

## Penny for Your Thoughts

I HAVE A PET PEEVE: Pennies are cluttering up my world.

Let's face it, the one-cent coin has lost respect. Every day, people fish them out of pockets and purses, transferring them to containers, where they await a sufficient number of companions to be wrapped and recirculated. Or we simply abandon them in small dishes at restaurants that say "Take one or leave one." Yet, the U.S. Mint continues to spew out these copper-plated zinc pieces—at the rate of 11.6 billion in 1999—and has no plans to stop.

Citing a 1976 study, the Mint's website reports that "the idea of eliminating the penny received strong objections from an overwhelming majority of state revenue collection departments, retail firms, and commercial banks. Other objections voiced in later studies concerned the inflationary impact on prices and possible difficulties on collecting sales taxes."

Well, 1976 was a long time ago. In 1976, Microsoft had seven employees and revenues of \$22,496, and electronic bill presentment was futuristic thinking. As far as I know, state treasuries won't accept pennies. Neither will toll booths, soda machines, or pay phones. And when was the last time your banker met you at the door, beaming, because he knew you were arriving with a bucketful of pennies?

Now, don't get me wrong. I admire the cent for its historical significance, which dates back to 1793, when the U.S. Mint produced its first circulating coins—11,178 copper cents. The current Lincoln cent was first produced in 1909, Abe's centennial year. It's had a long and illustrious career, but its best years are past.

Mathematically, I fail to see the inflationary danger of rounding all cash transactions to the nearest nickel. Anything paid by credit card, check, money order, or electronic billing would be unaffected. In fact, this could start voluntarily. All commercial establishments in support of this position could display stickers (next to the Visa and Mastercard logos) proclaiming "We round."

Establishments choosing to maintain a more orthodox position could forewarn customers to have exact change ready, which could

give new meaning to the term penny-pincher (*n.* one who demands payment to the cent; opposite of a rounder).

The death of the penny might even serve as a milestone for our economy, a symbol that we are truly a richer generation than our predecessors. Like it or not, the process has already begun. A publicly traded company called Coinstar has some 8,000 automated machines in supermarkets around the country that absorb coins in exchange for grocery vouchers at about 90 cents to the dollar.

Our forefathers dreamed of creating gold from basic metals; we are on the road to developing a type of reverse alchemy.

I'm convinced we could do without pennies. If they all disappeared tomorrow, none of us would feel any poorer. None of us would do things differently than we did the day before. Yet, billions of new ones are produced each year.

I suppose we're too preoccupied with all the other clutter in our lives to give pennies much thought. A writer named Sarah Ban Breathnach once searched for the common thread in the lives of the world's great spiritual teachers, and she thinks she found it: "None of them had junk drawers." Or jars of coins, I suppose.

Well, junk mail continues to flood us even as e-mail solicitations outpace catalogs of useless merchandise. Internet ads pop up at the shake of a mouse, and we're bombarded with telemarketing calls that almost justify rudeness. With one of the longest life spans of any generation, we're starved for time. In his book *Money and the Meaning of Life*, Jacob Needleman observes that we have become a time-poor society. "The coin of time has been degraded and cheapened to the point of vanishing," he writes.

Penny-rich and time-poor. Isn't there a better way? ●



RICHARD T. ZATORSKI IS CHIEF ACTUARY AT THE GUARD INSURANCE GROUP IN WILKES-BARRE, PA.