



# “Cash is Good for Society”

by Mike Lee, CEO, ATMIA



# Cash is Good for Society



For decades, anti-cash campaigns have been waged in the mass media with the objective of discrediting cash. Yet, cash remains the most popular global form of payment. And currency in circulation continues to increase year-on-year in most countries at significantly higher rates than the average global GDP.

# Cash is Good for Society



It's time to investigate the reality behind the war on cash and to examine how currency underpins the monetary and social stability of modern societies in several ways. At the same time, evidence will be provided for the hypothesis that cash is good for society.

# Cash is Good for Society



The security of cash as public money, backed by the promise of the state to redeem its value, provides the backbone of the planet's most trusted way of paying for goods and services.

Since the global credit crisis of 2008-9, which led to the Great Recession, the world has woken up to the dangers of household and consumer debt, as well as of excessive levels of government and corporate debt.

# Cash is Good for Society



Since cash represents a genuine store of value, and is a physical asset, it lends itself naturally to budgeting and a more cautious approach to spending than, say, credit.

Just as cash helps consumers to stay within budget in their daily, weekly and monthly spending, so the total amount of currency in circulation helps central governments to steer national consumer debt levels, based on the truth that “you shouldn’t spend what you don’t have”.

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Cash will become more important in the cyber era as a bulwark against identity theft, card fraud, skimming, customer data compromises and the kind of global hacking which can render systems in the public and private sectors inoperable.

You can't hack cash in the hand. Nor can cash be used as a basis for identity theft. And it never leads to mass data compromises.

In addition to these cyber benefits, cash is the number one back up plan when systems are down.

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In a time of significant social inequality and the digital divide, the role of cash as the most inclusive payment method becomes crucial to future social and financial cohesion. ATMIA's recent paper "Access to Cash: The First Step toward Financial Inclusion" concludes that evidence consistently points to low financial resources as the main cause of financial exclusion today. "As cash is the only form of payment devoid of any prerequisite conditions for access, efforts to liberate people from financial inclusion should, instead, encourage its use," the study states.

# Cash is Good for Society



Cash includes all sectors of society, including low-income earners and pensioners, which are cash-dependent, as well as other demographic groups, across all ages and races, which simply prefer to use cash on a regular basis. Cash is also critical to low technology areas and low resource communities. It's indispensable for charities, pocket money for children and students and other niche markets. Its inclusiveness is equally useful in the small business sector, including among start-up entrepreneurs. Cash supports local micro economies in multiple ways.



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Looking to the future, digital payments and cash payments are destined to be pillars of exchange across all societies and cultures for decades. Why not make this inevitable co-existence peaceful, free of the counter-productive and increasingly toxic war on cash?

Why should organisations with exclusive, socially counterproductive, commercially motivated anti-cash agendas hinder the development of this beneficial social and economic partnership?

# Cash is Good for Society

Cash is good for **society** because it is:

- A secure form of public money backed by a state promise to redeem its value
- A tool for budgeting and avoiding debt
- A bulwark against cyber crime and identify theft in the computer era
- The number one back-up plan when systems are down

# Cash is Good for Society

Cash is good for **society** because it is:

- The most socially inclusive form of money and payment
- Vital to small businesses and start-up entrepreneurs
- Perfectly compatible with systems of digital and electronic money and payments
- Indispensable for charities, pocket money for children, students and other niche markets

# See Cash Resources

**Cash Repository** <http://www.cashrepository.com/>

**Cash Essentials** <http://cashesentials.org/>

**Cash is Cool** <http://www.cash-is-cool.com/>

[https://www.youtube.com/watch?v=J-8\\_JoNGrvU](https://www.youtube.com/watch?v=J-8_JoNGrvU)

<https://www.youtube.com/watch?v=FRot4--lcro>

[https://www.youtube.com/watch?v=\\_pMWblc2W-I](https://www.youtube.com/watch?v=_pMWblc2W-I)

<https://www.youtube.com/watch?v=rQVooa-hC2E>

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