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From Cyberbucks to Cyberpunk: Tomorrow's Electronic Commerce on Today's Mean Streets

By Walter A. Effross
Associate Professor, Washington College of Law, American University
weffross@counsel.com

Walter Effross is also the author of "Putting the Cards Before the Purse?: Distinctions, Differences, and Dilemmas in the Regulation of Stored Value Card Systems," 62 Mo. L.Rev. (forthcoming 1997) and "High-Tech Heroes, Virtual Villains, and Jacked-In Justice: Visions of Law and Lawyers in Cyberpunk Science Fiction," 45 Buff.L.Rev. (forthcoming 1997).

This article is excerpted from "Piracy, Privacy, and Privatization: Fictional and Legal Approaches to the Electronic Future of Cash," the author's introduction to the American University Law Review's forthcoming Symposium issue. For information on how to register for the Symposium on the Electronic Future of Cash, which will be held in Washington, DC on Friday, April 18, 1997 and will feature leading commentators, industry figures, and regulators, please see the Symposium web site at http://www.wcl.american.edu/pub/journals/lawrev/electronic_cash/c onf.htm, send e-mail to futurecash@wcl.american.edu, or call (202)274-4017.

A decade ago the popularity of "feudal life" scenarios in science fiction and fantasy literature was attributed to the fact that in such settings "money never has to change hands." In Trillion Year Spree (1986), Brian Aldiss and David Wingrove asked,

> [w]hen did a fantasy hero ever fish a ten dollar bill from his pocket? When did milady seek alimony? When were travellers' cheques needed in Atlantis or Cathay? When was the lead villain simply slung into prison for debt? When did the mortgage ever fall due on one of those labyrinthine castles? [p.280]

However, even as these questions were posed a new genre celebrated the cash, criminality, and computerized commerce of a future that has become today's headlines. Indeed, "cyberpunk" denotes more than science fiction that emphasizes the interaction of people with computers; according to a best-selling non-fiction work of the same name, it also refers to an individual who, like the protagonists of these novels, "make[s his] living buying, selling, and stealing information, the currency of a computerized future." [Katie Hafner and John Markoff, Cyberpunk: Outlaws and Hackers on the Computer Frontier 9 (1991)]. In both of these senses cyberpunk's authors anticipated the challenges posed by the increasing convergence of the banking, technology, and legal communities.

If other fictional settings allow novelists to avoid mundane financial transactions, cyberpunk not only confronts but glories in the grim and gritty commerce of the street. Indeed, its heroes can escape their physical and economic reality only by plunging into "cyberspace," mankind's "consensual hallucination. . . [a] graphic representation of data abstracted from the banks of every computer in the human system." [William Gibson, Neuromancer 51 (1984)] It is in this alternate, electronic universe, where multinational corporations hoard their data and financial institutions their electronic cash, that cyberpunks practice their esoteric digital deceptions.

In its emphasis on the technological interface between the commercial and the criminal, this literature illuminates many issues central to the current controversies over electronic forms of cash. To begin with, cyberpunk explores the worldwide culture of a society in which traditional forms of currency-- bills and coins-- are not only outmoded but generally disfavored. Whether this development was the result of govermental collapse, global unification, or the increased use of Internet commerce-- and many of the novelists are vague on that point-- it raises questions of

whether, when, and how electronic cash might displace traditional currency in a form of Gresham's Law. Moreover, cyberpunk's focus on this transition echoes current concerns over whether the "unbanked" will benefit from or be even more disadvantaged by a widespread shift to electronic payment systems.

To replace cash the cyberpunk canon introduces a panoply of exotic payment mechanisms such as "bearer chips," "credit chips," "bearer cards," debit cards, "credit disks," "cash cards," and "credit transactors." The proliferation of these devices, and the abbreviated way in which their operations are described, evokes the debates currently raging over the extent to which stored value cards should be regulated. For instance, do consumers truly understand their rights and potential liabilities when they use the real-life counterparts of these fictional products?

Like an increasing number of today's consumers and businesses, the protagonists of cyberpunk fiction conduct transactions over the Internet itself. Cyberpunk anticipates not only their attempts to preserve their privacy and anonymity during these activities but the issuance of money by private parties, including multinational corporations and perhaps criminal organizations, as well as the danger that electronic cash may be used in money-laundering operations.

Finally, this form of science fiction discusses the jurisdictional difficulties inherent in governing a "space that [i]sn't space" [William Gibson, Count Zero 39 (1986)] in which individuals who may be concealing their identities can conduct instantaneous transactions by means of intangible forms of cash.

The seminal cyberpunk novel vividly portrays the dilemma of balancing rules and standards: the protagonist asks government authorities, "Do you guys have any real jurisdiction out here?" only to be told, "It doesn't matter. . . . We are at home with situations of legal ambiguity. The treaties under which our [agency] operates grant us a great deal of flexibility. And we create flexibility, in situations where it is required." [Neuromancer at 162-163].

As today's payments technology nears that of science fiction, the regulatory responses to each of the issues foreseen by cyberpunk will shape electronic cash, its application, and its culture for years to come. At this critical point in the history of money, William Gibson, Bruce Sterling, Pat Cadigan, Lisa Mason, and other cyberpunk authors offer a cautionary vision of the transition from "two bits" to megabytes, from a pair of dimes to new paradigms.