Cash is Dead. Long Live Cash

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I. Introduction

With the number of new payment options available to Americans—you will soon be able to hop on your phone at Starbucks and send .0005 Bitcoins to buy a cup of coffee—cash may seem a bit of an anachronism in 2019. U.S. paper money, 75% cotton and 25% linen, seems overmatched for our increasingly digital era. This shift toward digitalization has forced a reconsideration of cash in our current economy. On the one hand, cash has almost 800 years of bona fides to support its continued place in our finances. On the other hand, studies have made clear cash's continued decline as a favored form of payment. The rising prevalence of technologically superior forms of payment is largely responsible for this decline, and it presages an increasingly cashless future.

Our economy has seen the proliferation of both cashless payments channels and cashless payments technologies. While new technologies may be the flashier of the two (think smartwatches or cryptocurrencies), cashless business models have been most responsible for accelerating our transition to a cashless economy. Everything from e-commerce to enhanced digital Point-of-Sale systems (like those swiveling iPads ubiquitous at trendy coffee shops) have allowed many sectors of our economy to dispense with cash payments. Traditional banks have not sat out this shift, having introduced mobile banking applications, digital wallets, and credit cards with enhanced technologies.

There are many reasons to celebrate these developments, and our transition to a cashless economy in general. Like most technological advancements, this progress has led to increased efficiencies in our economy and various security improvements. Nonetheless, cash remains far from irrelevant in the payments space. There are a number of reasons to celebrate this fact, too.

In the United States, a spate of recent legislation mandating the continued acceptance of cash has hinted at a backlash to the evolution toward a completely cashless society. For a variety of reasons, politicians across the U.S. political spectrum have balked at any diminution of cash's utility. While some policymakers have bemoaned the backwardness of such laws, others believe they are necessary to prevent further economic inequality, to protect citizens from privacy concerns, and to prevent corporate or government overreach.

Countries around the world have been grappling with the same sorts of questions, and they have handled them in various ways with varying degrees of success. The different policy responses contribute to a series of relevant case studies illuminating both pros and cons of transitioning to a cashless economy. Regardless of how numerous or persuasive the cons are, all trends seem to point to an increasingly cashless future. It will be incumbent on governments, the technology and finance industries, and citizens to ensure responsible implementation of this movement away from cash.

II. State of Payments in the United States

While the expansion of mobile payment platforms, ever-increasing e-commerce sales, and cashless innovations worldwide may seem to herald the end of cash, even top executives at digital payments companies do not believe in its imminent demise; "I would never predict the death of cash over the next decade or two," PayPal CEO Dan Schulman recently forecast.[1] A number of recent studies support Mr. Schulman's outlook on cash.

Research conducted by the Federal Reserve Bank of San Francisco demonstrates that cash remains the most frequent form of payment in the United States—still representing nearly a third of transactions, and over half of transactions under $10. Though cash has experienced a 3% drop in usage since 2015, it remains a more frequent payment method than electronic, credit, debit, or check payments. However, although cash represents the largest volume of transactions because of its prevalence for smaller transactions, it only represents about 9% of the total value of transactions.

The percentage of cash usage increases significantly among lower income populations. Cash is not the most commonly used form of payment for households with income over $50,000. Debit reigns for those earning between $50,000 and $100,000, while for households earning over $100,000, credit is the most popular form of payment.[2]

Though the percentage of cash transactions has declined over the past decade, the volume of cash in circulation continues to increase, as does the

1. David Gelles, *Dan Schulman of PayPal on Guns, Cash and Getting Punched*, N.Y. Times (July 27, 2018), https://www.nytimes.com/2018/07/27/business/dan-schulman-paypal-corner-office.html.
2. Raynil Kumar, Tayeba Maktabi, & Shaun O'Brien, *2018 Findings From the Diary of Consumer Payment Choice*, Fed. Res. Bank of S.F. (Nov. 1, 2018), https://www.frbsf.org/cash/files/federal-reserve-cpo-2018-diary-of-consumer-payment-choice-110118.pdf.

demand for cash. Cash demand has grown as people around the world have increasingly viewed it as a stored value option, and foreigners continue to see it as an alternative method of exchange to their home country's currency.[3]

III. Why Go Cashless?

China introduced paper money to the world nearly eight centuries ago as a means of addressing a lack of economic cohesion across Kublai Khan's vast empire.[4] Today, in much of the world, it is now paper money itself—cash—that has become the problem to be addressed. Governments, economists, and social scientists view technological advancements in payments, while introducing their own sets of complications, as a means of solving a number of flaws inherent to cash-based economies.

