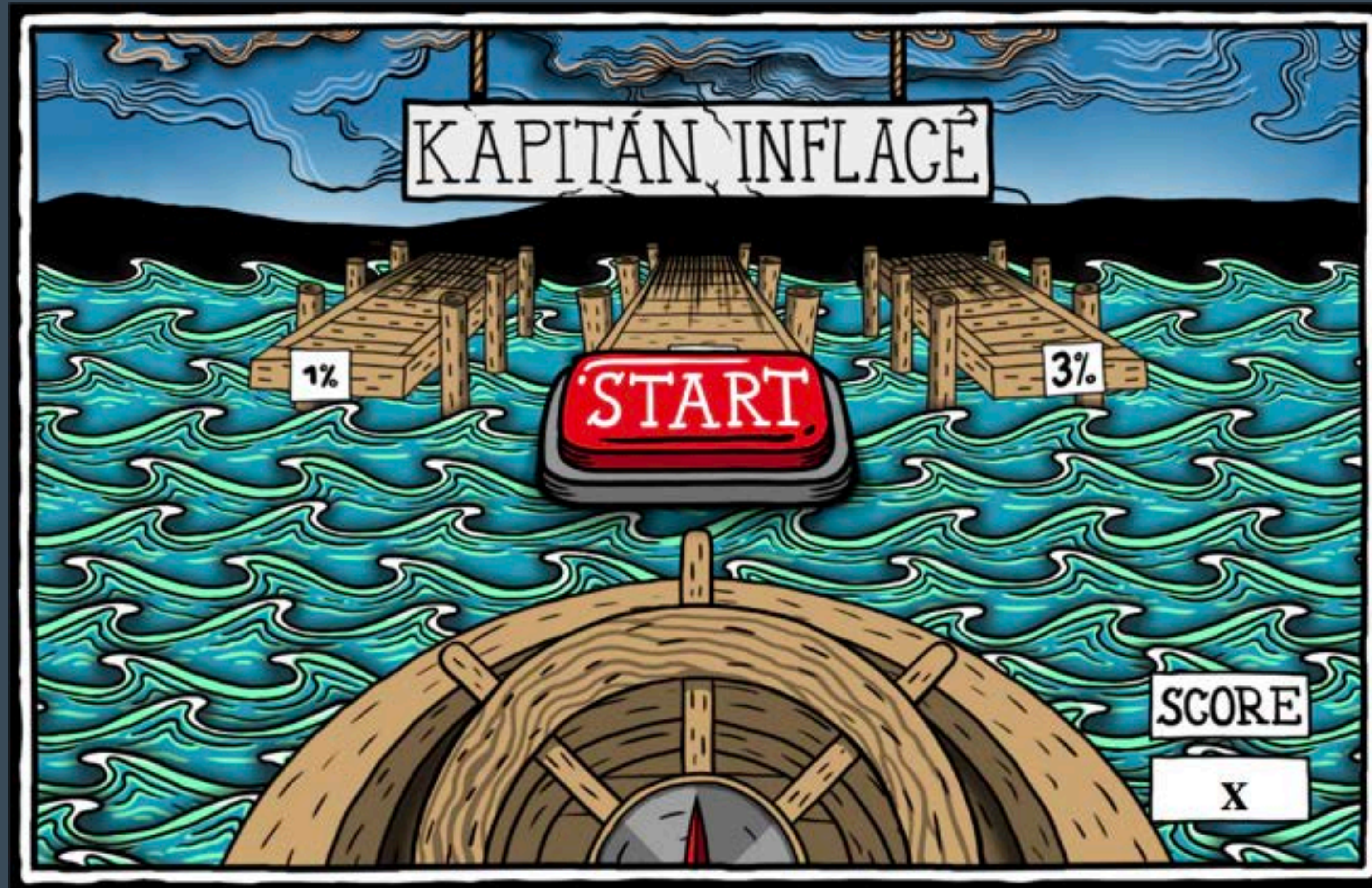
The ABCs...



A **AMUSE**

EDUTAINMENT

Edutainment, gamification



Put yourself on a U.S. dollar





AWARENESS & KNOWLEDGE

Watch Kids Ask the KC Fed



Episode 3: Does the Kansas City Fed print money?



Episode 2: "Why is it important to have a Money Museum?"



Episode 1 - "What does a Federal Reserve Bank president do?"

Economics Olympiad



19 000+

competing students



450+

Czech schools involved their students in the Economics Olympiad



500+

teachers established cooperation with INEV

Economics Olympiad: Impact

- **Secondary school students**
 - Practical use of economics knowledge
- **Teachers**
 - Provide economics teaching resources
 - Help focus on the most problematic areas

Increasing economics and financial education of young people on a national (and international) scale

What we learned from 2nd Olympiad

- Level of economic knowledge and financial literacy of students reflects current news and events
- Not proficient in theory: History of economic thought, macroeconomics and microeconomics

Comparison between Czech Republic and Slovakia

- Success rate: CZ — 43 % vs SK — 44 % of correct answers
- Who sets the monetary policy: CZ — 82 % vs SK — 18 %

C

CONVERSE

ENGAGEMENT & DIALOGUE

Conversation & Engagement

- Road show across the country — a series of round-table meetings: dialog with businessmen and regional leaders
- Quarterly colloquia with lawmakers and key opinion makers, including some of the harshest critics



BTS 🌟 - @neelkashkari (he's really behind the keyboard! 💻) and Team @MinneapolisFed participating in @Twitter #AskNeel



- *“The part of that matters most is the way policymakers communicate with markets ... for a simple reason: Market participants listen.”*
- — Alan Blinder, ex-Fed Board, 2017.

- *“There is no guarantee that investing in well-drafted monetary policy reports will always coincide with reduced return volatility in financial markets.*
- *However, presenting more accessible information may of course still be important for monetary policy authorities in providing accountability and transparency.”*
- — Bulíř, Čihák, Jansen (2018): Does the Clarity of Monetary Policy Reports Reduce Volatility in Financial Markets?



Trust and understanding
... is bridging the gap ...
between central banks
and the people

“... presenting more accessible information

*may of course **IS IMPORTANT***

*for monetary policy authorities in providing
accountability and transparency.”*