

Interviewed by Ian Simpson

“Bitcoin is the archetype of an anti-fragile system, the epitome of the hyper-accelerating IT era we are living in.” – Dr. Arthur Vayloyan

Why are Bitcoin and crypto here to stay?

Arthur: Bitcoin is the archetype of an antifragile system, the epitome of the hyper-accelerating IT era we are living in. Many blockbuster innovations started in the garage, as ideas created by a handful of extremely gifted people. And here comes Bitcoin. A global currency designed in the garage? Pretty impish. So, it's no surprise it was first ignored and then ridiculed by many of the very important people of our current establishment.

But not everyone joined the “Bitcoin is doomed to fail soon”-choir. And even before Bitcoin appeared, Milton Friedman, who was quite a visionary predicted: “The one thing that's missing, but that will soon be developed, is a reliable e-cash, a method whereby on the Internet you can transfer funds from A to B, without A knowing B or B knowing A.” This sums it up pretty well – in the era of the internet, you need money that is native to the internet. It's that simple.

Niklas: Bitcoin, as an asset class as well as a settlement and payment

network is, by now, more than 10 years old. It offers a valuable alternative to the traditional fiat currencies, both as a means of payment/settlement as well as a store of value. It is the world's first truly digital money, in the form of data – which provides great advantages in terms of utility, transparency and automation.

Adoption of Bitcoin has never been higher and continues to grow. Based on this, I see no reason why Bitcoin will not continue to grow in importance, in adoption, as well as in value - and why it will not also be around to celebrate its 20-year anniversary, 10 years from now.

Before we look forward to 2020 and beyond – can you give us a short recap of the major ups and downs of the crypto market in 2019?

Niklas: Throughout 2018 and 2019, the crypto markets have been undergoing a severe correction, after the markets went well ahead of themselves in 2017, when Bitcoin rose

from 1000 USD to 20'000 USD. A great number of new blockchains launched themselves into the market, raising very large amounts of Bitcoin and Ether in the so-called ICO boom, most of them with a promise to become the next Bitcoin or Ethereum – and few of them able to deliver on this promise. This has undermined the confidence in crypto assets in general and furthermore, the release and liquidation of the collected assets from the ICO entities has been negatively impacting the markets.

I believe, however, that with Ethereum currently undergoing a transformation into ETH2 and with Bitcoin approaching its reoccurring inflation halving, this will change in 2020, where I predict around February, that a positive trend will once more take hold.

What trends have you observed over this time?

Arthur: It appears that just about everything will be connected over the Internet, which isn't a totally