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L'usage de tout système électronique ou informatique est interdit dans cette épreuve.

Rédiger en anglais et en 500 mots une synthèse des documents proposés, qui devra obligatoirement comporter un titre. Indiquer avec précision, à la fin du travail, le nombre de mots utilisés (titre inclus), un écart de 10% en plus ou en moins sera accepté.

Ce sujet propose les 4 documents suivants :

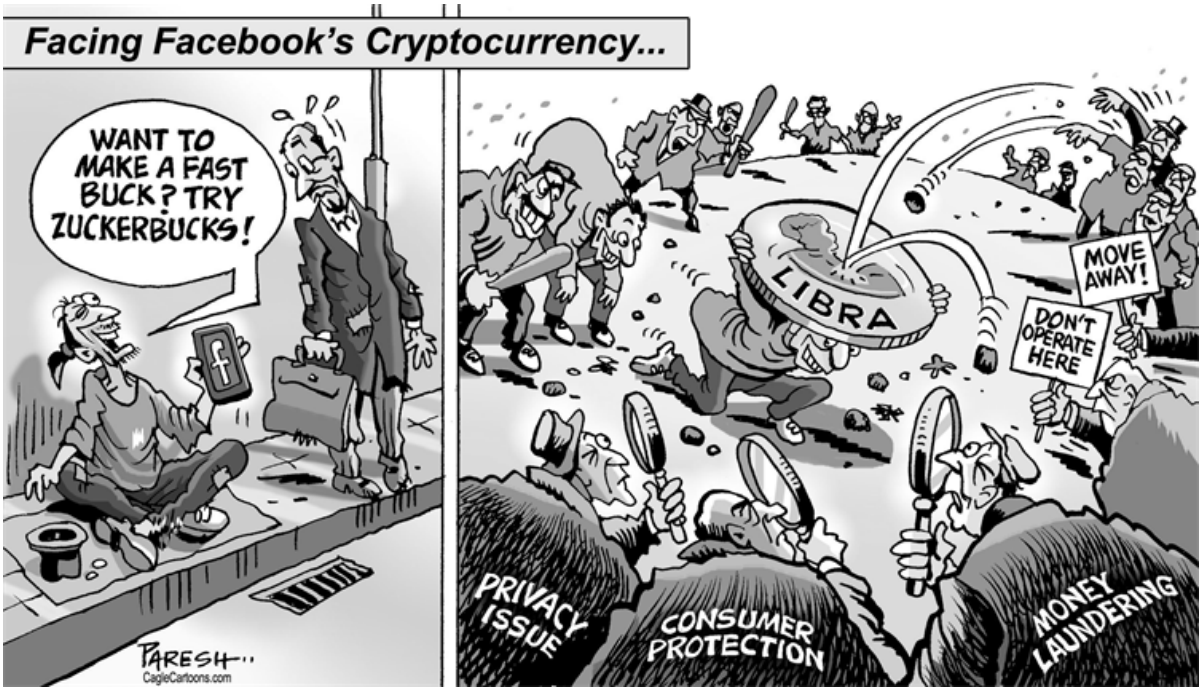
— un dessin de Paresh NATH, paru le 17 juillet 2019 ;

— un article de Jay L. ZAGORSKY, du 18 juin 2019, publié sur le site *The Conversation*[1].

— un éditorial paru dans *The Economist*, le premier août 2019 ;

— un poème de Steve MCCARDELL, du 13 août 2017 ;

L'ordre dans lequel se présentent les documents est arbitraire et ne revêt aucune signification particulière.



July 17th, 2019

Paresh NATH is the chief cartoonist for India's *National Herald*, and his cartoons are syndicated in the United States by Cagle Cartoons.

[1] *The Conversation* is an independent source of news and views, sourced from the academic and research community and delivered direct to the public. Its editors work with university and research institute experts. (`www.theconversation.com`)

THE CONVERSATION

Facebook claims Libra offers economic empowerment to billions – an economist is skeptical

Jay L. Zagorsky, June 18th, 2019

Facebook is joining the cryptocurrency craze. Should we be concerned?

The social network site on June 18 said it's launching a new cryptocurrency called Libra with the help of 27 partners, including MasterCard, Visa, eBay and Uber.

In simple terms, Libra is meant to replace the paper bills in your wallet or purse with a digital equivalent. But unlike other cryptocurrencies like bitcoin, Libra will be directly backed by assets[2].

The white paper describing the vision for this new currency is filled with laudable goals such as creating economic opportunity and advancing financial inclusion. But it will take time to completely understand the ramifications of Libra, which Facebook hopes to launch in 2020.

