Cryptocurrency: A Digital Platform of Virtual Currency and Its Future in Bangladesh

Author’s Details:
Md. Monzur Hossain ¹ Tania Hamid, ACMA ² Md. Shafiqul Islam ³

¹Lecturer, Department of Finance and Banking, Comilla University, Cumilla, Bangladesh. Correspondence to: mmhrabbit@cou.ac.bd
²Senior Lecturer, Department of Business Administration, East West University, Dhaka
³BBA & MBA, Department of Finance, University of Dhaka, Dhaka

Abstract:
The word peeps very first is Cryptocurrency, a digital platform of medium of exchange which is getting ready to take over the existing position of paper currency and also a type of ultra-digital currency. Matter of consideration is that it hasn’t any form of governing body to control the flow and mechanism of the aforesaid digital strait. No intermediaries are required to settle down the payment between customers engaged in currency exchange. The smart blockchain concept has been affiliated to ensure the security and authenticity of transactions except uncovering of customers’ identification module. Bitcoin set out its journey in year of 2008 and scattered its popularity amid the interested suits and communities. It’s opened for transaction in the market in year 2019. Cryptocurrency is hereby illustrated as the successor of paperless currency which also be termed as” Next Generation Currency” or "Digital Currency". Keen participants amid developing and developed countries express their delicate and node to positive vive in transforming the currency in digital platform to provide a space for cryptocurrency. The article is herewith intended to focus on the fundamental & mechanism of the cryptocurrency. Henceforth, it will also unleash the current state and straits of Bangladesh about Cryptocurrency craze. Along with, some sorts of pros and cons of Cryptocurrency also be sprinkled in the study onwards. Afterwards, opinion may be drawn scrutinizing over the study is that it can be chosen as in general worldwide accepted currency. Our state could be a co-launcher of Cryptocurrency provided that some hindrances & challenges can be dealt with confidentiality and efficiency. Inclusive and vigilant monetary policy focusing the cryptocurrency, unbiased standing of Government and affiliated concerns & bodies are to stretch forward to introduce the Cryptocurrency tightening proper guidelines and regulations other than creating complexities.

Key points: Cryptocurrency, Digital asset, Virtual currency, Blockchain, Developing country.

1. Introduction:
“Currency” most commonly known as “money”. It is the most used medium of transaction and also considered as a liquid asset. Throughout history, money has taken many forms and people used a lot of different materials to represent money. Salt, shells, silver and of course gold have all been used as a medium of exchange. However, something to serve value people have to trust that, which is indeed valuable and will stay worthy long enough for them to redeem that value in future. Actually, a currency or money does not have its own value, but it can contain a value. It comes with different forms, shapes and with different values. In Bangladesh, it is called the “Bangladeshi Taka” or “BDT.

Due to the technological advancements in the financial industry, the modern transaction process has stepped in a new dimension like other sectors. With each industrial revolution, the medium of transaction involves in a new form. If we look at our early stage of civilization, there was no medium of a transaction at all, and people used to exchange their necessary products among themselves. Sooner or later, the necessity of medium of transaction or currency arose. It came with different forms, such as- cowrie shells, beads, silver coins, gold coins, etc. and eventually turned into this paper note form. Now in this modern era, we can make transactions not only through this paper note or bank note but also through other reliable medium such as – Cheque, debit card, credit card, letter of credit (LC), digital banking, mobile banking, etc. The 4th industrial revolution has already begun, and the medium of transaction is again taking a new turn. For example, the most digitalized and innovative version of the medium of a transaction so far is “Electronic money” and “Digital currency”. Electronic money is one kind of money but available in digital form which can be used through a mobile phone or electronic devices. One can use this currency just by opening a particular user account. Users stored his
digital balance on this particular account. Users can increase and decrease their monetary value by refilling or by making transactions. Basically, banking organization provides this kind of services, but the interesting fact is that there is no need for any bank account for using this kind of money under any bank or financial organization. One can use it by just having an electronic or digital device and a particular user account. In Bangladesh, the mobile banking system uses this kind of currency. Some of the mentionable are- “Bkash” by BRAC Bank Ltd. Bangladesh, “Easy cash” by Prime Bank Limited, “mCash’ by Islamic Bank Bangladesh Limited, “Nagad” by Bangladesh Post Office, etc.

