
The Discussion on the Necessity of Pennies in the Financial System

Should We Keep the Penny?

The price of zinc has soared over the course of the last few years, and with that the price to produce the penny has gone up. The U.S. Mint reports that it costs nearly 1.6 cents to produce one single cent (Grenoble, 2013). A cent that, most of the time, goes unused. There has been a growing debate on whether we should keep the penny or let it go. In my opinion, the U.S. Mint should stop producing pennies because they're a waste of money, making the penny a waste of time and resources for the U.S. and its citizens.

If the penny is eliminated, prices of goods will have to be rounded, and will therefore be increased. Some people are dissatisfied with the idea that items, which cost \$1.01 or \$1.02, would be rounded flat to \$1.00, but items that are \$1.03 and up would end up being rounded to \$1.05 (Whaples, 2006). Many argue that this would unfairly charge Americans more money than warranted. However, this argument is false due to the fact that the average customer is willing to pay more in change. Most modern-day people don't see a big deal with paying \$1.25 for something that's already costing them about \$1.06- they're already paying with coins regardless. These days, the majority of people simply don't regularly carry pennies on their person anymore; they are seen as a nuisance. Usually, people tend to pay with cash, and receive change rather than giving exact change for what they are buying; therefore the penny is basically entirely obsolete within our society today.

The cost of producing pennies -as well as the effect that they have on Americans in general- ends up being such a waste. The average American wastes 2.4 hours a year handling pennies, or waiting for people who handle them (Headley, 2014). There is no reason to continue to produce these coins, when most people never use them; pennies will only continue to become increasingly cumbersome for Americans in the future. Not only that, but creating pennies uses fuel, energy, (and, yes, money). Not making any more pennies would mean saving our resources and material for things that matter more.

The U.S. Mint makes an average of 20.27 million pennies per day to produce its 7.4 billion penny annual output (Headley, 2014). If pennies were eliminated, this cost would be totally eradicated, saving our government enormous amounts of money and therefore cutting federal spending so that those funds can then be utilized for other projects and put into other programs that need them. It's obvious to see that pennies serve solely as an inconvenience to Americans, and when something is an inconvenience, the best thing to do is to remove it. It would save us plenty of money, because taxpayer dollars is ultimately what funds the creation of new coins.

In a nutshell, pennies simply aren't needed in today's America. They are insignificant. When most people wouldn't miss these coins, there is no necessity to continue to waste our resources, time, and energy to produce them. Eliminating pennies would only give more money back to taxpayers and make life easier for Americans who don't use them and have no need for them. This issue is relevant to life in our society, because the penny is an irrelevant form of

currency that we have no need for, and should therefore be eradicated within the next few years.

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