

Who will profit mostly from cryptocurrencies?

Mobile people demand a mobile currency

Cryptocurrencies are currently still perceived as little more than the playground of the rich and the innovations-receptive. But if that is to remain so, then won't these cryptos soon rank in the (lower) mid-range of society?

Cryptocurrencies offer a decisive advantage, which can even be labelled with the term "democratic". Gold bars, thoroughbred horses, carpets, jewellery or cash, even a well-stocked bank account, are things reserved for a small and financially well-positioned elite. Cryptocurrencies have the advantage, so to speak, of being available on the computer or even the small smartphone, provided this option is opted for. And these, according to the prognoses of observers and many experts, will also more and more frequently be poorer people.

Migration is bringing an alternative payment habit

One only needs to take a look around in Germany's major cities. The so-called immigrant-wave has led to very interesting phenomena in some neighbourhoods, which already indicate how those also reinforced by digital currencies could come into play. Many people far from their origins are glad to send money back home. And so you see on many main streets the signs for Western Union & Co., the providers who will send cash from migrants to far distant places - but at an orderly fee. A major potential for cryptocurrency is recognisable here, since the Western Unions of this world can be well avoided by performing these transactions in crypto.

Nobody asks about creditworthiness

The ability to open an account will soon be accessible to all, according to plans by local politicians. Yet that path, also linguistically, for the many people who have set off for a rich country, is still a very long one. Even having to "audition" at a bank can feel like a sort of begging process. The fact that some banks divide their customers between "first" and "second" class is by now an open secret. What happens when these institutions are no longer necessary, since a bank, so to speak, is already available on your PC or smartphone? The potential of this new target group ought to be considered substantial.

Once mobile, forever mobile

When we take the "typical migrant" (if such really exists), we can talk of a certain dominance within the overall group of "young, male and tech-savvy". Whoever has managed to arrive at the other side of the globe, also assisted by the mobile network, will also be able to familiarise themselves with systems such as crypto itself outlines - if necessary, with the help of friends. The already mentioned democratic element of cryptocurrencies is preserved here, in that everyone without proof of creditworthiness and no major monthly income can nevertheless perform transactions. The volume that may be created here worldwide can barely be measured, but should be considered substantial.

Education - only partly necessary

Cryptocurrencies, of course, continue to be viewed as “something for specialists”, meaning people having access to new ideas and also the nest egg to initially test the waters a little. This group, however, is vastly removed from the normal users, who are worldwide and without significant financial cushion familiarising themselves with these new options. It requires very little in the way of foreknowledge and most certainly no economics degree to participate where Bitcoin & Co. are concerned. The hunger for novelty, for new means, is particularly big within the group of “wanderers”. In principle, there exists for them only something to gain, something already lost and not too much at hand. Back to square one - even a new approach to the topic of money could pertain here.

From shells and saffron - to today's crypto

Technical progress has revolutionised everything, above all the Internet with its wealth of information and opportunities. And there is no end in sight, even for money and the means of exchange. If we were to break this topic down, the core issue always arrives at a value and its equivalent value whenever an item changes hands. Matters were much simple long ago, when you might offer a sack of cowrie shells and receive a goat in return. This simplest form of exchange, replaced by the banking system, could, so to speak, take on a new “retro form”. It is to this end that easily accessible systems, such as cryptocurrencies, could also contribute heavily. Those immediately in need of a means of exchange and the ability to do so worldwide will almost inevitably land up amongst the digital currencies. Simple does not have to mean primitive here, just functional and devoid of major barriers. Back to the future - but differently this time!