

# Cryptocurrency security and economic issues that have

[Economics](#), [Currency](#)



Cryptocurrency (Bitcoin): Helping Further Global Economic Growth Bitcoin is digital currency that has value just like physical currency except it's stored in the "cloud". Bitcoin and various other cryptocurrencies are given their values simply through enthusiasm of the currency. Support for cryptocurrencies branch from enthusiasts how like how it removes the central government, people who admire it's ingenuity and see it as the way of the future and people who are looking to make "quick-cash".

Bitcoin however needs to remain unregulated and in fact needs to become mainstream as it's stimulating the global economy, sure it's volatile in terms of it's rises and falls but it can be argued that is normal in the financial sector and the pros outweigh the cons. Non encrypted As a transfer protocol, it fundamentally functions as a money transfer medium that sends bitcoins from user to user without the need of a third-party as a middleman and the system is protected cryptographic algorithms. This cryptographic digital currency also provides users a method to exchange money for free or for a fee, which is beneficial for both the retailer and consumers. The main concern is that cryptocurrencies can be used for illegal activities such as the purchase of weapons, drugs and various other illegal goods and or services.

Although true, the concern also exists with other forms of state currency, such as cash and wire transfers. Bitcoin's biggest pro is it's anonymity although nothing is untraceable. It is the solution to the leading security and economic issues that have left everyone at risk, especially after the Target security breach in which, "hackers stole unencrypted credit card and debit card data for 40 million customers' as well as their pins over the span of two

weeks before it was detected. In addition, these hackers were also able to obtain the names, addresses, phone numbers, and email addresses of 70 million customers” (Andreesen 6). If Bitcoin were to be used as the standard form of payment, the transaction data does not identify the purchaser’s identity and all information is encrypted. It is the most secure payment method and is a more secure future.

Bitcoin is a technologically innovative solution to several global economic issues, including fraud and identify theft. This cutting-edge, technological advancement of Bitcoin has had a profound impact on the economy. As the value of bitcoins increase, the cost of the goods and processing fees will decrease. The cryptographic algorithms provide an innovative method to protect users’ personal and account data secure. Due to no fee or very low fees, it has created an opportunity to stimulate global economic growth while providing retailers with higher profit margins and consumers with decreased fees when sending wire transfers, money orders and check processing charge fees. Bitcoin’s peer-to-peer payment system is mutually beneficial to both the retailer and consumer.

Bitcoin is best described as an Internet-wide distributed ledger. In order to buy into the ledger, one must purchase one of the fixed number of slots. This can be achieved by cash procurement or by selling a merchandise and service. Trading the bitcoins to another individual that wants to buy into the ledger, is how one would sell out of the ledger. Globally speaking, anyone can buy into or sell out of the ledger at any time they wish, without approval and either no fees or a nominal fee. Purchasing the bitcoins is similar to

buying seat on a stock exchange, but is broadly pertinent to actual transactions.

The ledger is an innovative payment system. This makes providing payment to someone anywhere in the world a simple process by transferring ownership of the relating slot in the Bitcoin ledger. To be part of this innovative payment system, one must “ put value in, transfer it, the recipient gets value out, no authorization required, and in many cases, no fees” (Andreesen 3).

Bitcoin offers a comprehensive vista of opportunity to anew how the monetary system can and should logically work in the Internet epoch, and an incentive to reshape that system in ways that are more prevalent for individuals and industries alike. Micropayments have not been feasible in the current financial system used by existing credit/debit and banking systems as it has not been cost effective. Bitcoin has made these miniscule payments viable.