On the other hand, Digital currency which also known as “Virtual money” or “Soft Money”, is one kind of unregulated electronic money that is only regulated by its creator or developer and people who belong to a certain virtual community can have permission to use this or transfer this money. There are different kinds of virtual currency available in the market, such as Bitcoin, Ripple, Lite coin, etc. Bitcoin is the most popular one from them. In Bangladesh, it is not publicly available and illegal so far.

1.1 Objective of the study:
Objective of the study has been divided into two segments, one is principal objective, and another is auxiliary objective. The principal objective is to study whether it is possible to use cryptocurrency in developing country like Bangladesh and to find out the possibility of this virtual currency works along with the fiat money and accelerate the current monetary and transaction systems. The auxiliary objective is to discuss about the basic issues of cryptocurrency in the context of Bangladesh.

2. Literature review:
Cryptocurrency research was started by Chau m. Chaum (1983) drew up the primary computerized money or currency framework. Chaum et al. (1988) summarises this into several more articles, where different other person lacks of the introductory draft of the framework were tended to, outstandingly those to guarantee secrecy and twofold investing assault assurance. Haber and Stornetta (1997) drew up a data structure that is a predecessor of the blockchain structure which is used in cryptocurrencies. The combination of this knowledge gave rise to Bitcoin, the first ever cryptocurrency, which came into existence on 3 January 2009 (Nakamoto, 2008). In January 2016, there were more than 600 cryptocurrencies, of which we regard Factom, designed by Snow et al. (2014). The two taking after books concern portraying Bitcoin and cryptocurrency technologies. The book “Bitcoin and Cryptocurrency Technologies” by Narayanan et al. (2016) deals with the technical description of the cryptocurrency technology and its aspect. Dostov (2014) deals with the options of applying Anti Money Laundering to cryptocurrencies. Herrera-Joancomart (2014) deals with the methods of how to disclose the identity of cryptocurrency accounts. Hansen (2016) updates, on an ongoing basis, a list of individual countries’ present positions on cryptocurrencies.

Little study has been done previously on the usage of cryptocurrency in Bangladesh but there are numerous studies have been done on cryptocurrency around the world and even the neighboring country India. So, I rarely found anything directly linked to the present topic. But in Bangladesh there are few papers done on blockchain technology, that technology used in many popular cryptocurrencies like Bitcoin, Ethereum, etc. This study is being conducted by collecting all necessary information and data to present the facts in a logical format and has made a structured attempt for providing a small sector of knowledge in the field and its practices and development in Bangladesh. A noteworthy number of statements and articles have been gathered for collecting relevant data and information from different sources which are the internet, newspapers, and articles. The gathered data and information have manually been processed. Finally, the paper has been prepared in the present form to make the study informative.

Peter D. De Vries (2016) stated that Cryptocurrency is gradually approaching to its proper place and advancing to become mainstream. Jan Lansky (2018) reviewed when the central government does not pay attention to the opportunity of new inventions like cryptocurrency; then private organization accepts those. Shailak Jani (2018) found that cryptocurrency is very likely to be the next currency platform because of its large volume, enormous expansion, and vast usage. He also added that cryptocurrency offers considerable opportunities in different sectors. D’Alfonso et al, (2016) found that Bitcoin will expand more in the next five
years and Ethereum is strongly correlated with speculation, news, and hype that means it is more volatile than
Bitcoin. Liu and Tsyvinski (2018) found that cryptocurrency is lesser-known than traditional currency and other
assets. They also stated that return from cryptocurrency could be predicted by momentum and investor’s
attention and cryptocurrency and blockchain technology will affect a good number of essential industries.
Alexander Okhuese Victor (2017) stated that cryptocurrency has come to the world to last for a long period, not
for the short term of the period and it will digitalize the payment system and replace the traditional money
eventually. Chiu and Koeppl (2017) found that cryptocurrency was generating welfare losses. Still, by adopting
some optimal policies, this can be reduced and farther conclude that cryptocurrency performs best when
transaction size is relatively larger.

3. Methodology:
This study is a qualitative one. It is both exploratory type and descriptive type study. There is no earlier study
found so far by the author on the present topic on the Bangladesh context, but there are few articles found on the
newspapers and online portals. In this paper theoretical discussions were made on basic issues of
cryptocurrency, explore the current status of cryptocurrency in Bangladesh and the possibility of using these
currencies in Bangladesh. Most of the data used in this study are secondary data which are collected from
relevant books, journal articles, newspaper articles, research papers, and online blogs. Most of the data were
available in foreign context, so here the researcher tries to find out the relevancy of those data on the
Bangladesh context, and researcher’s intuition, introspective and judgment was made through this paper.

