

ANGLAIS

Durée : 1 heure

Coefficient : 1

The end of the cash era - or not?

1. In the year 2006 Adam Smith, the 18th century British economist (and author of "The Wealth of Nations") replaced Sir Edward Elgar, the famous composer, as the face on Britain's £20 banknote. The first economic thinker to be so honoured could well be the last. Not because economists are especially undeserving, but because cash, after thousands of years as one of one of mankind's most versatile and enduring technologies, looks set over the next 15 years or so finally to melt away into an electronic stream of binary digits. Or does it?
2. Banknotes and coins are already only a small fraction of the money circulating in most wealthy countries. But, reckoning by the number of transactions rather than their value, we still live firmly in a cash society. The Visa credit card alliance reckons cash accounts for most of the \$3.1 trillion spent across the world on small-ticket items. Cash, it seems, is plainly still king.
3. Yet signs of the new order are everywhere. People can use their mobile phones to remit money to other countries. Japan has roughly 500 smart-card operators who supply "digital wallets". In the USA, MasterCard, Visa and others have introduced plastic cards that, without needing either signature nor pin number, can settle bills under \$25. France has the "*moned*" system of cashless payments.
4. Nobody can be sure how fast bits and bytes will drive out metal and paper. Perhaps hard cash will always find a niche, tucked away in children's birthday cards and as money for the unbanked and phoneless. But most of the time a phone or a smart card that can be waved over an electronic reader will beat notes and coins hands down for convenience. The doubt - and the remaining obstacle to digital money - concerns a third property of cash: its anonymity.
5. Rendering cash as pure information is the final denial of the notion that money has intrinsic value; what was once a carefully weighed piece of gold, silver or bronze has become simply a token. Yet when money is minted from silicon something remarkable happens. The economics of handling cash - which today, in any quantity, involves thick-necked men in crash-helmets - have been brutally transformed by the rapid fall in the cost of computer processing. Electronic information is instantaneous, weightless, and precise.
6. Furthermore, information-money can be handled by any information-processing device. Apart from the personal computer, such devices now include the mobile phone, which can add to money's utility thanks to its display capacity and its power at any time to act as a mobile ATM link to your bank. Visa thinks a contact-less digital transaction takes less than half the time of a cash one, and that people liberated from counting cash in their wallets spend a fifth more. But there are dangers.
7. For instance, firms running electronic payment systems might sell information about what you buy and when. Prepare yourself for a barrage of e-coupons and offers designed to fit your profile and uploaded to your phone. Furthermore, in the cash world anonymity can be a cloak for wrongdoing. The suspicion clings that where you find anonymity you find drugs, fraud, money laundering, terrorist financing, and a huge amount of common tax evasion.
8. No wonder governments have long sought to control anonymous financial instruments. In the future the State is almost certain to try and monitor electronic cash payments. This is a political question, not a technological one. Yet when it comes to trading convenience against privacy, most people seem to back convenience every time, regardless of the consequences. With cash,

however, it might just be different. The more the state tries to intrude into electronic money, the more it will encourage a return to the old ways of notes and coin. On this evidence cash therefore seems likely to survive.

Adapted from "The Economist" February 2007

ATM = Automatic teller machine (distributeur automatique de billets)

- I. **Version (6 points).** Translate into French the title of the above text, and paragraphs numbered 3 and 4.

- II. **Vocabulary (4 points).**
 1. What do you understand by "digital wallets"?
 2. Find another way of saying "the unbanked and phoneless" and explain the significance of these words.
 3. What is meant by the expression "hands down"?
 4. What does "money minted from silicon mean"?

- III. **Summary (10 points).**

Describe in English, in 180 words +/- 10%, the arguments for and against "convenience" versus "privacy" as described in the above text, and add your own views.