

Perils of the cashless society

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CASH IS COOL



ESTA BUSINESS CONFERENCE,
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1. Introduction

- 2013; CNBC; Yahoo Finance; etc.
- even without and before covid-19, statistics showed the long-term trend of cash disappearing from the economic system
- larger context: global technological/financial giants, large commercial and central banks
- unbalanced discussion

2. Changing landscape: *sleepwalking into cashless society?*

- a selection of cases:
 - Apple: new software that scans the entire device
 - Australia: app that combines facial recognition and location via satellites; military patrols, Orwellian laws enacted to eliminate cash
 - Facebook harvesting and reselling data
 - Google tracks payment history (Google Pay)
 - US administration's warrantless collection of citizens' personal financial data; credit information on 5 million consumers „for use in a wide range of policy research projects” (2013)
- ...further examples: Table 1.

2. Changing landscape: *sleepwalking into cashless society?*

Table 1. Examples of malfeasances with user data (1/3)

Publisher of the news*	Shortened link to the news	"Perpetrator/-s"	Exploit
Washington Journal of Law, Tech and Arts	tinyurl.com/yxqqrjmul	Amazon	Consumer generated mass surveillance
Business Insider	tinyurl.com/y3be8jk6	Amazon	Spying/tracking users
Financial Times	tinyurl.com/y2yzzh2n	At least 34 apps (games, etc.)	Selling user data to Facebook
New York Times	tinyurl.com/y7lry8rw	At least 75 companies	Spying/tracking users
Techcrunch	tinyurl.com/y9h3ky78	Facebook	Spying/tracking users
35th Chaos Communication Congress	tinyurl.com/y3ja6w83	Facebook	Tracking and selling user data even if user doesn't have FB account or app
Ars Technica	tinyurl.com/y3yby6ya	Facebook	"Knowingly violated" privacy laws
The Verge	tinyurl.com/yckq85tt	Facebook	Spying/tracking users
Wired	tinyurl.com/y7o9muqb	Facebook, Instagram, WhatsApp, Messenger	Sharing user data

Source: author

2. Changing landscape: *sleepwalking into cashless society?*

Table 1. Examples of malfeasances with user data (2/3)

Publisher of the news*	Shortened link to the news	"Perpetrator/-s"	Exploit
Business Insider	tinyurl.com/y7e9gbcm	Google	Creating "bubbles" by filtering search results
Deutsche Welle	tinyurl.com/yyazassz	Google	Privacy breach
Techcrunch	tinyurl.com/yaopxlop	Google	Spying/tracking users
Medium	tinyurl.com/ydfmnbpe	Google	Spying/tracking users
Medium	tinyurl.com/yyjwzjh7	Google	Spying/tracking users
The Intercept	tinyurl.com/yagqxlh7	Google	Spying/tracking users
Business Insider	tinyurl.com/y3jb37ac	Google	Secretly putting microphones in devices
Search Engine Journal	tinyurl.com/y4uayhns	Google, Facebook, Twitter	Disrespecting the "Do Not Track" setting on web browsers
Bruce Schneier	tinyurl.com/y8yy9eh9	Government/-s	Placing surveillance cameras in streetlights
Wired	tinyurl.com/y7r24mel	Governments	Spying/tracking citizens
Fair	tinyurl.com/yyg47urs	Governments	Potential misuse of face recognition

Source: author

2. Changing landscape: *sleepwalking into cashless society?*

Table 1. Examples of malfeasances with user data (3/3)

Publisher of the news*	Shortened link to the news	"Perpetrator/-s"	Exploit
Motherboard	tinyurl.com/ya25y9wx	Hundreds of free apps	Tracking and selling user data
Boingboing	tinyurl.com/yadvbxv	Lifx	Passwords saved insecurely (in a lightbulb)
Bloomberg	tinyurl.com/y9jzrjmf	Private DNA testing company	Leaking DNA data to FBI
Business Insider	tinyurl.com/ybjldmrg	Smart TVs	Tracking and selling user data
Bleeping Computer	tinyurl.com/y49o9jr5	Thousands of apps	Violating policies
Techcrunch	tinyurl.com/ycr4m3o5	Unknown	24 million financial and banking documents published online

Source: author

2. Changing landscape: *sleepwalking into cashless society?*

- big data mining
- detecting trends and patterns,
modelling consumer behaviour
- we „choose” from what is pre-selected for us

...does it seem like freedom,
or more like a *manipulation*?

3. “Positive” aspects of CS

- *fight against underground economy, illegal trading of weapons and drugs, trafficking, money laundering, tax evasion, and other black market activities*

...however,

- largest volume of the money laundering and tax evasion is performed by large banks and multinational corporations
- terrorism is mostly financed by certain sovereigns and intelligence agencies

3. “Positive” aspects of CS

- *cash is prone to stealing, security issues*
...however,
- credit cards are regularly stolen, web payments intercepted; never-ending records of online security breaches
- providing security in cash management is simple and inexpensive in comparison to providing security in a digital economy

3. “Positive” aspects of CS

- *cash is dirty, it carries bacteria and viruses*
- ...however,
- germs can be washed away with soap
- cash is immune to all known and yet to be imagined *digital* viruses, spyware, worms, trojans, and other malware
- regarding Covid-19; ECB:
„the risk of transmission via banknotes and coins is very low, and cash is safe to use”

4. Perils: key takeaways

- the pursuit of anonymity: a natural longing for **privacy** and for basic **human respect**
- „if you aren't doing anything wrong you have nothing to hide" is an oversimplification of the conflict between the concepts of **control** and **liberty**
- the ultimate and the most powerful (material) tool/weapon/resource ever created by homo sapiens:
money in the hand

4. Perils: key takeaways

- the fight for cash is more than it seems;
it is a campaign for physical over virtual,
for tangible over digital,
for real over abstract,
for human contact over cybernetic simulation.

Fundamentally, it is a commitment to uphold individual power and liberty.



Thank you!

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full paper available at:
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