

Cashless Society: Detriment to the Poor, Threat to Small Business, Windfall for the Elite

- The Better Than Cash Alliance is a group of financial and governmental organizations that advocate for the elimination of physical currencies worldwide.
- BTCA claims that eliminating cash would help stimulate entrepreneurship among the poor.
- Economic realities suggest that eliminating cash would actually limit entrepreneurship among the poor.
- Eliminating cash would create windfall revenues for the payment processing industry as well as new opportunities for surveillance by commercial and state entities.

In the fall of 1910, under the pretense of a duck hunting trip organized by John Pierpont (J.P.) Morgan, a group of powerful bankers, political figures, and businesspeople met on Jekyll Island, Georgia to plan the creation of a central bank for the United States. The “bag” that this elite group of “hunters” brought back to Lower Manhattan and Capitol Hill was the blueprint for Big Finance’s *magnum opus*: the Federal Reserve System.

“Regarding the Great Depression, we did it. We’re very sorry. We won’t do it again.” -Federal Reserve Chairman Ben Bernanke in 2002, 6 years before the 2008 Financial Crisis.

One-hundred years later, another group of powerful bankers, political figures, and monied individuals have converged to sell the world a financial system that would compel every man, woman, and child on earth to utilize proprietary, Big Tech-monitored, government-monitored electronic payment systems to make purchases *of any kind*.

A charitable nonprofit FOR the elite?

The **Better Than Cash Alliance** is a collaboration of large banks, large payment processing companies, and powerful individuals that lobby for the mandated use of digital sovereign currency.

Their members seem to have a lot in common with J.P. Morgan’s “hunting buddies” from 1910:

J.P. & his fiends sold Congress their dream of a **self-serving central banking system** based on the dubious logic that a central banking system would quell financial panics. (The Fed not only didn’t prevent the Crash of 1929, but they **perpetuated the Great Depression**.)

By the same “coin”, BTCA’s members—which include Citi, Visa, and MasterCard—seem to be selling their dream of requiring the world to use its members’ electronic payment systems on the dubious logic that eliminating cash would stimulate entrepreneurship among the poor.

In reality, a cashless society would almost certainly be detrimental to entrepreneurship among the poor...as well as a windfall for the financial and political elite.

A cashless society could be a potential economic disaster for the poor.

Contrary to the assertions of the BTCA, the elimination of cash would likely *reduce* a great many opportunities for entrepreneurship among people of few means. A cashless society would require the world's poor, who often work informal jobs to survive, to incorporate businesses, purchase the proprietary merchant services systems **required to accept payments**, and understand the myriad local, state, and federal tax burdens and regulatory requirements using the payment systems would create.

In lesser-developed countries, the elimination of cash would effectively destroy many of the informal businesses the poor depend upon for survival: handicraft tables, food carts, street performances, etc. In more-developed countries, day laborers would be effectively barred from earning a living.

To be able to accept electronic payments, participants in the global informal economy—**which the developing world relies on heavily**— would have to obtain permits, pay fees, and subject themselves to constant surveillance by government agencies and marketing agencies alike.

Logic dictates that compelling the poor to obtain permits and pay fees in order to start an informal business (or to prevent an existing one from being shut down) is the opposite of helping them “achieve prosperity”.

What's more, depriving the poor of cash could be dangerous: Much of the developing world uses cash transactions to **keep their finances hidden** from corrupt police forces and authoritative governments. Compelling the poor to disclose all of their purchases to their central governments (in real time) could be compelling them to put themselves in danger.

For the powers that be, eliminating cash is eliminating the missed opportunities for profit and surveillance inherent to cash transactions.

Clearly, a cashless society would be a windfall for the \$120 billion global payment processing industry. And, while it *could* be a coincidence that the banks and payment processors that make up the BTCA stand to gain **up to \$1 trillion in incremental annual revenue** if the world were to abandon physical currency, logic, human history, and human nature would suggest otherwise.

Logic, human history, and human nature would also suggest that central governments are salivating at the prospect of mandating electronic payments to expand their domestic and international surveillance capabilities. (After all, the NSA's unofficial motto is to collect it all.)

As previously noted, government surveillance can be deadly in some parts of the world.

BTCA's agenda seems almost Orwellian in nature.

A common theme in George Orwell's works is doublespeak: governmental and private agencies claiming to do one thing to help the citizenry while doing the opposite for their own benefit. The Federal Reserve Act of 1913, for example, was an elaboration of John Pierpont Morgan's **idea for a banking cash cow**.

Perhaps calling the BTCA's agenda “Orwellian” would be excessive. But not only does their justification for their agenda seem illogical, but the idea that wealthy, powerful organizations that stand to profit tremendously from a cashless society have converged to promote their agenda out of *altruism* defies human history, human nature, and common sense.

I welcome a response from the BTCA, as I truly hope that I'm wrong in my suspicions that their agenda is as great a threat to the poor and as great a windfall for the monied elite as the Federal Reserve Act of 1913.

Considering history, logic, common-sense, and human nature, I think they have a lot of explaining to do.