

With the development of technology, people saw an opportunity to improve already established systems or introduce new ones. As we know it today, the industrial model of the banking system came into existence a couple of hundred years ago. However, it has been developed throughout the years, but recent events such as the Financial Crisis of 2007-08 suggested that it is time for a new revolutionary system. Paper currency, coins, digital wallets, and credit cards are all monitored. Banks and governments are in control of these features of modern banking. Why should we have a centralized economy when we can have a decentralized one? That is how the idea of cryptocurrency was brought to this world.

Tokenomics is the essence of the token economy. It gathers information about the whole lifespan of a particular coin – from its creation to its removal from the network. Although the cryptocurrency world seems to be separate from the financial world, and many people don't feel its impact, the tokens themselves influence the economy. However, before unraveling how this happens, we need to make some things about cryptocurrency clear.

Blockchain technology gives us a solution to a problem that occurs due to the banking system and its specific regulations. It provides us with a way to complete transactions without dealing with banks, online wallets, and third-party applications. The shared and securely encrypted database in blockchain enables trust-less peer-to-peer interactions through internet protocols.

In the age of information, globalization, and emerging technologies, cryptocurrencies have found a way to enter the market and fascinate millions worldwide. However, their existence impacts the economy as individual people and organizations start spending time and resources on learning and investing in them. When tokens are created and launched, they enter an exchange platform to be bought and sold. In contrast to the banking system, there is no central authority in the crypto world that needs to approve the transactions. This way, the so-called "middleman" gets eliminated.

Some of the opportunities that arise from the development of cryptocurrencies include a solution to poorly banked countries. Studies suggest that more than 30% of the world lacks access to banking services. Through cryptocurrencies, people from such countries can feel more financially connected. A rise in economic activities may be considered another possible benefit for the world's economy as people become more and more interested in blockchain technology and find new ways of implementing its capabilities.

Many followers have adopted the idea of cryptocurrency, which collides with the current banking system. However, others prefer to stick to the existing monetary system as they believe that those digital currencies are uncontrollable and unpredictable; hence they are not secure. All in all, the upcoming years will be a great reflection of what we can expect of the newly emerging digital financial world.