4. Traditional Currency and its limitation:
Traditional currency, alternatively known as fiat money is currently used by us for our trading purposes.
Generally, in any country, it is controlled by its government or by its central bank. In case of Bangladesh, its
central bank called Bangladesh Bank controls its national currency Taka or BDT. The value and acceptance of
fiat money differ from country to country and from time to time is evaluated and changed its value and shape.
This fiat money can be a paper note, or a coin which are used as a medium of transaction for a very long period,
and they are acceptable up to a specific boundary. They are very convenient to carry and deal with. The value of
these note differs with their shapes and colors also. In Bangladesh, the highest amount of paper note available
right now is 1000 taka note and the lowest one is 1-taka coin. In today’s world, each country has its own
currency, and those are only acceptable in their own country, but few of them are also acceptable beyond their
country’s border. For example, the American dollar, it is accepted by most of the states, and in most of the
international trade, this currency is used.
Despite being used so smoothly, this type of money has some inherent limitations which become more widen
day by day and gives us insinuation to move something new. Some of the mentionable limitations are-
   i.    It has no use or value outside the country of issue,
   ii.   It is centralized,
   iii.  It is not limited by quantity- the government can print as much as whenever needed,
   iv.   It has great possibilities of damage or theft etc.

This fiat money has served the humankind for a very long time, but now with the technological advances, new
types of money are emerging, which are more convenient, secured and provide additional benefits.

4.1 Features of Cryptocurrency:
Cryptocurrencies have their unique features which distinguish them from other mediums of transaction.
Moreover, each type of cryptocurrency is also slightly different from one another, but all of them share some
standard features such as-
   i.    Anonymity.
ii. Independence.

iii. Double spending.

Here, anonymity means a situation where one person does not disclose his personal information or identity to the others and does the job. In case of cryptocurrency, the users use a false name or a fictitious user ID to make the transactions, that’s why the users remain unidentifiable. Here the user’s identity remains pseudonymous, but his transactions are stored in the blockchain, which is publicly available. Nevertheless, users remain hidden or anonymous.

Independence means without being control by any authority. In case of cryptocurrency, they are free from any kind of government control or any type of bank or financial institutions.

Finally, double spending means making multiple transactions with the same coin or try to pay more than one person with the same money. In case of cryptocurrency double-spending attack protection means one unit of cryptocurrency cannot use by an owner for paying to different persons.

4.2 How Crypto currency works:

Most of the popular and common types of cryptocurrencies work on blockchain technology. Blockchain is a chain of blocks which contains digital information, and it was created for timestamping digital documents so that no one can temper the data. On the other hand, Cryptocurrency is just a digital file or ledger, which contains some specific data. By exchanging this digital file user uses this currency. The user of this cryptocurrency requires a digital wallet to store the digital file or ledger, which is called a wallet. Basically, it is not like a typical wallet; instead, it is a digital device or smartphone or a computer which stores the virtual currency.

In the blockchain, the information in the block cannot be changed, and each block contains three elements, such as –

i. **Data:** Information about the sender, receiver and the number of coins.

ii. **Hash of the blockchain:** It is a unique code that distinguishes each block from one another. Each block has this code, and each of them is unique, like a human fingerprint.

iii. **Hash of the previous block:** Each block keeps a record of the last block’s hash which creates a chain of a block so that if anyone tries to temper any block then he needs to change all the hashes of the chain which is quite impossible and that makes the blockchain technology more secure.

In traditional currency, most of the transaction-related information remain concealed in the bank for the security purposes, but in case of cryptocurrency all the information and ledgers are open for all, only the users remain hidden under their pseudonym. As a result, each of the users of this network can see all the transactions that are taking place.

Cryptocurrency uses a peer to peer network so there is no middle man, no authority or any sort of bank involvement and moreover there is no central authority to control them rather it is a decentralized network system; as a result, anyone can mine and use this from anywhere. One can obtain this currency by selling goods or service in exchange for cryptocurrency, purchasing through local currency, earning from website or application by performing a specific task. Apart from these one can earn this currency by mining. Here miners who mine for the cryptocurrency use an advance computer to solve puzzle or math problem, and by solving those problems, miners get cryptocurrency as reward. As the total amount of cryptocurrency is limited, so the rewards become smaller gradually.

