

# 'Cashless Society' Would Leave Millions Struggling – Report

[Peter Caddle](#) 31 Mar 2022



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A report into the potential effects of implementing a 'cashless society' has found that millions of people would be left struggling, with many vulnerable people being heavily reliant on physical tender.

A report published on Wednesday has found that a shift to cashless

society would considerably disadvantage and disenfranchise millions of people, and would also risk harming many vulnerable people reliant on physical notes and coins.

In particular, the study found that 15 million people in the UK are heavily reliant on physical currency for budgeting purposes, with ATM use also remaining high in some of the country's most economically vulnerable areas compared to pre-pandemic levels.

[According](#) to research conducted by the Royal Society of Arts, a number of demographics are extremely reliant on the use of physical cash, including older people, as well as many young people who use tangible currency to help with budgeting.

The research also found that, while ATM use overall went down during the Chinese Coronavirus pandemic and has not since returned to pre-2020 levels, one in seven people found themselves using cash more because of the crisis.

Ultimately, one in five people reportedly said that they would struggle in a cashless society, with the researchers also saying that there is an urgent need for legislation ensuring people's access to physical cash in the future.

"For millions of people, their relationship with cash is critical to the way they manage their weekly budget," Mark Hall, who penned the paper, reportedly said. "Despite online banking and shopping becoming more common, our research shows the percentage of the population wholly reliant on cash is unchanged in the past three years."

"It's vital that the dash to digital doesn't disenfranchise anyone, especially with the cost-of-living crisis putting such significant strain on

family finances right now," he also said.

"People are increasingly using less cash and embracing contactless and digital payments," noted John Howells — the CEO of ATM network LINK — regarding the study. "However, it's clear that digital does not currently work for everyone and for those living on tight budgets, where every penny counts, there is no better alternative to notes and coins, and they are in no rush to turn to money management tools."

The notion of a cashless society has been floating around for quite a while now, with nations such as Sweden becoming heavily [reliant](#) on digital transactions.

A number of [benefits](#) have been linked with the move, including lower infrastructure costs and making it easier to hamper criminal enterprises.

Australia at one stage even considered implementing a so-called "[cash ban](#)" law, which would put a legal limit of \$10,000 on any physical payments, with any transaction amounting to more than that being rendered an offence.

While the law has since been put on ice, it is clear that many parties in the modern world — including banks and regulators — are greatly in favour of a complete switch to digital.

Others are more sceptical, however, with the city of Philadelphia even going so far as to [ban](#) cashless stores and restaurants so as to be more "inclusive" of those without bank accounts.

"We are not asking them to do something they don't know how to do," said local politician Bill Greenlee upon the implementation of the ban. "They accepted cash before."