

Cashless society 'would hurt Sweden's elderly'

Charles Bremner

February 21 2018, 12:01am,

The Times



Most bank branches in Sweden no longer handle notes or coins

FREDRIK SANDBERG/REUTERS

Sweden may put the brakes on its dash to do away with cash after warnings that all-digital transactions would hurt the elderly and the poor.

The country's parliament has begun a review into the consequences of changing to a cash-free economy, which is happening at such a rate that it has surprised even advocates of the system. "If this development with cash disappearing happens too fast, it can be difficult to maintain the infrastructure for handling cash," Mats Dillen, the head of the review, said.

Stefan Ingves, governor of Riksbank, the central bank, has said that Sweden should consider forcing banks to provide cash krone to customers to prevent the paper and coin system drying up.

Most bank branches no longer handle cash, and plastic or mobile payments are preferred by shops, museums and restaurants and are even used for church collections and in public lavatories. According to the Riksbank, cash payments in the retail sector accounted for 15 per cent in 2016, down from 40 per cent in 2010. A survey by Insight Intelligence last month found that only a quarter of Swedes used cash at least once a week and more than a third rarely or never used it.

The disappearance of a cash system, long seen as a boon for the economy, would exclude people who had poor access to digital payment, critics say.

Bjorn Eriksson, a former national police commissioner and head of Interpol, said that he was “angry because about a million people can’t cope with cards: the elderly, former convicts, tourists, immigrants. The banks don’t care because [these people] are not profitable.”

Christina Tallberg, chairwoman of PRO, a Swedish pensioners’ organisation, said in 2016 that “it’s important to many older people to be able to use cash . . . It is legal tender and you have to be able to use it until parliament decides otherwise.”

Sweden, one of the world’s most connected economies, said its retreat from physical money was a sign of its trust in institutions and interest in technology.

“Swedes tend to trust banks, we trust institutions . . . people are not afraid of the sort of ‘Big Brother’ issues or fraud connected to electronic payment,” Niklas Arvidsson, a professor at the Royal Institute of Technology in Stockholm, said.

He predicted that by 2020 cash would be a “very marginal payment form” but experts at the Riksbank say that the trend may slow. “We

think that cash will stick around until the 2030s," a spokesman said. A Visa study two years ago showed that Swedes used debit cards three times more often than most Europeans.

Debit cards are set to become Britain's most common method of payment by the end of this year, according to UK Finance.

comments

C. Tipps

A cashless society can hurt any of us. We never know how the financial climate might change. The best advice I was given when in my first job and struggling over the fare in to work, was given by a colleague who said he no longer used any cards or cheque book, and only using cash was what helped him manage such a tight budget. I took heed and would go to the electricity shop to pay my bill, count out exactly how much I had to spend on food or fares etc., in tangible notes and coins. Admittedly it was miserable sticking to the barest essentials for those years, but because I could see when the money had run out, I avoided overdraft fees and other debts.

Vivien Hall

Once cash is gone Big Brother will have all your financial details well and truly logged. No more black market or "cash" jobs for builders and householders to benefit from. The poor will starve because they have to raise a bit extra somewhere, such as selling things they can do without. They will have to bring in the universal income for all to stop this happening.

Chris 1966

It is a Government's wet dream to have a cashless society.

They can then give our bank accounts a haircut as and when they feel like it to pay for their expenses, or Trident, or HS2 or anything else that takes their fancy.

Yet people like myself who love saving for things so I can go into the shop and pay cash for it will be forced to put my savings in a bank where the government can take their cut. If you haven't tried saving up for things, give it a go the satisfaction of handing cash over to the shop or going to the bank to pay in those pound coins on your way to the shop is immeasurable

[Vivien Hall](#) 4 hours ago

[@Chris 1966](#) Yes and some countries now use the "opt in" system where the bank can take some of your savings if they are in financial difficulties such as the 2008 crash.

[Stanley Cohen](#)

" Sweden, one of the world's most connected economies"

Sorry, Mr Bremner, but 'connected' to what?

[My Scheutz-Spence](#)

They haven't stopped the coin demand to use public toilets - including at Stockholm Central Station - and as you can't buy a coffee with cash, where are you supposed to get the coins from??