

Staking – Technological and Economic Challenges Deposit-as-a-Service as an Alternative to Zero Interest Rates*

¹Łukasz KONOPIELKO AND ²Jacek WYTRĘBOWICZ

¹Łazarski University, Warsaw, POLAND
ORCID: 0000-0001-5557-0965

²Warsaw University of Technology, POLAND
ORCID: 0000-0003-3804-8133

Correspondence should be addressed to: Łukasz KONOPIELKO; lukasz.konopielko@lazarski.pl

* Presented at the 37th IBIMA International Conference, 30-31 May 2021, Cordoba, Spain

Copyright © 2021. Łukasz KONOPIELKO AND Jacek WYTRĘBOWICZ

Abstract

The rapid development of blockchain technologies over recent years has formed a basis for numerous services that emulate and facilitate already existing functions of financial intermediaries, including money transfers, payments and currency exchange. This paper analyses development of staking, being a derivative of technical developments with cryptocurrencies. The background for the emergence of staking-oriented services is provided, both from its internal mechanism as well as user/investor side. Similarity to traditional deposit function is discussed and evaluated in the light of alternative investment opportunities on unregulated markets. Although being technically sophisticated, staking provides an interesting opportunity for risk-loving investors.

Keywords: Staking, blockchain, investment, cryptocurrencies.