Discussion of “Comparing Means of Payment: What Role for a Central Bank Digital Currency?”
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Should Central Banks Offer Digital Cash (CBDC)?

Wong and Maniff list the following reasons:

1. Enhanced payments efficiency,
2. greater financial inclusion, and
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Four Means of Payments:

1. Cash,
2. CBDC,
3. RTGS i.e. FedWire or FedNow,
4. RTGS+ i.e. max tech potential.
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Four Means of Payments:
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Seven characteristics:
1. Accessibility (AC),
2. Anonymity (AN),
3. Bearer Instrument (BI),
4. Independence (IN),
5. Operational Efficiency (OE),
6. Programmability (PR),
7. Service Ability (SA).
Cash versus RTGS+

Source: Wong and Maniff (2021) and discussant’s calculations.
Cash versus CBDC

Source: Wong and Maniff (2021) and discussant’s calculations.
Value proposition of CBDC versus RTGS+

Source: Wong and Maniff (2021) and discussant’s calculations.
# How can Americans pay?

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Ownership of Accounts and Adoption of Account Access Technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of consumers</td>
<td></td>
</tr>
<tr>
<td><strong>2015</strong></td>
<td><strong>2016</strong></td>
</tr>
<tr>
<td>Bank deposit accounts*</td>
<td>91.8</td>
</tr>
<tr>
<td>Checking</td>
<td>91.1</td>
</tr>
<tr>
<td>Savings</td>
<td>73.3</td>
</tr>
<tr>
<td>Online payment accounts</td>
<td></td>
</tr>
<tr>
<td>PayPal</td>
<td>48.8</td>
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<tr>
<td>Zelle</td>
<td>42.9</td>
</tr>
<tr>
<td>Venmo</td>
<td>—</td>
</tr>
<tr>
<td>Other nonbank payment services†</td>
<td>14.9</td>
</tr>
<tr>
<td>Mobile apps or online accounts‡</td>
<td>40.4</td>
</tr>
<tr>
<td>Deposit account access technologies</td>
<td></td>
</tr>
<tr>
<td>ATM card (no debit feature)</td>
<td>34.2</td>
</tr>
<tr>
<td>Telephone banking</td>
<td>38.6</td>
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<tr>
<td>Online banking</td>
<td>71.4</td>
</tr>
<tr>
<td>Mobile banking</td>
<td>45.0</td>
</tr>
</tbody>
</table>

Source: Cash is almost 100%
How do Americans pay?

Figure 7: Share of consumer payments in a typical month, by type of payment instrument

Inclusion by design? Raison d’être de CBDC?

The Unbanked and Prepaid Cards

Figure 5.2 Prepaid Card Use by Bank Account Ownership and Year (Percent)

Cash versus CBDC Cash Equivalent

Source: Wong and Maniff (2021) and Discussant’s calculations.
Cash versus CBDC Account-based

Source: Wong and Maniff (2021) and Discussant’s calculations.
Cash versus CBDC Hybrid

Source: Wong and Maniff (2021) and Discussant’s calculations.
Smart Bank Notes?

Smart Bank Notes ⇒ in-person and online?

Whither CBDC?

“CBDC adoption and usage: some insights from field and laboratory experiments” by Janet Jiang https://bit.ly/3wAQnv0

A clear niche is important!
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Gracias/Merci/Thanks!