

Dear review board of the Economic and International Affairs Panel.

I hope this email find you all well.

In response to the request for any views on the subject of the use of Cash in Jersey I submit the following. I hope that it addresses the focus points you mention and your Terms of Reference. As well as point out some other concerns for yourselves and any members of the public that reads this to consider.

Focus points and ToR:

- Explore acceptance of cash payments by businesses in Jersey;
 - Investigate views on the use and acceptance of cash in Jersey;
 - Ascertain impact of ability to access cash; and
 - Identify if there is a need for consideration of Government intervention to require acceptance of cash payments.
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- To investigate the use of cash and the acceptance of cash payments for products and services in Jersey;
 - To engage with the Government of Jersey, Businesses and the Jersey Public to ascertain their views on the benefits and challenges of various payment methods;
 - Establish if there is a case for Government intervention regrading the use of cash in the island; and,
 - Any additional areas that the Panel deem to be relevant to the Review.

Freedom of choice:

The government should have an obligation and role to play in ensuring the safety and liberty of the citizens (islanders) of Jersey.

However, it would go against that obligation if the government would force businesses to accept cash, as it should be the rights of the business owner to conduct their business in whatever manor they see fit, without causing harm to its customers (or the environment by extension) and being honest with them. Yes, there are various other legislation that business must abide by, depending on what industry they operate in, but in a productive and free society, the government should adhere to overall guiding principles like these, rather than over legislation and additional bureaucracy that stifles innovation and economic growth as well as the freedoms of its citizens that it serves.

How does this relate to the use of cash?

This would mean that if a business owner decided not to take cash but the public elects to use cash, then the business owner will have to make changes to their decision to be cashless or have less customers. That should still be their choice and freedom to do so. And vice versa in insisting on cash over electronic methods.

This gives freedom of choice to both the customer and the trader.

If the government was to use its power to either remove cash OR to insist that traders must take cash, then freedom of choice and liberty is compromised and reduced.

It is recognised that there are some businesses that will naturally be cashless (or almost cashless), like purely online trading. However, there are mechanisms in place that can facilitate the use of case for online payments. Freedom of choice is still maintained in this situation.

In addition:

If payment and acceptance of cash is an enforced requirement for goods and services (trade), then would there then be a precedent for employees to be paid in cash from their employer?

There would again be an argument that the preferred and more libertarian approach would be that how the employee gets paid would be through an agreement between free individuals (employer and employee in this case) to decide. It would be interesting to also ask the public on their option of being paid by electronic bank transfer, cash, or partly both in extension to the proposed review. How many people would use this opportunity, if the choice was given to them?

Taxes and benefits:

There is another consideration to review that is related to the above but is the monetary interaction between individuals and government (payment of taxes and fines, receiving benefits, etc). Whatever legislation, mandate or principle is imposed from government onto business transactions, should also apply to itself. The public should hope that the decision is made for both based on what is best to protect citizens freedom and liberty rather than simple convenience.

Deeper concerns to consider:

The government using its powers to force the use and acceptance of cash is a concern against the freedom to choose for the public. However, as worrying as people should find this, it is insignificant compared to the opposite situation of the government effectively or affectively banning cash.

There are plenty of historical examples of an imposed locally or through invasion tyrannical government either removing or taking total control of the currency. Cash has been a way of citizens protecting themselves to a limited extent from such events.

There is little need to abolish cash by a government unless it intends to control the spending and trading of its citizens and therefore become tyrannical in nature. History has shown us that this is fact and has happened in the past multiple times. If a government has no intention to become tyrannical itself then it should abide by its obligation to protect citizens in case of invasion or other takeovers internally. There are other signs that a government is intending to become tyrannical (even if it thinks it is doing it in the best interests of the citizens), so on its own, the removal of cash is only a warning sign, but it is a significant one. Any legitimate government that respects the rights, liberty and freedoms of its citizens should avoid the abolition of cash and protect it.

As another modern example. Full control of the value of money that a citizen possesses has also been a staple of communism throughout the 20th century. Citing predominantly Russia (USSR) and China (PRoC). It is unlikely that our island would be walking the path towards oppressive socialism, but it is worth pointing out. There were examples also in the early 19th and 20th century of societies heading in the opposite direction. For example, the United States showed a much more preferable move to granting and protecting more rights and freedoms for more of its citizens. One of those was also protecting the value and use of cash. Granted that recent events in The US is not a good example.

Any interference from the government on any subject, including the freedom of people to have, to use, to accept cash or not is increasing oppression and reducing liberty. So, should be thought about and considered very carefully. (Please note, that when the word "rights" has been mentioned in this email that I refer to generally accepted human rights that all individual citizens should have and not necessarily only those (if any any) that are enshrined in Jersey law.)

Any move made by any government to abolish cash should be very concerning to citizens and they should do what they can via the democratic process while they can to oppose this.

A recent situation to think on was the peaceful and legal (at least initially) protests of truck drives in Canada (considered a democratic and free country) in 2022. It can be argued that the Canadian government and its Banks acted unlawfully. However, they did this anyway.

Regardless of if the truck drivers were in the right or not, they acted against the wishes of the

government and they had their assets affectively removed by the government in order to assert control over them. If the truck drivers did not have some cash, then they would have been in an even worse position.

How affective is removing cash:

It may not be as easy as simply banning cash for it to be removed entirely. It has also been shown that when cash is removed legally, the public often still use it (while available), turn to another form of physical currency that is available (e.g. the US Dollar in many countries) or use another alternative to barter and do trade (goods, commodities or more recently Crypto currencies).

For person-to-person trading, cash can hold its value, if the citizens all agree to use it as a trading medium. Even without official backing from the government. A side effect of this has also shown that when cash is removed from the population, the other ways of trading encourage black markets to flourish.

The Gold standard:

Part of the issue that has led to the situation we are in and prompting this review, is mainly twofold. The availability of the supporting technologies and that already cash holds no actual value to a physical commodity any longer.

The bank “note” to show that they hold in the vault goods to a value of that note in your name, has not been the case for many years in most of western society or indeed around the world.

As a side note, this is a major contributor to present inflation.

It may be suggested that the Jersey government add to its Terms of Reference for this review to consider the consequences of no longer having a “gold standard”. Although reinstatement of it in an international financing system would be almost impossible, it may be appropriate to find ways of protecting the islanders of Jersey against the worst of its affects. Direct links of our currency to Sterling has its pros and cons to consider also.

Our Jersey cash (Jersey pounds) are also part of our history, heritage and something to be proud of. Even if we do not leverage this to the extent that we could.

Conclusion:

Public review is encouraged but if the government choses to follow principles to guide its decision making that are based on enabling the citizens to lead a life of liberty, individual free choice and the protection of fundamental rights, then as time progresses the correct outcomes will be realised for the good of all islanders.

Best regards... Mr A. Sheridan.