5. Cryptocurrency in Bangladesh:

5.1. Exercise of Crypto Currency in Bangladesh:

Despite being a small country, Bangladesh is one of the fastest-growing countries for which it is also known as Asian Tiger. In Bangladesh more than 55% of the population have access to telecoms and internet service. This country is now mostly known as Digital Bangladesh. There are several reasons behind this name, but the main
reason is that in the last few years, it has achieved substantial technological advancements. Some of the mentionable achievements of Bangladesh are- “launching their first satellite in orbit”, massive expansion of internet and telecommunication services, expanding e-commerce massively, electronic money transfers in almost every sectors, digitalization in education systems and public services etc. It also achieved a huge advancement in financial sectors. Current foreign reserve of this country has crossed 40,000 million USD and the current GDP growth rate is 8.1 per cent. Now, most of the transaction in this country occurred through either banking channels or electronic medium. But because of the wide expansion of digitalization, people prefer electronic medium over banking channels as it is more convenient, easily accessible and secure. So, this means electronic money is warmly accepted in this developing country but in case of virtual currency, their government-imposed injunctions. Though this money is not legal in Bangladesh but different activities related to this money have come forward.

Among the six countries in the world who have shown hostility for using cryptocurrency Bangladesh is one of them. In 2014, its central bank has given first warning against the usage of cryptocurrency. Because of its anonymous nature and decentralized control, it is forbidden, but still, it is used by many freelancers in Bangladesh. In the freelancing filed Bangladesh holds the top 2 positions after India. In case of receiving payment, they need to go through lengthy hassles because most of the clients are from abroad, which cause the money exchange problem. So to avoid this problem, many of the freelancers take their payment through virtual money or cryptocurrency. Even with this money, they can purchase their necessary tools and gadgets from different foreign markets as well as from the dark web. People who travel abroad regularly also own this type of virtual money which helps them to avoid money conversation hassles each time they visit. Some people in this country keep their illegal or blank money in the form of virtual money as this money is not in the control of the government. In a colossal scale, it is also used in the virtual casino and online games. Recently in Bangladesh, a huge number of illegal casino was shut down by the government where this type of money might have used by the players. Apart from this, in recent time online gaming has become much popular among the young generation. They need to make different kinds of purchases for these games from online even from the black market or dark web which help them to upgrade their gaming experience, and some of these game offer cryptocurrency as a reward after completing specific steps. So through these game cryptocurrency usage becomes intensive among the young generation.

As Bangladesh is massively progressing in e-commerce and online business, cryptocurrencies are also used for online purchasing and selling. Moreover, in Bangladesh, the different online platform offers bonus coin on a fixed amount of purchase which can be used for later purchase from that web site. Besides many other global online markets such as- Amazon, Alibaba, aliexpress etc. They also accept cryptocurrency as payments. Meanwhile, a page called “Bitcoin Exchange: Bitcoin Buy and Sell Bangladesh” has been found in Facebook and in recent time a local website named bitcoin.com have emerged which show that cryptocurrency transaction can be performed in Bangladesh through electronic money such as Bkash, Rocket or other general banking channels. Apart from these, because the cryptocurrency has a high price, people are also investing in this currency like commodities such as gold, silver or other precious metals.

As the exercise of this virtual money is a combination of legal and illegal activities, Bangladesh Bank requested to the citizen of Bangladesh to not to involve any kind of activities related to this currency. Bangladesh Bank declared that cryptocurrency is not a legal currency though many countries are using this for various trading purposes. But there is a place for an argument that cryptocurrency not being accepted or recognized as legal tender in Bangladesh, does not necessarily make it illegal completely.

5.2. Challenges & issues Bangladesh need to face:
As cryptocurrency is still a new concept for the whole world, here in Bangladesh, it is required further researches and studies. Bangladesh is still in its developing phase, so any new idea should not be adopted quickly without proper practical experiment. Though Bangladesh’s technological sector is growing so rapidly but there is a huge place for improvements. In case of adopting cryptocurrency or implementing this type of virtual money, Bangladesh have to go through a quite good number of challenges, such as-
5.2.1. Technological Infrastructure:

For mining cryptocurrency, it requires a powerful processor, advanced computer and most widely used Application-Specific Integrated Circuits (ASIC) which are quite costly. In Bangladesh, the amount of these tools are very few in number. So before adopting cryptocurrency Bangladesh will require to install these advanced technologies.

