What can we do without credit cards? Back to cash or something else?

European Credit Card providers have been good at telling us that their credit cards with chip and pin are safe to use. Also we have been given to understand that Europe is far ahead of USA, South America and Asia still using the old cards with magnetic strips. However, the old proverb “What one person can invent another person can get around” This turns out also to be true in case of the new credit cards with chip and pin.

Der Spiegel  http://www.spiegel.de/netzwelt/web/kreditkartenbetrug-trotz-chip-und-pin-software-hebelt-schutz-aus-a-1073317.html and die Zeit  http://www.zeit.de/digital/datenschutz/2016-01/kreditkartenbetrug-chip-pin-macgyver report on ways and means to get around the protection built into the chip and pin. And it is not very difficult. And all what is needed is available to buy on the Internet if you have the money.

Some time ago I myself became the victim of such a card forgery. One day my bank called me and told me they had found suspicious transactions for my credit card. From the card transactions to judge I had been flying across Europe, buy fashion clothes and all kinds of food and beverages. Few thousand Euros in total. The Bank and the Credit Card company took the matter into their hands. It started a lengthy process of closing the old card and getting a new one. Also recovering the money from the transactions. That process is still ongoing.

So what are we going to do? Go back to the good old cash? Or something else? I do not know. Last week a banker said in an interview that cash would disappear within few years. And what would replace the cash? The credit card. It will be interesting to see how the credit card companies react. Will they give us a new Credit Card with new technology and a promise this one cannot be broken? Yes, it will be interesting to see. However, the Banks and the Credit Card Companies owe it to their customers/users to keep them fully informed about the situation and what they can do to protect themselves. I am not sure that all banks are like my bank which took it upon themselves to draw my attention to the situation. But from now on I am keeping a close eye on all credit card transactions.

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