

SELECTED ASPECTS OF BITCOIN AND ITS IMPLICATIONS FROM THE STANDPOINT OF THE LAW AND ECONOMICS

Abstract

Bitcoin is one of the best-known examples of a decentralized convertible cryptocurrency based on blockchain technology. The diploma thesis deals with the main aspects of bitcoin and bitcoin payment networks in complex economic analysis based on the use of standard economic apparatus. The economic analysis is backed by a thorough and relevant legal research. The main goal of the diploma thesis is complex economic and legal analysis of bitcoin. In economic analysis, the emphasis is put on the use of supply-demand analysis, which outlines the basic factors affecting supply and demand for bitcoins. Based on a clear delineation of these factors, the thesis is able to analyse specific aspects of bitcoin. Diploma thesis analyzes the impacts of decentralized setting, as well as risks associated with anonymity of users, crime in connection with bitcoin, time delays in transaction verification, technical and energetic demands on mining, high transaction costs and internet connection needs. Each of these aspects is compared to existing payment institutions or systems. The thesis also examines the legal regulation of bitcoin. Due to the absence of a complex legal regulation, the diploma thesis tries to apply the current and effective legislation to bitcoin. The legal framework in the Czech Republic is confronted with the legal framework of other selected countries. The diploma thesis aims at defining the future usability of the blockchain. The use of blockchain technology brings substantial reduction in transaction costs. The analysis has shown that bitcoin is not, for many reasons, usable as means of payment to replace the existing monetary systems. The value of the thesis is undisputable as the evaluation of the essential aspects of bitcoin was backed by relevant analysis of economics and law.

Klíčová slova: Bitcoin, Blockchain, Economic Analysis, Legal Regulation

JEL Classification: E42, F39, L51