5.2.2. Unfamiliarity:

As this concept is new, there is a huge chance that most of the people of this country may not have even heard the name of the cryptocurrency, only a few of them may have heard about this currency from newspaper or internet.

5.2.3. Technologically skilled personnel:

There are only few who have the proper knowledge of how cryptocurrency works, how to mine them, use them and purchase them as well. As only a limited number of people and freelancers know about the ins and out about this currency, it might cause a problem in case of mass use.

5.2.4. Limited hardware company:

As there are very few hardware companies established in Bangladesh, for advanced hardware Bangladesh broadly needs to depend on import, which is problematic while adopting cryptocurrency.

5.2.5. Low Bandwidth with a high price:

In Bangladesh, the speed of the internet is not so fast as the developed countries, and this bandwidth in Bangladesh is far costly than other countries. But mining and transferring cryptocurrency requires high-speed internet, so before adopting this currency, Bangladesh might require to update its internet service.

5.2.6. The problem of policymakers and government acceptance:

For crypto currency’s anonymous and decentralized feature most of the government and policymakers will not allow using this at large. Before using crypto currency policy makers may require a global discussion about the regulation of this currency.

5.2.7. Accelerate crime and unethical activities:

There is a huge chance to increase illegal trading or transaction in the dark web. So authorities continuously need to keep under surveillance what kind of trading is taking place via this cryptocurrency which demands a skillful personnel and still in Bangladesh number of skillful personnel is quite a few.

5.2.8. Financial Challenge:

Before adopting a whole new system, it requires a vast amount of initial cost but the cost is only justified if it generates more value or profit. But in case of adopting cryptocurrency in Bangladesh, the scenario is quite uncertain whether it will bring financial benefits or not.

5.3. Potential utilization of Cryptocurrency in Bangladesh:

There might be a future that is ahead of us where every appliance will become wireless, and every transaction will become cashless; actually, these things have already started to happen. We are now more found of a wireless mobile phone than a typical land phone, as the same manner, now we are doing most of our transactions and purchasing via debit card or credit card rather than a physical paper note. If this cashless era becomes a reality, then there might have a chance that fiat money can be replaced by cryptocurrency. According to Draper, a Crypto Enthusiast “Fiat currencies will disappear as people will start marching towards cryptocurrencies like Bitcoin, Ethereum, etc.” Countries like United States, United Kingdom, Australia are
modifying their regulations for accepting cryptocurrency and in future other countries will eventually come forward and accept cryptocurrency.

As Bangladesh is one of the fastest-growing countries in term of technological aspects, it is high time that Bangladesh should come forward to utilize and accepting this currency rather than going after the users. But before that, proper regulation and analysis are required. On the other hand, if most of the countries accept this currency, then denying cryptocurrency may cause financial loss for Bangladesh. According to Bangladesh Bank Governor SK Sur Chowdhury “A committee will work to find out a solution to introduce bitcoin in Bangladesh because of its popularity across the world. The government wants to minimize this risk associated with bitcoin transactions and ride with the easier solution for electronic payment.”

In Bangladesh, most of the transactions and trades are done through banking channels, as banks work as intermediaries and charge for the transactions, it increases cost both for the buyers and sellers. In Bangladesh, by adopting cryptocurrency, this extra cost can be mitigated; as a result, it will benefit both the sellers and buyers. Now some people can say that this cryptocurrency then hurt the banking industry. But the cryptocurrency has a lot to do with Banking and financial sectors. When cryptocurrency will become more available and valid, banks will eventually accept cryptocurrency to give better services and reduces the complexities. They may offer to its customers- Cryptocurrency Bank Accounts, Cryptocurrency Debit cards, opportunity to buy cryptocurrency, even offers cryptocurrency loans etc. They may also provide cryptocurrency, ATM Booth, like Bitaccess (Canada), Lamassu (Israel), General Bytes, Genesis Coin etc. Similar to the electronic money, by adopting cryptocurrency in future Bangladesh can flourish its banking and financial industry, can offer better but cheaper services, bring benefits business personnel, import- exporters, consumers etc. If Bangladesh and most of the other countries adopt cryptocurrency, it can mitigate many international trade barriers. It may eventually eliminate the currency conversion procedures and usage of the dollar in international trading.

