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150 topics researched to date in maths and computer science as of 27/01/2024 .

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Reserve Bank of NZ

The Terrace, Wellington.

Re: The digital cash proposal.

First of all, I would like to remind you exactly what ScuMo's federal government did when establishing a "ring-fenced" cashless benefit card, those people in historically high welfare areas could not freely spend their money while being Aborigine.

Let's not delude yourselves into believing that the future government that brings this in won't either impose economic fascism or economic communism, depending on who is the favoured group of voters.

I acknowledge that the reserve bank itself won't care who spends on what, but the government of the day certainly will.

When this travesty of a third world banana republic social credit currency system is implemented, we know for a fact that certain sectors of society will be forced to use it without recourse to an independent third party bank account with privacy.

Instead, we will find certain conditions will be imposed via smart contracts on our digital cash, depending upon the morality of the prime minister and other idiots in cabinet, such as diabetics being unable to buy fish and chips or chocolates, or solo mothers being unable to buy contraceptives, or pensioners being unable to buy a beer at the pub. Possibly even public servants unable to buy George Orwell's 1984 ?

I personally don't accept that there is the need for the moral sermons of either the right or the left to dictate what I can and can't buy, and to implement digital cash will only lead to the elimination of financial privacy from politicians and their public servant minions who will have no choice but to comply to keep access to money.

This is an assured cluster fluck that will see the rent a crowd anti-vaxx protestors who camped on parliament last year look like a bunch of scouts on jamboree, and I need not remind you that you are relying upon the sub-geniuses at GCSB to not sabotage the financial standard, as they always do as part of their mission remit.

So really, you will be relying upon security through obscurity to defend against any bored teenager who happens to know more about hacking an antiquated database ?

Brilliant, isn't it. You might as well unlock the treasury vault and hand over the gold to nations which don't follow the rule of law while you're at it !

The only solution which is barely acceptable is to allow the trial of this farce to be opt-in only, and to allow any citizen, resident, business, or visitor to refuse acceptance of this digital cash nonsense, just as we can refuse to accept cash.

We all know that Treasury and GCSB don't have much experience with this sector, and probably should leave digital payments technologies to the experts instead of public servants who merely studied a short course in third year undergrad maths instead of proactively master the topic in secondary school or earlier.

We agree that trust in the New Zealand dollar is essential, however it is not going to be increased because of an official digital currency that has no basis in sound fundamentals. Merely declaring it safe doesn't make it so, and is just a wish.

It is assured that this digital cash trial will be hacked, and although I have more than the skillset required to describe precisely how to do so in seconds, I have no inclination to assist with information security, while the risk remains that the NZ dollar will become as worthless as a Zimbabwean dollar bill with a best before date of June 2006. To be clear, you are collectively putting the NZD at risk.

Frankly, I don't understand why the reserve bank is bothering to trial this untrustworthy digital cash project. You certainly have not considered the most straightforward issues with a digital currency, which is the economic effect on the banking sector when they can't obtain deposits easily because the CBDC has siphoned off all the pensioners, beneficiaries and public servants to a second rate communist china style social credit system ruling how they can spend money.

I am fairly confident that there will be a widespread shunning of the CBDC digital cash, as nobody wants to be told what they can and can't buy due to digital contracts that restrict spending on things as simple as coffee, condoms, a beer, or even Whittaker's chocolate bars.

Frankly if my money was unable to buy a burger for my wife because I'm currently considered to be a fat bugger by my doctor; how is making the same burger at home any different, as the restaurant loses a sale, & I don't walk far to get it for her ?

In conclusion, I would place as much trust in Treasury and GCSB to manage this project as if you had just handed out gold bars like they were bars of Whittakers.

Sincerely yours,

Andrew McPherson