

A cashless society

Business



I believe that physical money creates more opportunities for crime and drug smuggling than electronic money does. Imagine that you are a one hundred dollar bill and are being shipped to a cash depot in Lighthouse Crossings, Florida off the west coast of Tampa. There you are sorted into circulation with the other one hundred dollar bills that make up the 80% of all bills in circulation. You will most likely end up in the hands of a drug dealer taking the “ big bills” away to make it easier to go to his or her home land.

Crunched and inconspicuous, you lie with the other bills serving more illicit deals. With electronic money, every dollar would be trackable.

If someone steals a credit card, you can track where they are through their purchases. For this reason, some experts are pushing for the elimination of physical cash. Why would we need to take away cash? The Swedish city of Stockholm provided one example. In Stockholm, the bustling capital of Sweden, a cash depot was robbed. The thieves accomplished things that many thought would only happen in movies.

The thieves set out road spikes, turning the wheels of police cars into Swiss cheese. The thieves also stole a helicopter. Fearing explosion, police did not want to pursue the stolen helicopter with other helicopters because the thieves had planted a package labeled “ bomb” on the police helicopters. The thieves stole one thing: cash. Drug smuggling criminals perform many crimes, often very large ones.

Large bills make drug trafficking easier because the criminals can't carry a lot of small bills inconspicuously. How do large bills go to places heavy in drug trafficking? Three words: demand for cash. The United States treasury

sends cash to states who have demanded certain bills. Florida and Texas, which are adjacent to Cuba and Mexico respectively, have a large demand for big bills like the one hundred and one thousand dollar bill, because many drug traffickers use them. James Henry, an expert on the monetary system, said, " There were some regions, like the Midwest, that had almost no demand for the \$100 bills." (Henry, Freakonomics) This is extremely significant because it means that there are more 100 dollar bills in states with high drug trafficking.

In fact, there are so many one hundred dollar bills that there are enough for each person in America to carry 36 one hundred dollar bills each. However there are some benefits to cash. For example, the U. S. Treasury actually makes money by making cash, 4 tenths of the GDP, by printing cash we could get out of the debt we are in. You might think that the debt is more important than drug smuggling.

The debt is a thing that is happening here and now but, but we could cut down on crime by a few percent that should be first on our agenda. As Kenneth Rogoff, who wrote the book, " The Curse of Cash", said, " It doesn't have to cut crime in half to be a good idea." (Rogoff, " Freakonomics). If we wouldn't use cash what would we use? Eliminating cash would create a multitude of other sources to pay for things. Credit cards and debit cards would most likely become a more used source of payment if cash was abolished, without cash a criminal would be forced to steal a credit or debit card, then any purchases they made would be easily tracked.

But what if there was another form of currency altogether? The Bitcoin, is it's own type of currency, and an interesting alternative to American currency for many reasons. For one, Bitcoin is easily convertible to other foreign currencies making it useful for international trade. Bitcoin is non-profit that way big companies or governments can't seize control of the monetary system. On the other hand, we have privacy rights. We could be watched by the government or other governments or other sources. Outside sources knowing about my purchases can't be right, don't we have privacy rights? Bitcoin is also unreliable as it's worth fluctuates so it wouldn't be a good source either.

Even Kashmir Hill, a woman who lived on Bitcoin, said that she wouldn't be able to live on Bitcoin without paying merchants with bitcoin from her phone and her phone bill was not payable with Bitcoin. " This technically would not have been possible without my phone" (Hill, Forbes). Privacy is a relevant issue but some experts, including Rogoff, don't want a cashless society but a " less-cash" society, meaning that we would eliminate big bills like the one hundred and one thousand dollar bill. And while, yes Bitcoin is not in a static condition but it could be useful in the future, similar to how the internet was. To pose one more question, how much do we actually use cash? It's nearly impossible to pay for a phone and a plan without a credit or debit card so in this age the using of big bills are obsolete. Without a phone one in this age is virtually helpless.

Amazon. com doesn't accept physical money either so you would be limited to shopping locally or having to drive long distances to get certain things. Cash is really not relevant in this era. Cash is a burden. Eliminating cash
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would slow crime and make illegal purchases trackable as well as theft, not only that but we don't really need cash any more.

With new forms of electronic payment we could fully reduce illegal purchases in the United States and cut crime. We need to be the generation that stops the illegal flow of cash. MLA8 Works Cited Page Works Cited Chrisafis, Angelique. "Gang Use Helicopter in Hollywood-Style Raid on Swedish Cash Depot." *The Guardian*, Guardian News and Media, 23 Sept. 2009, Hill, Kashmir.

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