

Britain urges global regulation of bitcoin

January 25 2018



Bitcoin is independent of governments and banks and uses blockchain technology, where encrypted digital coins are created by supercomputers

The British government called Thursday for global regulation of controversial virtual currency bitcoin, adding that the G20 would address the topic in March.

"I think we should be cautious about bitcoin," [finance minister](#) Philip Hammond told Bloomberg TV on the sidelines of the World Economic Forum in Davos, Switzerland.

"Possibly we do need to look at the way we regulate this environment before the amount of outstanding bitcoin becomes large enough to be systemically important in the [global economy](#)."

"It is not there yet but it could get there soon," added the minister.

Bitcoin is independent of governments and banks and uses blockchain technology, where encrypted digital coins are created by supercomputers.

The virtual currency is not regulated by any central bank but is instead overseen by a community of users who try to guard against counterfeiting.

"What is really important is in regulating the cryptocurrencies we do not inadvertently constrain the potential of the technology that underlies, the blockchain technology, which a wider and more important application," added Hammond on Thursday.

"It needs to be done at the international level and of course it will be on the agenda for the G20 meeting in Argentina" later this year.

© 2018 AFP

Citation: Britain urges global regulation of bitcoin (2018, January 25) retrieved 13 June 2024 from <https://phys.org/news/2018-01-britain-urges-global-bitcoin.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is

provided for information purposes only.