One of the main troubles with cash reliance is the ease with which illicit sectors of the economy can manipulate such a system. First, cash, thanks to its anonymous nature, is still one of the primary methods of making corrupt payments and bribes throughout the world. Operation Car Wash, the ongoing Brazilian anti-corruption investigation implicating construction giant Odebrecht, among other companies and individuals, has revealed that even in such a sophisticated and far-reaching scheme, cash remained essential to the alleged perpetrators' plans. Car Wash is also emblematic of the extent to which alleged wrongdoers can use cash to evade taxes.[5] This problem is not unique to developing South American economies, however; the IRS has determined that 14% of federal taxes are not recovered annually—an amount equal to nearly 3% of U.S. GDP. Much of the 14% is linked to problems related to cash, including schemes to move money out of the country, or businesses paying employees under the table.[6]

Relatedly, cash remains a convenient method of circumventing global anti-money laundering laws. As countries around the world continue to ramp up and enhance anti-money laundering and counter-terror financing controls and regulations, it has become increasingly difficult to launder money through the banking system or through digital channels. Cash, particularly large-denomination bills, are critical to much of the continued activity in this area. Though not directly indicative of money laundering, the fact remains that as much as 50% of U.S. dollar holdings are now

3. David W. Perkins, *Long Live Cash: The Potential Decline of Cash Usage and Related Implications*, Cong. Res. Serv. (May 10, 2019), https://fas.org/sgp/crs/misc/R45716.pdf.
4. John Lanchester, *The Invention of Money*, The New Yorker (July 29, 2019), https://www.newyorker.com/magazine/2019/08/05/the-invention-of-money.
5. Jonathan Watts, *Operation Car Wash: Is This the Biggest Corruption Scandal in History?*, The Guardian (June 1, 2017), https://www.theguardian.com/world/2017/jun/01/brazil-operation-car-wash-is-this-the-biggest-corruption-scandal-in-history.
6. Kenneth S. Rogoff, The Curse of Cash 60 (2016).

abroad, and a significant amount of domestic dollar holdings are unaccounted for in the U.S. banking system.[7]

On a more visceral level, proponents of a cashless society argue that the absence of cash on hand would greatly reduce the risk of thefts and robberies of retail stores and of individuals. This is one of the two key arguments made by urban restaurant chains who have led the charge on cashless store policies—the other being the economic inefficiencies associated with handling large volumes of cash.

On a more theoretical basis, economists have argued that the continued dominance of a cash economy has inhibited more robust and innovative responses to financial crises. Kenneth S. Rogoff, former chief economist of the International Monetary Fund (IMF) and author of 2016's *The Curse of Cash*, has argued extensively that a more cashless economy would allow for the introduction of negative interest rates to jumpstart the economy in periods of crisis. Because holding cash is essentially a zero-interest-rate proposition, federal interest rates cannot credibly move beyond the zero-boundary and the potentially adverse effects that such rigidity might have for a recessionary economy.

Other arguments in favor of going cashless cover a wide range of potential benefits, from curbing illegal immigration (the vast majority of undocumented workers in the U.S. are paid in cash); to bettering public health (cash is a prime bacterial conduit and disease carrier); to creating a more consumer-friendly shopping experience (retail lines move faster without the cashier needing to make change).

