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Digital currency as a true alternative? Assessing risks and benefits of digital currencies in transactions
[Working Title]

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Date: as of now
Type: Bachelor's Thesis, Master's Thesis

Motivation:

Digitalization is changing economic activity, cash is losing importance and new digital forms of money are emerging. Digital currencies, such as Bitcoin or Ethereum, brings a range of benefits, such as user control or low transaction costs. On the other hand, it also increases risks, such as extensive volatility and regulatory uncertainty. The challenge for regulators is to encourage beneficial uses and future innovations while minimizing the associated risks.

Goal:

The task of the thesis is as follows. First, it should be given an overview of digital currencies: What digital currencies exist and how do they work? What are the benefits and risks of digital currencies? In a next step, dimensions that are necessary in dealing with digital currencies should be worked out. What dimensions (e.g., control and transparency) reduce associated risks, and to what extent are they necessary to provide added value for the economy and society? Finally, it should be discussed which exemplary current use cases of digital currencies offer an added value and what implications this hold for the effective regulation of digital currencies.

Literature:

- Chuen, D. L. K. (Ed.). (2015). *Handbook of digital currency: Bitcoin, innovation, financial instruments, and big data.* Amsterdam: Academic Press.
- Mohanta, B. K., Panda, S. S., & Jena, D. (2018). An overview of smart contract and use cases in blockchain technology. *9th International Conference on Computing, Communication and Networking Technologies (ICCCNT)* (pp. 1-4). Bengaluru, India.