
Cashless policy and economic growth: beyond theories, empiricism to realism

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Abstract

This paper focuses on reforms in the payment system in Nigeria in what is popularly referred to as the cashless policy and the inherent advantages of the policy with a background knowledge and reference to studies on other economies that have embraced the policy. An attempt was made to establish a probable relationship between economic growth and cashless policy via other variables like the doing business index, foreign direct investment that are influenced by the policy. Sequel to the review of the impact of the policy on several economies with conflicting outcomes, the need to ask questions on how the supply and demand for money will be influenced by the policy, what will happen to inflation, how will real sector productivity be enhanced and how will investment inflow be impacted are major issues that must be addressed. Also the problems of infrastructure deficit, ignorance and apathy, insufficient skilled manpower, erratic power supply and insufficient identity management framework must be overcome. Adequate regulatory legislation that will be globally acceptable was also recommended.
