

Federal referendum on 8 March 2026

# Freedom, property, protection from control

## Why cash is relevant today and indispensable

by Ewald Kornmann\*



Ewald Kornmann.  
(Picture ma)

alternative.

*Cash is increasingly coming under pressure to justify its existence. It is said to be a relic from an analogue past that no longer fits into a digitalised world. Politicians, authorities, banks, and payment service providers around the world argue with remarkable unanimity that those who insist on cash facilitate money laundering, tax evasion, and crime. Digital payments, on the other hand, are transparent, secure, inexpensive, and modern. However, it is becoming increasingly obvious that the abolition of coins and banknotes is aimed at comprehensive control of citizens.*

*“Swiss Standpoint” documents the arguments of the association “Modernising Money” in brief.*

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### Cash is allowed – but is it disappearing anyway?

Cash is coming under increasing pressure. It is invariably claimed that it promotes crime, is inefficient, and is no longer appropriate for the modern age. Digital payment methods, on the other hand, are considered secure, clean, and modern. Debit and credit cards, payment apps, and online payments have long been part of everyday life – and those who pay in cash sometimes must justify themselves. But this development raises some questions. If cash were really a central problem, why does most of the money launder-

ing and financial crime take place via banks and digital payment systems? Why do digital payments constantly incur fees and create new dependencies, while cash works without electricity, the internet, or platforms?

The current criticism of cash oversimplifies complex issues. It ignores the fact that cash is not only a means of payment but also plays a stabilising role in the monetary system. It protects privacy, enables payments without leaving a data trail, and serves as a fail-safe mode in times of crisis. This text is aimed at readers with a basic understanding of the monetary system who want to understand what lies behind the common arguments against cash – and why the question of its future is much more than a technical debate about details.

### Cash and crime – myth and reality

Cash is often portrayed as a driver of crime because it can be used anonymously. However, this connection is greatly overestimated. Although cash does play a role in smaller illegal transactions, it is unsuitable for systematic money laundering. Large amounts of cash are difficult to transport, store, and move inconspicuously. That is why illegal funds are funnelled into the digital financial cycle as quickly as possible. Banks, corporate structures, and international transfers are the central instruments of money laundering. The fixation on cash thus distracts from the actual weaknesses of the financial system and conveys a deceptive sense of control.

### Digital payments – convenient, but not neutral

Digital payments are convenient and fast, but they are not free of charge. Every card payment incurs fees that merchants bear and indirectly pass on to consumers. In addition, new dependencies on payment service providers and tech-



Cash prevents  
total state control!

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nical infrastructure arise. Without electricity, the internet, or functioning systems, payment transactions quickly come to a standstill. Cash works independently of these factors. Efficiency is therefore a matter of perspective: for payment providers, digitisation is highly profitable, but for users it often means higher costs and less freedom of choice.

### **Privacy and control in payment transactions**

Every digital payment leaves behind data. This data allows conclusions to be drawn about consumer behaviour, lifestyle, and social patterns. Cash is the only universally accepted means of payment that does not leave a permanent data trail. This feature not only protects against misuse, but also against behavioural control. A fully digital payment system is easier to monitor and control. Cash acts as a counterweight here and preserves a space for economic self-determination.

### **Cash, book money, and sovereign money withdrawal**

Cash is direct money from the central bank, while book money is created through lending by commercial banks. With the decline of cash, the

importance of private book money is growing. [...] Even without a change in the system, cash fulfils a stabilising function: it offers a state-guaranteed alternative to bank money. If cash disappears, the monetary system will become more one-sided and dependent—and thus more vulnerable.

### **Cash protects privacy**

The debate about cash is not a question of nostalgia or technophobia. It touches on fundamental aspects of our monetary system: stability, freedom of choice, and distribution of power. The common arguments against cash do not stand up to closer scrutiny. Neither crime nor efficiency problems can be solved by replacing cash. Instead, control is gradually shifting from individuals to central players in the payment system.

Cash acts as a counterbalance in this environment. It creates redundancy, protects privacy, and limits dependencies. Especially in an age of increasing digitalisation, this function is more important than ever. [...]

Source: <https://forum-geldpolitik.ch/themen/2026/28-bargeld-im-faktencheck>, 27 January 2026

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