The introduction of Bitcoin in January 2009 was the single most important FinTech development in history

The introduction of Bitcoin in January 2009 marked a significant milestone in the history of financial technology (FinTech). Bitcoin is a decentralized digital currency that operates on a peer-to-peer network, utilizing blockchain technology. While opinions may vary, many experts and observers consider the creation and introduction of Bitcoin as a pivotal moment in the FinTech space.

In 2009, a called this cong cryptographer published a paper called "the currency: a peer-to-peer electronic cash system" paper, tells the story of a kind of through point-to-peer technology of electronic currency system, it makes the online payment directly initiated by one party and pay to the other party, middle don't need through any financial institutions, this is the birth of the currency technology. Then bitcoin gradually spread around the world and attracted attention. In 2013, with the influx of a large amount of global funds, especially the hot money from China, bitcoin reached a maximum of 8,000 yuan this year, creating a wealth myth that rose 20,000 times in three years, and making it attract high attention from the public and government regulators.

Before Bitcoin, various FinTech developments had already taken place. The introduction of electronic trading platforms in the 1970s and the establishment of online banking in the 1990s were significant milestones. However, Bitcoin brought about a decentralized, peer-to-peer electronic cash system, challenging traditional financial institutions and introducing the concept of a trustless, distributed ledger. Bitcoin is a system in which transactions can be conducted without central collection mechanisms such as central banks and banks.

Since the birth of bitcoin in 2009, the bitcoin community has been divided on a number of key issues. Among them, the most heated debate is over the size of the bitcoin block. The controversy began with the design of bitcoin. The mysterious founder, Satoshi Nakamoto, set a limit on the size of each block to prevent meaningless transactions and data expansion. But with the spread of bitcoin, that cap is starting to appear stretched, leading to congestion in online transactions and increased confirmation time. In fact, back in 2013, core developer Jeff Garzik proposed doubling the block size to 2 Megabytes, triggering an initial discussion of the block size in the Bitcoin community. (Jack, 2023). Bitcoin represents a departure from traditional currency systems as a decentralized, digital, and censorship-resistant form of money. Its history is relatively short compared to traditional forms of money, but its impact on the financial landscape and the ongoing discussions about the role of cryptocurrencies in the future make it a noteworthy chapter in the broader history of money.

The decisions related to issuing more or fewer coins, adjusting commodity value, and building or reducing trust in a cryptocurrency or any other token are crucial considerations in the realm of financial and economic management. The purpose of Issuing More Coins is stimulate economic activity, fund public projects and services and manage deflationary pressures. And potential Effects are increased liquidity in the market, potential inflationary impact on the economy, encourages spending and investment. Secondly, adding More Commodity Value, the purpose of that is provide intrinsic value and stability, attract investors seeking a tangible asset, and hedge against inflation. Potential Effects are increased confidence due to tangible backing, greater stability in the face of economic uncertainties, and potential reduction in speculative activities. Finally, actions about building Trust are transparent communication about economic policies, consistent and reliable monetary and fiscal policies, and compliance with international standards and regulations. Results are enhanced confidence among citizens and investors, increased foreign investment, and strengthened credibility in the global market. In summary, the decisions regarding the issuance of coins, commodity value, and trust-building are interconnected and require a delicate balance. Governments must consider economic conditions, inflationary pressures, and the overall confidence of the public and international investors. A thoughtful and transparent approach to these aspects contributes to the stability and sustainability of a nation's currency or token.

Actually, conventional currencies are typically issued and regulated by central authorities, such as central banks or governments. The trust in these entities is crucial for the currency to maintain stability and value. Fiat currencies are susceptible to inflation, which erodes their purchasing power over time. Trust in the monetary policies implemented by central authorities is necessary to manage inflation and prevent rapid devaluation. The functioning of traditional currencies relies heavily on financial institutions like banks and governments. Trust in these institutions is essential for people to use and hold these currencies confidently. Transactions involving traditional currencies often require trust in intermediaries and counterparties. Users must trust that banks will securely process transactions, and merchants must trust that payments will be received. Trust in the stability of the overall financial system is crucial. Economic stability, regulatory frameworks, and the resilience of financial institutions all contribute to the trust individuals and businesses have in a currency. Traditional financial systems may involve a lack of transparency in certain transactions. This opacity can lead to concerns about fraud, money laundering, and other illicit activities, reducing overall trust.

Cryptocurrencies, like Bitcoin, were introduced as an attempt to address some of these trust-related concerns. Cryptocurrencies operate on decentralized networks, often based on blockchain technology. This reduces the need for trust in a central authority, as transactions are verified by a distributed network of participants. Blockchain technology provides transparency, allowing participants to verify transactions. Once recorded on the blockchain, transactions are generally irreversible, enhancing trust in the integrity of the system. Many cryptocurrencies have a capped supply, introducing scarcity. This can address concerns related to inflation and the devaluation of currency over time. Cryptocurrencies offer a degree of pseudonymity and security, reducing the risks associated with identity theft and unauthorized access to funds. However, it's important to note that the adoption and acceptance of cryptocurrencies also require trust, albeit in a different form. Users must trust the security of their digital wallets, the reliability of cryptocurrency exchanges, and the stability of the underlying blockchain networks.

For example, Revolut (neobank and Fintech company) was founded in 2015 in the UK offering faster transfers and foreign exchange to its 25 million retail customers (in 2022) in over 35 countries around the world, its mission: ”Simplify all things money”, and vision: becoming a Global financial super

App. Since 2016 has raised more than 1.7 billion of dollars through different series of fundraising (Serie A,B,C,D and E in 2021). And in 2021 the firm was valued at $33 billion: Strong demonstration of investors confidence leads to an increase in the business value.

Revolut, like many modern fintech companies, has a strong emphasis on mobile applications. Its services are primarily accessed and managed through a mobile app, catering to the growing trend of mobile-centric financial services. It allows users to hold and transact in multiple currencies within a single account. This is particularly useful for people who frequently travel or engage in international transactions, reflecting the demand for more flexible and borderless financial solutions. Revolut's inclusion of cryptocurrency trading within its platform aligns with the growing interest in digital assets. Fintech companies are increasingly incorporating cryptocurrency services to meet the demand of users interested in this emerging asset class. Its expansion into multiple countries showcases the trend of fintech companies aiming for a global presence. The ability to offer services across borders is facilitated by digital platforms and helps cater to an international user base. Fintech companies like Revolut are known for introducing innovative financial products and features. These can include features like budgeting tools, round-up savings, and unique investment options, reflecting a commitment to providing more than just basic banking services. Fintech platforms may continue to enhance security measures related to cryptocurrency transactions. This could include improvements in account security, fraud prevention, and safeguarding users' digital assets.

Overall, Bitcoin relies on cryptographic techniques to secure transactions and control the creation of new units. This emphasis on cryptography and the secure nature of blockchain has influenced discussions around the security and privacy of financial transactions. And it introduced a new model for online payments, offering an alternative to traditional payment systems. It has inspired further innovation in the FinTech space, leading to the development of various cryptocurrencies and alternative payment solutions. More importantly, Bitcoin's rise to prominence brought attention to the concept of digital assets and cryptocurrencies. It spurred discussions around the future of money, the digitization of assets, and the potential transformation of the financial landscape. While Bitcoin's impact is undeniable, it's important to note that the broader FinTech landscape is continually evolving, with ongoing developments in areas such as blockchain, decentralized finance (DeFi), central bank digital currencies (CBDCs), and more. These trends and developments are shaping the future of FinTech.

# Reference:

# Jack. (2023, October 31). Ten thousand words look back at the development history of Bitcoin: 15 years, 43 million times

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