



Central Banks Are Considering Digital Currency To Speed Payments

There are two key thoughts here: 1) blockchains will be centralized, not distributed and anonymous and 2) all central banks are involved. If central banks take this path, it spells the end of public crypto-currencies and the establishment of global Technocracy. □ TN Editor

The Bank of Israel is examining issuing digital currency as a means of creating a faster payments system as well as reducing the amount of cash in the economy, a central bank source said on Sunday, though he stressed no decision had yet been made.

The source, who spoke on condition of anonymity, also said the government was ready to legislate or include the issue in its 2019 budget and economic package if the central bank gave the green light.

The emergence of bitcoin and other so-called cryptocurrencies has led some economists to predict the technology could be used one day across entire economies, with digital currencies created by central banks.

But the Israeli source said any digital currency introduced by the country's central bank would be **centralized**, safe and abide by money laundering rules - in contrast to bitcoin and its peers, which are decentralized and whose value has often oscillated wildly.

“Central banks around the world are examining (the use of digital currencies) so we should as well,” the Israeli source told Reuters.

The Bank of Israel declined to comment on the issue.

Cryptocurrencies allow parties to transact payments directly without a central intermediary, by means of blockchain technology that uses a shared ledger that verifies, records and settles transactions in a matter of minutes.

The Israeli government has been seeking to limit the amount of cash in the economy for a few years since the black economy is estimated at some 22 percent of national output.

Last month, the Bank of Israel published a public consultation asking for proposals for the creation of at least one infrastructure that would support immediate payments in Israel, similar to that used in Britain and Sweden.

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