

This report examines the feasibility for non-state actors to increase their political and/or economic power by deploying a virtual currency (VC) for use in regular economic transactions. Bitcoin is a digital representation of valued currency that, like conventional currency, can be transferred, stored, or traded electronically. VCs are neither issued by a central bank or public authority nor are they necessarily linked to a fiat currency (dollars, euros, etc.). This form of currency is accepted by people as a means of payment. We addressed the following research questions from both the technological and politiceconomic perspectives:

- Why would a non-state actor deploy a VC? That is, what political and/or economic utility is there to gain? How might this non-state actor go about such a deployment? What challenges would it have to overcome?
- How might a government or organization successfully technologically disrupt a VC deployment by a non-state actor, and what degree of cyber sophistication would be required?
- What additional capabilities become possible when the technologies underlying the development and implementation of VCs are used for purposes broader than currency?

@article{baron2015national, title={National Security Implications of Virtual Currency}, author={Baron, Joshua and O'Mahony, Angela and Manheim, David and Dion-Schwarz, Cynthia}, journal={Rand Corporation}, year={2015} }

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