

[Home](#) > [Latest from President Bullard](#) > [Speeches, Presentations and Commentary](#)



[From the President](#)

Public and Private Currency Competition

July 19, 2019

[Presentation \(pdf\)](#) | [Press Release](#)

Speaking in New York, St. Louis Fed President James Bullard said he views cryptocurrencies as new entrants into the ongoing global currency competition. “Cryptocurrencies are creating drift toward a non-uniform currency in the U.S., a state of affairs that has existed historically but was disliked and eventually replaced,” he said.

Global currency competition is nothing new, nor is electronic delivery of value, Bullard explained. But consumers and businesses may not like a system in which many types of currency trade simultaneously at a variety of prices in a local market, he pointed out.

“Currencies have to be reliable and hold their value,” Bullard said. “This is probably why government backing has been important historically, combined with a stable monetary policy that promotes stability of the currency.”

The problem of how to stabilize currency value is not mitigated by commodity-backed money, cryptocurrency or fixed exchange rates, Bullard noted. “One of the main lessons of monetary theory is that the credibility of future issuance policy is a key aspect to the value of a currency,” he said.

FOLLOW US



SIGN UP FOR EMAIL ALERTS



SIGN UP

QUICK LINKS

[About Us](#)

[Legal Information](#)

[Contact Us](#)

[Privacy Policy](#)

[Careers](#)

[Doing Business with the Fed](#)

[Events](#)

[Federal Reserve Services](#)

[Visiting the St. Louis Fed](#)

[Federal Banking Regulations](#)