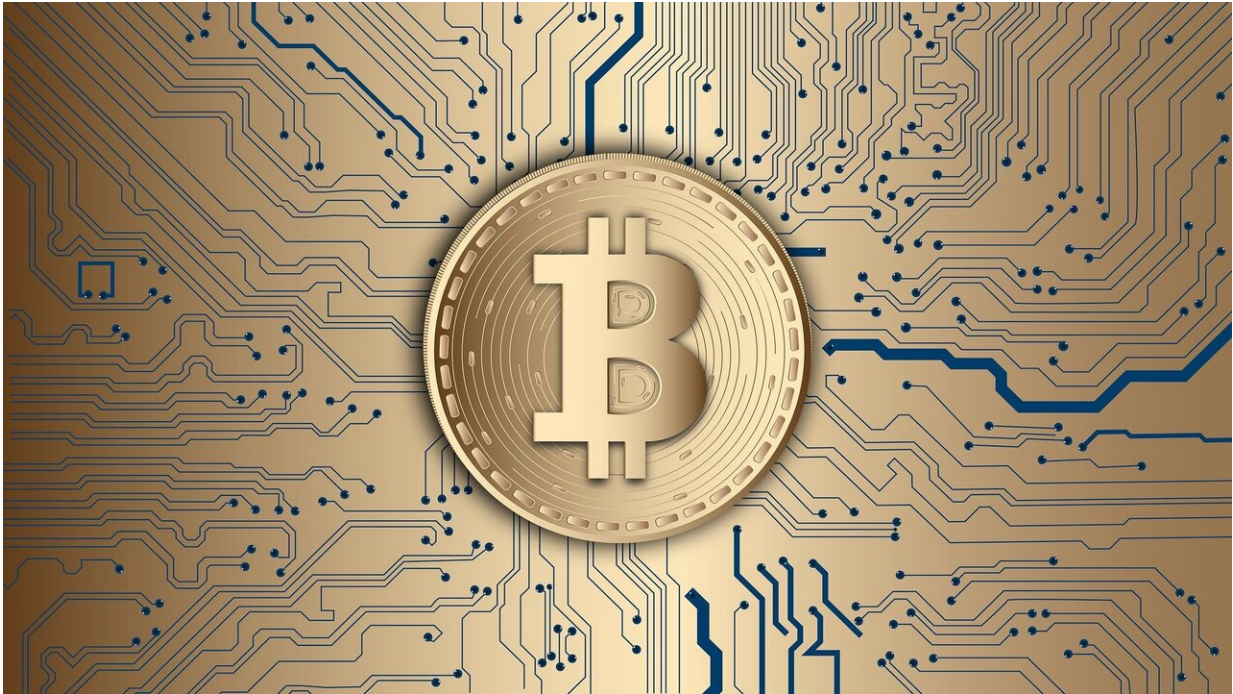


Cashing on cryptocurrencies

March 31 2020, by David Bradley



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Heed the words of their profits—In uncertain times, uncertain things can happen. Writing in the *International Journal of Business Performance Management*, a team in the United Arab Emirates asks whether cryptocurrencies, of which Bitcoin is perhaps the most infamous, might ultimately overtake conventional currencies, the fiat money.

Avaneesh Jumde and Boo Yun Cho of the Higher Colleges of

Technology on Dubai Women's Campus, Al Nahda, Dubai, point out how Bitcoin made the terms "cryptocurrency" and "blockchain" familiar to financiers and investors the world over. The technological roots of these terms quickly attracting those who live by the words of their profits. At first, there was a cryptocurrency bubble, which has waxed and waned, but always in the background and barely acknowledged by the bankers and financial regulators is the idea that such forms of [money](#) might somehow usurp hard cash.

The team has now used [statistical analysis](#) to hedge their bets as to which of the cryptocurrencies might eventually predominate following the proliferation of such forms of money and whether there might be a displacement of fiat money. There is, of course, the possibility that cryptocurrencies would exist in parallel with the fiat in a similar way to gold bullion existing alongside folding [paper money](#), for instance. They have looked at the likes of Bitcoin, Litecoin, Ether, and Ripple and compared and contrasted their characteristics against the fiat money of different countries.

At the moment, fiat money remains the main contender in the battle for dominance in terms of accessibility, utility, the ability to convert to the currency of other nations, liquidity, volatility, and even financial speculation. Fiat money is more amenable to these requirements and remains preferable for the vast majority of people. However, major uncertainty about [human behaviour](#) driven by disease, [climate change](#), and other uncontrollable factors, could lead to gradual or sudden change in our perception of money, its worth, and its utility.

More information: Avaneesh Jumde et al. Can cryptocurrencies overtake the fiat money, *International Journal of Business Performance Management* (2020). [DOI: 10.1504/IJBPM.2020.106107](https://doi.org/10.1504/IJBPM.2020.106107)

Provided by Inderscience

Citation: Cashing on cryptocurrencies (2020, March 31) retrieved 26 June 2024 from <https://phys.org/news/2020-03-cashing-cryptocurrencies.html>

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