As a macroeconomist, I believe there are economic benefits to Facebook's cryptocurrency – but also some big potential downsides.

Existing cryptocurrencies are not tied to physical assets. This makes them immune to the whims of national governments but also makes them prone to speculative bubbles and flash crashes.

Libra, on the other hand, is going to be 100% backed by assets. Every unit of Libra currency will be backed by an equivalent basket of bank deposits and short-term government securities in various major currencies.

As a result, Libra will not suffer wild price fluctuations. And since it will be backed by a collection of international currencies and assets, it won't be tied to the fortunes and policies of one country either.

Another effect of being backed by assets is that it may help lower the risk of high inflation in countries across the world. Nobel Prize-winning economist Friedrich Hayek made this very point in his book "The Denationalisation of Money." Hayek believed everyone would be better off if people could pick among different types of private money, like Libra, instead of using government-issued money. Hayek believed issuing private money would banish inflation from the world since people would only use the currency most stable in value.

A second economic benefit of Libra is that it will likely reduce the cost of transferring money around the world because the marginal cost of using it will be so low and Facebook is so prevalent, with about 2.4 billion users. As I have pointed out before, travelers and migrants often pay excessive fees to move money from one country to another.

In a testament to the expected impact of Libra on the average cost of sending money, Facebook's announcement sent the stock of Western Union — a major mover of money internationally — plummeting.

If Libra is a success, it will surely speed up the movement toward more countries becoming cashless societies.

While some, such as Facebook founder Mark Zuckerberg, may favor this outcome, I believe there are two important downsides to going cash-free.

One is that it disenfranchises[3] the poor, elderly and unbanked, who would be pushed further to the margins of society and possibly become unable to take part in modern commerce.

Although the price of an individual virtual currency transaction may be lower, there are still many nontrivial costs necessary to connecting to the digital society. For starters, you will need a smart phone and an internet connection to use Libra, both of which come with regular costs and fees.

Concerns over disenfranchisement have led to places like Philadelphia, San Francisco and the state of New Jersey passing laws to ban cashless stores.

Second, a cashless society makes a country's entire economy more vulnerable to disruptions. That's because a cash-free economy depends on several things always working: a stable supply of electricity, constant communications networks and robust security. If one fails, digital transactions won't work. Two recent news stories impressed on me just how vulnerable the power grid is.

The U.S. government recently acknowledged that it's deploying malware and viruses inside Russia's electrical grid that could cripple it. That's because the U.S. believes the Russians are already inside America's power grid.

Of course, there doesn't need to be nefarious intent to see widespread power outages. Recently the entire power grid collapsed in Argentina, Uruguay and Paraguay. Tens of millions of people were without power for hours, and some had no power for a day. The same thing has happened in parts of the U.S.

Software viruses or accidents that shut down the electrical grid may not be lethal to humans but they can kill a cashless economy.

Will Libra live up to Zuckerberg's lofty economic goals and empower billions of people? Time will tell but meanwhile call me a skeptic. But the consequences of one day relying entirely on ones and zeroes to power our economies is worrisome.

[2] assets: capital.

[3] disenfranchise: to take power away from.

The Economist

Rich countries must start planning for a cashless future

August 1st, 2019

Going digital will bring vast rewards but societies are ill-equipped to deal with the side-effects

FOR THE past 3,000 years, when people thought of money they thought of cash. From buying food to settling bar tabs, day-to-day dealings involved creased paper or clinking bits of metal. Over the past decade, however, digital payments have taken off — tapping your plastic on a terminal or swiping a smartphone has become normal. Now this revolution is about to turn cash into an endangered species in some rich economies. That will make the economy more efficient — but it also poses new problems that could hold the transition hostage.

Countries are eliminating cash at varying speeds. But the direction of travel is clear, and in some cases the journey is nearly complete. In Sweden the number of retail cash transactions per person has fallen by 80% in the past ten years. Cash accounts for just 6% of purchases by value in Norway. Britain is probably four or six years behind the Nordic countries. America is perhaps a decade behind. Outside the rich world, cash is still king. But even there its dominance is being eroded. In China digital payments rose from 4% of all payments in 2012 to 34% in 2017.

Cash is dying out because of two forces. One is demand — younger consumers want payment systems that plug seamlessly into their digital lives. But equally important is that suppliers such as banks and tech firms (in developed markets) and telecoms companies (in emerging ones) are developing fast, easy-to-use payment technologies from which they can pull data and pocket fees. There is a high cost to running the infrastructure behind the cash economy — ATMs[4], vans carrying notes, tellers who accept coins. Most financial firms are keen to abandon it, or deter old-fashioned customers with hefty fees.

