

# Should the penny be eliminated essay



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The penny, a copper and zinc coin, that represents one cent in the United States currency, is as American as apple pie. It is part of our heritage to honor and recognize our founding fathers and past presidents for their contributions to the economic system of America. According to the Harris Poll #51 conducted online between June 10 – 16, 2004 including 2, 136 adults, the majority favor keeping the penny in circulation (Source E). The United States is a democracy and I believe we should let the people vote on this important issue.

Jim Kolbe, a U. S. Representative from Arizona tried to introduce a bill to discourage the use of pennies by establishing a system which would round up or down a cash transaction. It is dangling in a subcommittee. His press secretary states “ It’s practically useless in everyday life”. However, is Kolbe’s argument about its uselessness or about increasing wealth in his home state? Arizona is rich in copper which is a predominant metal in larger denomination coins (Source A).

One argument for eliminating the penny is the wasted time fishing for pennies on cash transactions. Jeff Gore, founder of “ Citizens for Retiring the Penny” conducted a study with The National Association of Convenience Stores and Walgreens that determined handling pennies added 2 to 2. 5 seconds to each cash transaction. After all of the numbers were crunched, he calculated that four hours per person were wasted each year searching for pennies. This equates to a national cost of over \$15 billion dollars per year if each person’s time is worth \$15/hour (Source B). How much time did he waste conducting this study? What he didn’t calculate was the extra profits these retailers received on impulse purchases while waiting on the patron to

count his pennies. I believe these extra purchases greatly outweigh the “wasted time” counting pennies.

William Safire advocates abolishing the penny from currency circulation and believes Lincoln would be ashamed to have his face on this specious specie. I beg to differ and believe he would be proud to be represented on something found in every household in America. He also states that over two thirds of pennies immediately drop out of circulation into piggy banks, behind cushions, or inside your sock drawer (Source C). However, Mark Weller found a 2002 study based on Federal Reserve data that stated the annual rate that pennies disappeared from circulation was around 5.6 percent – very similar to all forms of coinage (Source D).

To commemorate Abraham Lincoln’s 200th birthday, President Bush signed legislation in December 2005 to issue Lincoln pennies in 2009 with four newly designed “tails” images. Each image depicts different aspects of President Lincoln’s life. This change was the first redesign of the penny in 50 years. According to Michael Bishop, executive director of the Abraham Lincoln Bicentennial Commission, “the penny is perhaps the most visible and tangible reminder of Lincoln’s significance in American history.” (Source F).

I am a proponent of keeping the penny in circulation. They teach our children math skills and the value of saving. They are also a source of conversation on Abraham Lincoln’s contribution to the democratic system we enjoy today. If the penny is eliminated, our grandchildren will never know the significance of “putting in your two cents”.

Reference

[http://www.boston.](http://www.boston.com/news/local/massachusetts/articles/2005/10/09/penny_pinchers/)

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