Besides trading and transactions, for crypto currency’s high value, it is also considered as an asset. In Bangladesh investment opportunities are becoming narrow day by day. Share market is continuously collapsing, the capital market is not well regulated, no bond market is established yet. Hence, investors become frustrated and facing huge financial losses. In this case cryptocurrency can be a safer mode of investment like gold for the investors. In other words, it can be an alternative store of wealth. Cryptocurrency will be a blessing to Bangladeshi freelancers. As their client scattered around the world, collecting payments become troublesome for them. If Bangladesh gives legal permit for accepting cryptocurrency as payment this hassle can be eliminated.

In case of higher studies in different universities of the United States, United Kingdom, Germany, Switzerland etc. they even accept cryptocurrency as tuition fees. So by adopting cryptocurrency, Bangladesh can ensure quality education and research opportunities to its students and students can also conveniently complete their admission procedures. This form of payment will surely grow as crypto currency becomes more popular day by day like now in Bangladesh, electronic money such as- payment through “Bkash”, “Rocket” etc. is accepted in different educational institutions. Travellers of Bangladesh may also be able to enjoy the convenience for booking flight, hotel, rental cars, cruises by using cryptocurrency.

In short, implementing cryptocurrency will eventually put impact in every sector in Bangladesh. Not just in banking and financial sectors, cryptocurrency and blockchain technology can bring a massive upgrade in file transfer, downloading and uploading; as a result, it can also improve the file transfers services. Cryptocurrency wallets can transfer files at high speed than any other medium which would replace today’s file transfer services and sluggish medium.

So, overall it can be said that, by maintaining a separate database by government agencies and implementing proper guideline by Bangladesh bank and Security Exchange Commission (SEC), Bangladesh can enjoy long term benefits from cryptocurrency.

5.4. Risks Bangladesh need to face:
As the cryptocurrency is not rendered, controlled, issued by any central government or legal authority, using this currency creates numerous risks. Though it is the most advanced technology and designed to be more
secured through encryption, there are still risks and threat associated with the using of cryptocurrency. In 2014 around 70 risks were prescribed by The European Banking Authority related to the usage of cryptocurrencies. In case of implementing and exercising cryptocurrency in Bangladesh, Bangladesh need to face some sort of risks, such as-

5.4.1. Cyber Risk:
As the cryptocurrency is a digital currency and stored in a digital wallet, hackers and virtual criminals can break through into crypto exchange or electronic devices can be affected by malware which can steal this cryptocurrency from the wallet. Moreover, as the transactions take place over the internet, it becomes easy for the hackers to keep an eye on their targets. Besides these, cryptocurrency is an unregulated currency so some currencies may have a lack of appropriate internal control systems which make them vulnerable to be hacked.

5.4.2. Operational Risk:
Most of the renowned cryptocurrencies are based on Blockchain technology; in this technology, once transaction is made it cannot be reversed or restored. That creates an operational risk to its users. That means any kind of operational error causes permanent loss.

5.4.3. Regulatory Risk:
Regulatory risk means that the risk associated with changing current laws and regulations which might affect the security, business and other sectors. That means if Bangladesh changes its laws such as “Money Laundering Act, 2012” or “Foreign Exchange Regulation Act, 1947” for accepting cryptocurrency, it might materially impact on other sectors.

5.4.4. Market Risk:
Market risk is created through liquidity crisis and volatility in price. As the total number of cryptocurrency is limited so that it can create a liquidity crisis and further its limited ownership helps to maintain a monopoly in the market which creates volatility in price and these create adverse impacts in the market. Moreover, still, the acceptance of cryptocurrency is minimal in the local and global market. Many countries like Bangladesh have imposed an injunction on using this currency which also creates risk upon using this currency in those particular countries.

5.4.5. Bankruptcy Risk:
Because of theft and hacking, there is a considerable chance of decimation of the user. On the other hand, there is a distinctive trait of cryptocurrency which is if a transaction has been committed it cannot be reversed or restored, that means monies are lost forever and cause financial loss to the user. So there is no place for mistakes whether it is intentional or unintentional. Even a simple human error can bankrupt a user.

5.4.6. Business Risk:
 Cryptocurrency is not supported by any law, any bank or financial institution or central bank as a result if somehow its value receded significantly or collapsed, there is no protection against losses as this kind of loss is not covered by any insurance policy in Bangladesh and in almost every county. Moreover, there are some online platforms where a large amount of trading occurred through cryptocurrency, and many of them are run by speculators who seek to profit from the short-term or long-term holding of digital currencies.