In the main the prospect of a cashless economy is excellent news. Cash is inefficient. In rich countries, minting, sorting, storing and distributing it is estimated to cost about 0.5% of GDP. But that does not begin to capture the gains. When payments dematerialise, people and shops are less vulnerable to theft. Governments can keep closer tabs on fraud or tax evasion. Digitalisation vastly expands the playground of small businesses and sole traders by enabling them to sell beyond their borders. It also creates a credit history, helping consumers borrow.

Yet set against these benefits are a bundle of worries. Electronic payment systems may be vulnerable to technical failures, power blackouts and cyber-attacks — this week Capital One, an American bank, became the latest firm to be hacked. In a cashless economy the poor, the elderly and country folk may be left behind. And eradicating cash, an anonymous payment method, for a digital system could let governments snoop on people's shopping habits and private titans exploit their personal data.

These problems have three remedies. First, governments need to ensure that central banks' monopoly over coins and notes is not replaced by private monopolies over digital money. Rather than letting a few credit-card firms have a stranglehold on the electronic pipes for digital payments, as America may yet allow, governments must ensure the payments plumbing is open to a range of digital firms which can build services on top of it. They should urge banks to offer cheap, instant, bank-to-bank digital transfers between deposit accounts, as in Sweden and the Netherlands. Competition should keep prices low so that the poor can afford most services, and it should also mean that if one firm stumbles others can step in, making the system resilient.

Second, governments should maintain banks' obligation to keep customer information private, so that the plumbing remains anonymous. Digital firms that use this plumbing to offer services should be free to monetise transaction data, through, for example, advertising, so long as their business model is made explicit to users. Some customers will favour free services that track their purchases; others will want to pay to be left alone.

Last, the phase-out of cash should be gradual. For a period of ten years, banks should be obliged to accept and distribute cash in populated areas. This will buy governments time to help the poor open bank accounts, educate the elderly and beef up internet access in rural areas. The rush towards digital money is the result of spontaneous demand and innovation. To pocket all the rewards, governments need to prepare for the day when crumpled bank notes change hands for the last time.

[4] ATM: Automated Teller Machine, cash dispenser.

What the Common People Choose
aka The Cryptocurrency Poem

Steve McCARDELL, August 13th, 2017

Once upon a time ago, I had a vivid dream
Where powers in the government had reached to an extreme,
And corporations wielded such sway upon the land
For they had politicians simply eating from their hand.

But then arose a currency that caught them all off guard,
For they did not produce it and controlling it was hard.
They wanted first to stop it, to ban its legal use,
But the people just ignored them and their asinine abuse.

So then the legal powers across the planet Earth
Decided that this currency had a special worth:
The currency was digital, which meant it could be read
And gave the means for tracking as we bought our daily bread.

But only if they owned it, if it were truly theirs.
Then they'd see in detail our most intimate affairs.
They'd know just what we shopped for, and even when and where.
They'd know what we believed in, they'd know for whom we cared.

And even worse, if worse there was, they'd have complete command
O'er who could spend the money that was given by their hand.
Cause a threat to their control, they'd shut off all your cash
And you'd be forced to beg for food or find it in the trash.

Away they did with dollars then, rolled out their plan for all,
And with their legislative weight they made their legal call:
"Join us cashless. Join us now. Trade in your other coin.
We'll care for you and feed the poor. It's time for you to join."

They said it all with such a smile they had most people heed[5],
For after all the government provided for their needs.
But others were unsure then; the coin *they* had was free
From legal interference and the act of bended knee.

The coin held by resisters was apportioned far and wide,
Controlled by no one person; controlled by no one side.
The left, the right, the rich, the poor, each race and gender too,
Could spend as they wished to spend, and do as they wished to do.

The government took action, though, and made it widely known
That only those in terror cells would ever dare to own
A coin not made by government. And so they grew the fear
Among the common people that the enemy was near.

The government began a hunt for all who dared to choose
A coin they did not offer. These terrorists would lose.
But as they started up their hunt, they made a plain mistake:
They chased too many people and shook the rest awake.

And then the population stood all in one big line
With the goal of independence. And a light began to shine.
It shone right down across them all. The government just stared.
It couldn't quite consider that its population dared.

And in this dream I felt a hope I never thought I'd feel,
As if the common people could finally start to heal
From the long abuse of government, and leaders finally could
Support us and protect us, the way that leaders should.

I woke then from this dream of mine and wondered what I'd seen:
Our future, or just wishful thoughts, or something in between.
And as I sit and ponder this, as I sit and muse,
I feel it all comes down to what the common people choose.

[5] heed: pay attention