

# SHOULD WE BECOME A CASHLESS SOCIETY?

*THIS ACTIVITY SHOULD TAKE ABOUT 90 MINUTES. IF LEARNERS ARE ABLE TO REVIEW MEDIA PRIOR TO THE LESSON, ACTIVITY TIME SHOULD BE 45 TO 60 MINUTES.*

## INVESTIGATE

Read, watch, and listen to the three media resources on the Thinkalong module. Learners can use the Investigate graphic organizer to summarize each piece of media and record new information. Below are summaries of the three pieces of media curated in the Thinkalong module.

### IS CASH GOING EXTINCT?

Two Cents | October 2, 2019 | Video  
6:29 minutes

With some stores now refusing to accept cash as a form of payment, does this mean bills and coins are going the way of the dodo?

- It's estimated that less than 10% of all the money in the world is cash – the rest only exists in computers.
- The transition from gold to paper money happened primarily because gold was heavy and inefficient to carry. Now, people are ditching cash for lighter credit and debit cards, or even using cash-transfer apps for smartphones.
- Cashless stores say that not having money in their tills makes for a more productive, safer, and theft-proof business.
- According to the FDIC, 6.5% of Americans are “unbanked,” which means they may not have access to debit or credit cards, and nearly 24 million American households are “underbanked,” meaning they don't use banks or use cash for most of their financial transactions.
- While the U.S. Federal Government allows businesses to be cashless, states and cities are allowed to make their own rules – including banning or encouraging cashless stores.
- People like to use cash for many reasons, some of which include anonymity and managing their own financial behavior.

### HOW KIDS ARE ADAPTING TO A CASHLESS CULTURE

PBS NewsHour | March 8, 2019 | Video  
7:13 minutes

In this Making Sen\$e segment, Paul Solman heads to an ice cream shop with a group of students to find out if growing up in an increasingly cashless society has an impact on learning basic economics and financial literacy.

- Generation Z, born from the mid-1990s to 2010, are a quarter of the U.S. population and are being raised in a cashless society, affecting their financial literacy.
- One in three purchases is made with cash, and that affects how people value money. In the video, the kids believed the ice cream from the cashless parlor was more expensive (and worth more) than the ice cream truck, which only accepts cash.
- The students valued the cash equivalent of the ice cream more than the ice cream itself – but Beth Kobliner, a financial educator, explains that constant cash transactions help teach math skills, economic concepts, and financial literacy.
- Kobliner says that 70% of all purchases are done online or as a cashless transaction. The students in the video express their own concerns that having a debit card would make them less responsible with their money.
- This concern also means that Gen Z might have more financial responsibility than their parents, especially with the ease of credit and debit cards replacing cash transactions – but there are more online and instant transactions (like in-app purchases) marketed to students than their parents.
- Kobliner says that mobile pay apps make people feel as though they got a better deal than if they shelled out cash.

## THE PROS AND CONS OF MOVING TOWARD A CASHLESS SOCIETY

NPR | February 18, 2019 | Audio

4:07 minutes

In this interview with Harvard economist Ken Rogoff, Mary Louise Kelly talks about the pros and cons of a cashless society, including a recent shift in Sweden toward ditching cash.

- Rogoff says cash still has good uses, like tips and small purchases, but says large and illegal transactions should be traceable, something that's easier to do when the buyer goes cashless.
- The argument isn't that countries should go completely cashless, but rather that countries should encourage banks to give people free debit accounts to help low-income or unbanked people start banking.
- Sweden started to move toward less cash in their economy, but Swedes have mixed feelings about the move. Younger generations feel more comfortable with a mostly cashless society.
- Rogoff says that people will adjust at their own pace, but change won't come as fast as people think. He states that the U.S. and the world is already moving toward a cashless society, even with vulnerabilities to digital transactions.

### KEY WORDS

Look out for these important keywords in the news stories. Discuss the definitions with your learners and see how they affect the understanding of the story.

- Financial literacy
- Banked, unbanked, & underbanked
- Economy
- Debit & credit cards
- Transactions

### CONTEMPLATE

Learners will use media literacy questions to critically engage with news by thinking about its purpose, searching for bias and discussing missing perspectives. They will answer the 5 Key Questions of Media Literacy created by the Center for Media Literacy, which are:

1. Who created this message?
2. What creative techniques are used to attract my attention?
3. How might different people understand this message differently than me?
4. What values, lifestyles and points of view are represented in, or omitted from, this message?
5. Why is this message being sent?

A graphic organizer is included in this guide and the Thinkalong website to help learners answer these five questions about each piece of media.

### DEBATE

Use the debate tool on the module webpage to help form evidence-based responses to the debate question.

Thinkalong is designed to help learners engage with real issues that are relevant to their lives. [Structured discussions](#) allow learners to practice their critical thinking skills through evidence-based debate with their peers. Discussions are designed to take about 30 minutes. Educators are encouraged to modify aspects that work best for their learners.

To encourage civil discourse, please review the [Code of Conduct](#) with your learners.

*Using public media — video, audio and digital reports — about newsworthy topics, these classroom-based exercises help learners to think critically about media messages, develop informed opinions, and practice how to take a stand.*