

# UNDERSTANDING CRYPTOCURRENCY

Cryptocurrency tends to look complicated for the average person to grasp its meaning, but we are now in a world where you can definitely not pay deaf ears and ignore cryptocurrencies.

Some call it a scam, a bubble waiting to pop, let's just say it is money you know and spend, it is a currency.

Why do I call it money, it is easier to understand cryptocurrency is money.

How? You might ask.

Money has always been any valuable form of asset that could be exchanged for goods and services.

Let's go back in time to a while when money was not always the paper we now know.

The exchange of assets between people occurred during the barter system.

The history of the paper money came a long way and that can be explained in another article. The thing is all through history something was exchanged, be it gold era, metal era, trade by barter system era, and so forth.

Now we are in the cryptocurrency era, crypto has made many people millionaires and billionaires and now you see even top government officials owning crypto.

The decentralized system used to make Cryptocurrency is called the Blockchain. The Blockchain is simply a peer-to-peer network of computers, which means computers in different locations around the world linked via the internet doing tasks together.

When it comes to cryptocurrency, the tasks include minting and destroying cryptocurrency, generating transaction ledgers, verifying transactions, and so on.

While the blockchain is so trusted is because of its ability to encrypt data as it moves from node to node or computer to computer, which means you can't change the data or tamper with it to fake a transaction because the blockchain is a public ledger, everyone can see how money moves from one place to another.

Cryptocurrency comes together to form what we could call a global currency, while the US dollar is the only legal tender in the United States. Bitcoin, Ethereum, or any other cryptocurrency is accepted all around the world, it can be used to make payments and it is valid as currency anywhere.

Hence cryptocurrency is called money without borders.