There is, of course, also an element of self-interest for many advocates of a cashless society. Legislation mandating cash acceptance has faced intensive lobbying from the credit card industry as well as more tech-focused retailers. The passage of such legislation in New Jersey and Philadelphia exemplifies such forces at work. The New Jersey bill's sponsor specifically criticized a recent card network initiative that rewarded 50 businesses with $10,000 each for making their operations cashless.[8] In Philadelphia, large retailers experimenting with cashless stores also threatened the legislation, nearly shelving the bill.[9]

IV. Why Shouldn't We Go Cashless?

Detractors of cashless societies, including consumer advocacy groups, have made a range of practical and moral arguments in opposition to phas-

7. *Id.* at 38–39.
8. Jim Daly, *New Jersey Lawmakers Pass Bill to Protect Cash-Paying Consumers*, Digital Transactions (Feb. 3, 2019), https://www.digitaltransactions.net/new-jersey-lawmakers-pass-bill-to-protect-cash-paying-consumers/.
9. Christian Hetrick, *Emails Show How Philly Officials Tried to Help Amazon Escape Proposed Cashless Store Ban*, The Phila. Inquirer (Feb. 26, 2019), https://www.inquirer.com/news/amazon-go-cashless-store-philadelphia-lobbying-20190226.html.

ing out cash from our economy. On the practical end of the spectrum, they have contended that the illicit economy has done just fine in the digital age. Scammers have moved online, hackers have targeted online bank accounts, and the underground economy continues to flourish.

Hacking risks invoke even deeper privacy concerns in the digital age. Unlike cash transactions, digital transactions remain traceable and often contain personally identifiable information about the buyer and seller. Privacy advocates warn not just about subjecting this information to hackers, however, but also about handing this information to corporations and governments, not to mention the global economy. They argue that the recent furor over corporate America's handling of data privacy issues evinces the risks of sharing important personal and financial information. Meanwhile, the Chinese government's extensive monitoring of its citizens' purchases and debts exemplifies the risks involved in trusting the governments that regulate such systems. In each case, there is a high degree of concern that going cashless would expose the financial system and our personal information to capture by some variant of a surveillance state.

Along the same lines, reducing cash usage could potentially grant a virtual monopoly to credit card networks over the cost to merchants of accepting card payments. Without cash to compete with, card networks would have far greater control over the costs of interchange fees—the fees merchants pay to be able to accept and process credit card payments. Currently, interchange fees hover around 2%, as networks adjust the rates to account for the costs of processing payments, associated loyalty programs, and the time value of money.[10] Cash, of course, also has a cost, though it is not an exact per-transaction percentage like an interchange fee. Merchants must account for theft and human error, handling costs (e.g., hiring an armored service truck to pick up large volumes of cash), the costs of storing and protecting large volumes of cash, and losing out on the acquisition of customer data that comes with non-cash payments. For large volume merchants, these costs can quickly add up to 2%, though that would likely not be the case for small business operations operating a single cash register.[11] In an economy without cash, however, there would be much less restraint on networks looking to increase interchange fees.

Additionally, critics of cashless societies point to other practical risks related to power outages and cyberespionage. Scandinavian and Baltic countries are particularly nervous about the damage that a Russian military or cyber-attack could do to a cashless financial system in the event of a Russian military or cyberattack on their power grids. Countries with large

10. *What Are the Average Credit Card Processing Fees That Merchants Pay?*, Payment Depot (last updated Jan. 24, 2020), https://paymentdepot.com/blog/average-credit-card-processing-fees/.

11. Tal Vinnik, *The Hidden Costs of Cash for Merchants*, Bypass (Nov. 30, 2018), https://www.bypassmobile.com/blog/ordering-point-of-sale/the-hidden-costs-of-cash-for-merchants/.

population centers in natural disaster-prone regions, including the Southeastern United States, Caribbean, and Southeast Asia, also worry about the prospect of a hurricane or monsoon knocking out a power grid and leaving citizens without recourse to pay for emergency foodstuffs or medicine.

