

CRYPTO AND DIGITAL CURRENCIES – WILL GOVERNMENTS ALLOW THESE FORMS OF NEW PAYMENTS?

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Abstract

Since the 2010s cryptocurrencies have started to acquire a popularity never seen before, influencing the way the general population, investors, and governments treat investments. It is no surprise that central banks are pursuing their own digital currency in order to boost the security of transactions and reduce counterfeiting. Throughout this paper, we are going to analyze and compare the market valuation of the ten most valuable cryptocurrencies and explain if it is possible that one of them could become a viable and widely used currency in the future. Additionally, we are going to examine the central banks that will pursue their own digital currency and the reasons as of why they chose to venture into this new uncharted technology.

Keywords

cryptocurrency, digital currencies, market valuation, central banks

JEL Classification

E5, G1, N1

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