



CRYPTO CURRENCY- FUTURE MONEY

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ABSTRACT:

To know the importance and need of crypto currency. Research paper for the selected topic has been written. Crypto currency is a digital asset used as a medium of exchange. It is free from loss and safe for use. To bring the awareness and to motivate toward use of crypto currency; research paper has been written which focus on need and importance of crypto currency that will have economical development of the nation.

KEYWORDS : *Crypto currency , banking system and federal reserve system.*

INTRODUCTION

Crypto currency is called as a virtual currency. Crypto currency is the system collectively design which is decentralized crypto currency or digital currency. Just like other banking system and federal reserve system there is no need of printing unit money we called it as paper money. The basic technical system upon which decentralized crypto currencies are developed was created by Satoshi Nakamoto, a creator of decentralized money.

Crypto currency was found in 1980, where blinding algorithm was invented by the americian cryptography named 'David Chaum'. The algorithm provided for secure, changeless information exchanges between parties, for future electronic currency moment. This was known as "blinded money." A chaum associate name Nick Szabo develop and realised a crypto currency called bit gold with the help of blockchain.

Crypto currency is a 21st century money of future. Crypto currency has been invented by 'Satoshi Nakamoto, the name of crypto currency was 'Bitcoin' never intended to invent as an currency. According to him, he develops 'Peer to Peer Electronic Cash System'. Crypto currencies are a type of digital currencies can also be said as alternative currencies and commonly known as virtual currencies. Decentralized crypto currency is produced by the entire crypto currency system collectively. The rates are defined when the system is created and which is known openly to the public.

Most crypto currencies are designed to with the main purpose that to decrease production of paper currency, placing a perfect lid on the total amount of currency that will ever be in circulation, and which will be considered as a valuable metals. Crypto currencies are used primarily outside existing banking and governmental institutions and are exchanged over the Internet. There are nearly 16 million Bitcoins in circulation which generate a total market fund of around \$50 billion. It is gaining popular support and acceptance from developer, user and business communities. Crypto currency are famous in countries like Japan, Canada and Australia have already accepted and enrolled use of Bitcoin as currency under their law and taxation frameworks.

GAINS OF CRYPTO CURRENCY

- 1) Self-assurance, Self-law association.
- 2) Difficult for Governments to Exact Financial Penalty.

- 3) Cost wise less than Traditional Electronic Transactions.
- 4) Less Barriers and weightage to International Transactions.

BENEFIT OF CRYPTO CURRENCY

- 1) Available with data security
- 2) Benefit those are not provided by traditional money.
- 3) Independence from political interface.
- 4) Government cannot block fund.

OBSTACLE OF CRYPTO CURRENCY

- 1) Illiquidity and value flexible.
- 2) Crypto currencies are used for black market transactions.
- 3) Cannot be easily changed with authorized currency.
- 4) Refunds are limited.

Here are some other crypto currencies such as

- **Lit coin**

Litecoin uses password base key derivation function called scrypt. In the proof of work algorithm. It was introduced in 2011. ASIC Based hardware to process scrypt algorithm is costly.

- **Ripple**

Ripple are known for easy convertible money. Ripple currency is commonly known for easy conversation into other currency. Protect is limited for ripple. They were introduced in 2012.

- **Ethereum**

Ehtereum is also known as a digital currency. It is used as a smart contract. It represents a good step toward pointing the lack of charge backs and refunds in crypto currencies,

- **Doge coin**

Dogecoin is also a digital currency. It has a shorter and smaller block chain.

- **Coinye**

It was known from 2013. To develop coinye there was a use of semi-defunct crypto currency.

CONCLUSION

Crypto currency is the first alternate to payment and settlement system in human economy history.

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