Perhaps one of the main concerns about going cashless, however—and one of the key motivations cited for the pieces of state and city-level legislation to be discussed below—is the disparate impact such a shift would have on the unbanked and underbanked population in the United States. As much as 6.5% of the United States population remains unbanked (i.e., not maintaining a deposit account or a debit or credit card), and up to 18.7% of the population is underbanked (i.e., maintaining a bank account, but having to utilize an alternative financial service like a payday loan or other product independent of the banking system over the past year).[12] These populations include a disproportionate number of minorities and the impoverished; as a result, many legislators, economists, and consumer advocates have come to see the push for cashless retailing as both discriminatory and classist.

V. U.S. Legislation

At the Federal level, there is no requirement that a retailer accept cash. What, then, are the legal effects of the statement printed on all dollar bills: "this note is legal tender for all debts, public and private"? Case law has indicated that prior to the completion of a transaction, the consumer has not yet incurred a debt—limiting the impact of that statement printed on all bills and reproduced in U.S. Code.[13] In addition, Treasury Department guidance notes that:

> Private businesses are free to develop their own policies on whether or not to accept cash unless there is a State law which says otherwise. For example, a bus line may prohibit payment of fares in pennies or dollar bills. In addition, movie theaters, convenience stores and gas stations may refuse to accept large denomination currency (usually notes above $20) as a matter of policy.[14]

In the absence of concrete or specific federal regulations in this area, states and cities have taken it upon themselves to pass laws related to the acceptance of cash. Prior to 2019, just one state—Massachusetts—specifically mandated the acceptance of cash. Although it has been on the books

12. *2017 FDIC National Survey of Unbanked and Underbanked Households*, FDIC (Oct. 22, 2018), https://www.fdic.gov/householdsurvey/.
13. *See, e.g.* Miller v. Madison, No. 1:12-CV-0874, 2013 WL 2181240, at *5 (N.D.N.Y. May 20, 2013).
14. *Legal Tender Status*, U.S. Dep't of Treasury (last update Jan. 4, 2011), https://www.treasury.gov/resource-center/faqs/currency/pages/legal-tender.aspx.

since 1978, the state Attorney General's office has rarely enforced that law.[15]

In 2019 and 2020 alone, New Jersey, New York City, Philadelphia, and San Francisco legislatures have all passed laws mandating that retailers continue to accept cash, while Chicago, Washington D.C., and others continue to debate such bills. State and local legislatures have used the rationale cited above related to unbanked and underbanked populations to justify the debate and passage of all of these pieces of legislation.

These bills generally require that retailers neither condition the selling or offering of goods or services on a buyer using credit, nor prohibit cash as a payment method for such goods or services. Carve-outs in the legislation—for airport retailers, parking facilities, rental companies, subscription-based stores, and more—are indicative of some of the lobbying efforts surrounding the bills.

Strong lobbying efforts continue in other cities where such legislation is under consideration. A number of fast casual restauranteurs have banded together to protest the New York City bill; and various tech giants, who worry that such bills unfairly target proposed cashless brick-and-mortar retail locations, have also fought these proposed laws nationwide.

Despite such lobbying, however, the principles behind the legislative push continue to grow in popularity, and such a law is now being proposed at the federal level. In May, the Cash Always Should be Honored (CASH) Act was introduced in the U.S. House of Representatives. The CASH Act would grant enforcement authority to the Federal Trade Commission (FTC) to ensure that merchants accept cash for the sale of goods and services at all physical locations (online sales would be exempted).

Interestingly, each of the ten Representatives co-sponsoring the CASH Act are Democrats, and Democrats govern each of the jurisdictions that have passed legislation in this area. Perhaps because of the social justice and consumer-protection bent of the arguments against going cashless—typically more Democratic legislative priorities than Republican—the state and local jurisdictions considering and passing such laws have been traditionally liberal cities and coastal states. It remains to be seen whether more traditionally conservative jurisdictions will see the same push for mandatory cash acceptance legislation. Notably, however, an increasing number of sporting venues in the United States are going cashless. Mercedes-Benz Stadium in Atlanta and Tropicana Field in Tampa have gone cashless within the past year, while Hard Rock Stadium in Miami, host to the 2020 Super Bowl, has announced potential plans to go cashless in time for the big event.

