

4 Of the Biggest Threats to Cryptocurrency

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Governmental regulation, while one of the threats to Cryptocurrency success, is certainly not the only reason to be cautious.

([Newswire.net](#) -- April 11, 2018) -- Cryptocurrency has taken a bumpy road to its current position as a hot-button issue in both the financial sphere and the [technological world](#). It seems that every positive bit of news that comes across, such as the incredible rise in value over a short time by some of the most popular coins in existence, there comes a piece of equally debilitating information, such as the news of regulatory crackdowns on the digital coins by some governmental or financial institution. As a result, volatility in value and cultural standing has been the norm for crypto.

That it has persisted through all of this is a testament to the ingenious nature and sound forethought behind the technology. It still fascinates investors because of its sterling potential, and if you're one of those, you can utilize a crypto robot like [Ethereum Code](#). Yet there are still threats looming on the horizon, each one with the potential to damage or even eradicate cryptocurrency should they gather enough momentum. Here is a quick assessment of each.

1. Governments

Many governments have likened cryptocurrency to schemes meant to separate common people from their hard-earned cash with no benefit in return. Although this seems like at best a short-sighted and at worst a wildly inaccurate view, the governments holding on to it have the power to impose regulations on cryptocurrency. And that would conflict the very nature of this form of digital money that is free from those restrictions by design.

2. Financial Institutions

When someone makes a transaction using cryptocurrency, they bypass banks and credit card companies in the process. You can understand why those institutions are feeling a bit threatened by the future that crypto represents. That's why many of the bigger financial entities in the world have shunned cryptocurrency, even going so far as to prevent its customers from purchasing coins.

3. Greed

All it takes is a few bad actors to besmirch the name of cryptocurrency, doing damage that might be hard to overcome. Many shady individuals have been tempted by stories of crypto millionaires and are hoping to reap those rewards too. By creating coins that have no real value, such people seek to fool those honest investors hoping to get in on the craze.

4. Success

This might seem like an odd one, but we've seen a cycle of success and then backlash already playing out in the short [history of cryptocurrency](#). When it was just a heady upstart, no one paid too much attention to it. But the more momentum it gains, the more it becomes a target of those who perceive it as a threat. As a result, it is putting itself in the line of fire every time it takes another step up the ladder and ingratiates itself deeper into the public consciousness.

Cryptocurrency is about to face some of its toughest tests from these quasi-enemies in the near future. How it responds to them will likely determine its long-term future.

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