5.4.7. Security Risk:
Because of its new nature and lack of clarity on regulation, financial, tax and legal treatment, it can pose a threat to any country’s national securities, bank reserve or many other cases. In 2016 the central bank of Bangladesh lost almost $101 million because of hacking and cyber-attack. By adopting cryptocurrency in Bangladesh, this sort of threat and risk can arise again.
Undoubtedly cryptocurrency is the most advanced innovation of today’s world and most secure currency, but the risks will remain the same, and public acceptance and confidence will take some time.

5.5. Remedy and Precautions Against the Risk
Cryptocurrency is the most advanced type of currency that one can use right now. But from the very beginning of its creation, it carries few threat and risks; fortunately, several initiatives have been already taken, and more are emerging to make it more risk-free and mass usable. While adopting this currency, Bangladesh needs to face some sort of risk, but there are also remedies for those risk. Though all kinds of risk cannot be eliminated or reduced.

Before taking any precautionary steps by the authority of Bangladesh, its people need to be cautious first. That’s why the central bank of Bangladesh has published notices about the usage of these types of currencies right now. Bangladesh Bank requested to the citizen of Bangladesh not to involve any kind of activities related to these currencies until it became legal in Bangladesh. So, all the citizen must be consistently warned from investing and involving in this currency, through television, newspaper and other medium of communications.

In order to deal with the cyber risk of cryptocurrency all the users need to continuously update their system so that it can fix the bug in the system and users must have a good anti-virus in their personal computers to keep their wallet safe from malware. Business risk and operational risk can be eliminated by executing a hard fork by a community or government. By doing this, the stolen fund can be returned to the original owner but it is an infrequent case. This hard fork can even reduce Bankruptcy risk. In case of market risk, new type of cryptocurrency should be avoided because they are more volatile than others. Consumers risk further can be reduced by implementing regulation like Bit License which is issued by the New York State Department of Financial Services in 2015. By applying such kind of regulation, more risks can be reduced in Bangladesh.

6. Conclusion:
The whole universe is hankering after transpiring money into an easy and accessible form to establish a unique digital platform for currency exchange which will ultimately roll up worldwide transnational trade and transactions. Coming forward as a potential solution of above mentioned requisites, Cryptocurrency has already gathered immense popularity among myriad countries around the globe. The ongoing mechanism of cryptocurrency has posed a commitment of digital platform out of traditional paper notes currency system. The digital wallet system may ameliorate the flexibility of online payments using cryptocurrency considering the complexities within less time and tyranny. The digital currency may have the chance to supersede over the mainstream of currency to provide a space for all types of trade acceptance. Some nations like Iceland has even launched their self-recognized legal, national, crypto-currency (Hofman, 2014). By this time, EU and Latin American have launched jingling with COVID19. Like before other countries, it’s also a subject of concern whether the crypto-currency will be commenced or not. A quite number of mild but deep analysis and directives are to be thrown before putting a step forward. It's very transparent and clear that crypto-currency might have the chances of being the next generation currency. So we need to ascertain the viability, compatibility, extreme adversities, cyber flexibility, security and entire feasibility. Our country is now on the verge of implementing vision 2041 for being one of the developed Countries amid the countries in 1st world. If the countries in 1st world accord to accept the challenges of cryptocurrency and combat the adversities with strong bend, we have no other option to crawl back rather to create and amass our own ground for peer competition with rivalry countries looking on us. Not even developed countries, countries from developing groups are also roaring aside to observe the crypto-currency potentiality. A witty debut of cryptocurrency in BD may rely on some critical issues i.e. early of the inception, the citizens of BD will have to be well informed, taught and got schooled about cryptocurrency so that a rough idea can born inside of them. Henceforth, mechanism of cryptocurrency, operation, risk factors and transaction motives are also being incorporated and permitted to work along with all to justify the ground of releasing the bitcoin as legal currency. As a part of entire compatibility, BB can start with small scale and run a pilot project to observe and understand the motive and foresight ness of cryptocurrency in which purpose the bitcoin will be purchased, paid, sold and ultimately legalized. For execution of aforesaid platform in online, a good number of infrastructural development, hardware support,
network upgradation, expert technical team and quality training with collaboration & coordination of all involved regulatory bodies are required to pile up to minimize the risk horizon so forth. Hence, Bangladesh Bank, Cyber experts, policy and lawmakers and respective departments are expected to expedite their rigorous workout accordingly to come up with positive vive onward to keep pace with the race of digital wave.

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