15. Chris Sweeney, *Should Boston Stop Using Cash?*, Boston Mag. (Feb. 6, 2018), https://www.bostonmagazine.com/news/2018/02/06/cashless-boston/.

VI. The Rest of the World

The debate over going cashless is not confined to the United States—the rest of the world is also moving toward a more cashless future. The following sections are high-level overviews of the various means by which countries around the world have navigated their way to more cashless societies and some of the problems they've faced along the way.

Mexico

The Mexican economy's continued dependence on cash is representative of much of the developing world—nearly 90% of transactions in Mexico are conducted in cash.[16] Recently elected Mexican President Andres Manuel Lopez Obrador has outlined plans to reduce cash usage, including directing the central bank to create its own mobile banking system[17] and contemplating a ban on cash payments for gasoline.[18] To demonstrate that the arguments for cashless commerce are not merely academic, the Mexican government's cited rationale for making such a push is its potential effectiveness in curbing the country's corruption. Unfortunately for President Lopez Obrador's plans—and demonstrative of the difficulties faced by developing countries in transitioning to a more cashless economy—about half of Mexican households are unbanked and would be unable to access the proposed mobile banking system. Though industry executives recently proposed that Mexico would be ready for a "mostly cashless economy" by 2025,[19] how many of its citizenry would be left behind in such a financial system?

India

A number of global academics and proponents of moving toward cashless economies have argued that a logical first step would be the phasing out of large denomination bills. Because the vast majority of illicit finance involving cash is conducted in large denomination bills, the thinking goes, the removal of these denominations from the market would help curb corruption, tax evasion, and the flow of cash overseas without requiring the type of wholesale economic change implied in transitioning to a completely cashless model.

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16. *Cash Usage in the Digital Americas*, PYMNTS (Jan. 24, 2018), https://www.pymnts.com/cash/2018/cash-economies-americas-usa-mexico-brazil/.
17. *Mexico Moving Closer to a Cashless Economy*, BNAMERICAS (Aug. 20, 2019), https://www.bnamericas.com/en/features/mexico-on-the-way-to-a-cashless-economy.
18. Michael O'Boyle & Nacha Cattan, *Mexico Considers Banning Cash for Gasoline Purchases, Highway Tolls*, BLOOMBERG (Aug. 9, 2019), https://www.bloomberg.com/news/articles/2019-08-09/mexico-mulls-banning-cash-for-gasoline-purchases-highway-tolls.
19. *See* Sweeney, *supra* note 15.

India decided to pursue this path seemingly overnight in November 2016. Prime Minister Narendra Modi made the decision to remove the 500 and 1,000 rupee notes from circulation and required citizens to convert any of these notes in their possession to smaller denomination notes within 50 days. The stated rationale, as mentioned above, was to render any large denomination bills held by bad actors null and void. Unfortunately for India and Prime Minister Modi, a review of the economy after several years seems to show that the value of the currency that was supposed to have been flushed out of the system has now returned to India's economy[20]—suggesting the likely failure of the anti-corruption effort.

China

Most countries, as they have transitioned to more cashless economies, have generally undergone an intermediate step between cash and digital or mobile payments. The intermediate step, somewhat representative of the current state of the United States market, involves the use of credit access devices like credit cards, debit cards, or even checks. The final step, however, takes advantage of recent technological developments to drive payments through e-commerce and mobile wallets.

China is a unique case in that it has largely foregone the intermediate step of developing a robust market for traditional credit access devices. However, thanks to the rapid spread of mobile payment technologies, China is today the world's largest cashless marketplace. A recent study determined that 92% of residents in China's largest cities use just a couple of payment platforms as their main payment method—WeChat Pay and AliPay.[21]

The Chinese central government's ability to unilaterally dictate market precepts has paved the way for this transition to a nearly cashless society in a short period of time—and has left behind elderly and rural populations unable to cope with the brisk pace of these advancements.[22] This unilateral push is emblematic of one of the risks of moving toward a cashless economy: privacy risks pertaining to authoritarian governments. China's government, with its strong influence over the ostensible private sector in the country, is able to gather large swaths of customer data that otherwise would not be available in a cash transaction. The privacy concerns here are

