

Cash is King

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Many of us remember when cash was king for ordinary people. You would receive your pay in cash at the end of the week and manage that cash for rent, food, heating and other purchases until the next weekly pay packet. There was less chance of serious debt as when your money was spent there were limited means of obtaining credit. People would save small amounts from their pay for Xmas, holidays, emergencies etc.

Now most people are paid monthly through an electronic bank transaction. They then use their credit and debit cards to make purchases but do not feel the pain of running out of money immediately until the bank overdraft or credit card limit is reached. Many people have several credit cards and there is easy credit available from retail establishments and 'payday lenders'. Far from managing their finances as was the case in a cash economy they are drawn into a debt trap and rely on credit scoring to access evermore debt.

Cash is King or so they say
But steadily it disappears day by day.
There was a time pay was received
Directly from employer to employee.

Now we rely on bank transfers,
Digital money in a digital world.
We sometimes draw cash from ATMs
But mostly use our plastic friends.

All is fine till digits fail
The plastic rejected in cyber hell.
Banking systems are disabled
Cash again king in the retail stable.

I advise my children if they have tight finances or want to reduce debt to withdraw a sum in cash at the beginning of each week and to make it last through the week rather than being tempted by making purchases on their credit cards. They don't have to worry about bank records for minor purchases that can be a headache when doing a bank account reconciliation.

There is also the issue of privacy of your transactions. Why should someone be able to use your purchasing habits to learn about your lifestyle without your permission? Why should insurance companies be able to cherry pick customers using this information? Why would you want your bank to determine your credit worthiness by the way you use your money. In Australia a law has been passed to allow banks to look in detail at your transactions to determine whether you qualify for a mortgage. In China they can use data to remove or restrict all sorts of civil liberties through surveillance of both internet and financial transactions.

Our freedoms have been bought with blood of our ancestors and could easily be lost by losing one of the last forms of individual sovereignty – CASH!

Welcome to the digital prison,
Viewed through the Establishment prism.
A network of hidden nodes,
Like a Soviet Gulag Archipelago.

Payments, mobiles and facial scanners
Monitored in a variety of manners.
Mass urbanisation is the aim,
Could this be the 'Hunger Games'?

Do we need a Faraday Cage,
To keep analog free from the digital age?
Freedom and individuality to be respected,
People, humanity and the planet protected.

Digital robots and AI machines,
Technology advancement by all means,
But let us harness them to serve our needs
Rather than being serfs to a digital creed.

The very debt mountain that we face may also lead to the Establishment forces and particularly the banking cabal pushing further towards a cashless society. Imagine a dystopian future where your money was fully digitised. At a stroke your savings could be wiped out. Central banks could move to normalise negative interest rates whereby all positive bank balances are taxed through a negative rate – complete madness for those who believe in real capitalism. What would be the point of saving? Debt mountains could be steadily eroded through negative rates by eroding creditors and more importantly pension savings. This would truly be a dystopian financial world where aspiration and striving for a better life would be at the mercy of the authorities.

Crypto currencies may be an answer to address this dystopian world of negative rates but it has not been adopted by the mainstream and is subject to network restrictions. There may be some form of trusted third party that allows us to use it in the way we use cash in the future but nothing replaces physical cash.

Barter will no doubt always survive and we can reach agreement for exchange of value but in the absence of cash in the form of legal tender we would have to adopt trust in tokens to facilitate unequal transactions.

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