

**THE BANK SECRECY ACT:  
HOW BANKERS AND  
CONGRESS ENDED  
FINANCIAL PRIVACY**



## **The Bank Secrecy Act: How Bankers and Congress Ended Financial Privacy**

The Bank Secrecy Act (BSA) started in 1970. It changed how money works in America. Before this law, your bank account was private. After it, the government could watch almost everything you do with money. Before 1970, people could:

- Deposit money without filling out lots of forms
- Take out cash whenever they wanted
- Send money to friends and family without being watched

The government needed a warrant to see your bank records. Privacy was normal.

The Bank Secrecy Act made big changes: Banks had to report cash transactions over \$10,000. Banks had to keep detailed records of accounts and transfers. The government could see your records without a warrant. The Supreme Court said this was okay because the data “belonged to the bank, not the customer.”

Banks became part of the government’s surveillance system:

- They must report anything “unusual.”
- Millions of reports are sent to the government every year.
- Small things, like depositing lots of small amounts, can trigger a report.

The U.S. dollar became the main world currency. Other countries had to follow the same rules if they wanted to use dollars. After 2001, the Patriot Act made financial spying even stronger.

Today, computers watch trillions of transactions every day. Banks and apps use algorithms to spot “suspicious” behavior. Accounts can be frozen automatically. Even simple digital payments (PayPal, Venmo, Apple Pay) are being watched.

Big banks sometimes launder billions of dollars and only pay fines. Ordinary people can get flagged for withdrawing \$12,000 in cash. “The rules are stricter for regular people than for the rich.”

Countries are moving toward digital money: Sweden and India are almost cashless. China has a government-controlled digital yuan. The U.S. is planning a digital dollar. Digital money means every transaction is tracked automatically.

### **Living Under Watch**

People are taught to think that being watched is safe: “If I’m not doing anything wrong, it’s okay.” But watching doesn’t always stop crime. It changes how people behave. Some countries even freeze bank accounts during protests without going to court.

### **Fighting Back**

Some people are working to keep money private:

- Privacy advocates
- Bitcoin developers
- Decentralized finance groups

The challenge is that government rules make it harder for small banks and new companies to grow.

## **Why It Matters**

Financial privacy protects freedom:

- You can support causes you care about
- You can help journalists
- You can live without being watched all the time

When only the government and banks are secret, and people are transparent, freedom becomes limited.

Do people care enough about privacy to fight for it? If not, money might stop being a tool of freedom and start being a tool of control.