20. Prabhash K Dutta, *Demonetisation: What India Gained, and Lost*, India Today (Aug. 30, 2018), https://www.indiatoday.in/india/story/demonetisation-what-india-gained-and-lost-1327502-2018-08-30.
21. Sean Lim, *Here Are the Real Reasons Why China is so Much Faster at Embracing Cashless Payments*, Bus. Insider: Sing. (Sep. 25, 2018), https://www.businessinsider.sg/china-cashless-payment/.
22. Kyle Mullin, *China's Cashless Economy Threatens to Leave its Elderly—and Their Money—Behind*, Quartz (Nov. 26, 2018), https://qz.com/1435320/chinas-cashless-economy-is-leaving-its-elderly-behind/.

exemplified by the development in China of "social credit scores"—the assigning of a score to Chinese citizens based on financial, social, and civic factors. The increasing digitalization of Chinese commerce adds yet another data set that the government may use to dispense social credit scores and further enhance privacy risks for Chinese citizens.

Kenya

Kenya is the rare example of a developing nation that has successfully transitioned to a majority-cashless society. Not only has the transition been successful, however: studies show that Kenya's specific form of transition has lifted as many as 2% of Kenyan households out of poverty.[23] That elevation has been attributed to Kenyans' overwhelming adoption of the private payments company M-Pesa. M-Pesa is a mobile platform that operates as a bank account itself; money may be transferred by text message, and no linkage to a traditional financial institution is required.

While China's example illustrates the risks of putting too much of the economy in the hands of the public sector, Kenya is representative of these same risks for the private sector. Today, nearly half of Kenya's GDP is processed over M-Pesa's systems.[24] While there has not been any indication that M-Pesa has abused this market control, it is certainly raises privacy, economic capture, and monopoly concerns when a private company begins to play such an outsized role in a country's marketplace.

Sweden

Sweden, along with its Scandinavian neighbors, may be the closest society in the world to truly going cashless. In fact, Sweden is projected to effectively eliminate cash by 2023.[25] Only 2% of transactions in Sweden are currently conducted with cash,[26] and a recent poll found that only 13% of Swedes could remember using cash for a recent purchase.[27]

The support of the Swedish government, as well as a relatively small, tech-savvy population, has proven pivotal for the development of such a highly digitalized economy. Sweden has worked to expand broadband ac-

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23. Suri, T, & Jack, W., *The Long-Run Poverty and Gender Impacts of Mobile Money*, FinDev Gateway (Dec. 2016), https://www.findevgateway.org/library/long-run-poverty-and-gender-impacts-mobile-money.
24. Tim Harford, *Money via Mobile: The M-Pesa Revolution*, BBC (Feb. 13, 2017), https://www.bbc.com/news/business-38667475.
25. *Going Cashless: What Can We Learn from Sweden's Experience?*, Knowledge@Wharton (Aug. 31, 2018), https://knowledge.wharton.upenn.edu/article/going-cashless-can-learn-swedens-experience/.
26. Ryan Browne, *People in Sweden Barely Use Cash—and That's Sounding Alarm Bells for the Country's Central Bank*, CNBC (May 3, 2018), https://www.cnbc.com/2018/05/03/sweden-cashless-future-sounds-alarm-bells-for-the-central-bank.html.
27. Mikaela Bufano, *Sweden is Going Cashless*, CBS News (May 5, 2019), https://www.cbsnews.com/news/sweden-is-going-cashless/.

cess across the country in order to ensure the ability to conduct mobile transactions even in rural areas. The Swedish government has also taken it upon itself to educate its citizenry about digital markets through public debate on digital technologies and related privacy concerns.[28] Sweden's central bank, meanwhile, is currently working on the development of its own cryptocurrency—the "e-krona."[29]

Despite the Swedish government's stance on the benefits of creating a cashless economy, and the apparent support of a vast majority of citizens, risks remain. First, the fact that so much of the Swedish financial system has migrated online has left the Swedish economy more vulnerable to cyber-attacks by independent or state actors. In particular, there are concerns across Scandinavia and the Baltics that Russia intends to use cyberwarfare to degrade their digital financial systems. Relatedly, there are concerns that a Russian attack on Northern European power grids could have disastrous consequences for a cashless economy unable to process transactions without access to an electrical or internet grid. Additionally, groups representing seniors and other vulnerable populations have pushed back against the rapidity with which the Swedish government is moving toward a cashless economy.

VII. Other Considerations

The pace of technological advancement has made a planned approach to a cashless economy much more difficult. One of these advancements in particular is the continued growth—in general, societal awareness and market capitalization—of cryptocurrencies. This growth is of course a subject for a separate article, but it is worth noting its effect on the discussion here. Cryptocurrencies raise many of the same concerns as going cashless generally. On the one hand, some privacy advocates argue that cryptocurrencies are a salve for some of the privacy concerns associated with big banking and payments tech. Due to the anonymous nature of most cryptocurrency transactions, the use of such currencies could allow for a greater sense of privacy when operating in the digital economy. On the other hand, the fact that numerous central banks have begun to develop their own cryptocurrencies raises the same privacy and government overreach concerns inherent to cashless societies in general.

Another consideration is the impact on the traditional banking industry in the United States of the movement away from cash. Critics of this industry often argue that going cashless will result in a more equitable dis-

28. Maddy Savage, *Sweden's Cashless Experiment: Is It Too Much Too Fast?*, NPR (Feb. 11, 2019), https://www.npr.org/2019/02/11/691334123/swedens-cashless-experiment-is-it-too-much-too-fast.
29. Liz Alderman, *Sweden's Push to Get Rid of Cash Has Some Saying, 'Not So Fast'*, N.Y. Times (Nov. 21, 2018), https://www.nytimes.com/2018/11/21/business/sweden-cashless-society.html.

tribution of financial power in this country. Though customer loyalty to traditional banking has declined,[30] banks have not remained idle and allowed upstart FinTechs (a colloquial term for "financial technology" companies) to siphon away business. In fact, large banks are competing more aggressively with FinTechs to develop new, cashless technology. So far, the banks have been largely successful at using their existing customer base, greater resources, and brand recognition to remain relevant to consumers increasingly looking to digital finance solutions.

VIII. Conclusion

Though it may be foolhardy to expect cash to endure for another eight centuries, Kublai Khan's invention continues to remain relevant even in the face of rapid advancements in the development of financial technology. It remains to be seen how much longer cash will be the most prevalent form of payment in the United States, but in a country whose body politic has grown increasingly concerned about privacy rights and the rights of its most vulnerable populations, cash still remains critical to our economy and our society.

Though it remains critical, there are arguments for reducing American dependence on cash as a payment method. From concerns over criminal risks, to monetary policy, to the amount of germs on a one-dollar bill, economists and academics have presented a viable case against paper money. Regardless, technological advancements may have already chosen a path for the future of the American economy—a path reliant on mobile payments and card products, with little room for 13th century inventions.

The rest of the world offers a lesson on what that future may bring—both the benefits and the drawbacks. While more Americans may be brought into the financial system and out of poverty, more of us may see our privacy sacrificed to corporate or government entities. And while we may see reduced societal corruption, we may also see an increased threat from bad actors attempting to cripple our financial system through online attacks on our banking system. Cryptocurrencies may be a panacea for all the ills described above, or they may exacerbate each of the pains.

Cash remains king for now, and state and local legislators in the United States are helping to guard its throne. With legislation rapidly spreading across the biggest cities and now approaching the halls of Congress, more and more retailers—from mom-and-pop operations to big tech—remain wary of going cashless. Thanks to such pieces of legislation, our cashless future remains on hold a little longer.

30. Chuck Rogers, *Traditional Banks Losing Ground in the Battle for Customer Loyalty*, MarketForce (2017), https://www.marketforce.com/blog/traditional-banks-losing-ground-battle-customer-loyalty.