

## ALTERNATIVE CURRENCIES AS A DRIVER OF MONEY PLURALISM

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**Abstract.** *The article substantiates the importance of alternative currencies in the formation of monetary pluralism, the presence of a strong correlation between their emergence and development and economic crises, scientific and technological progress and global trends. A change in the paradigm of perception of alternative currencies - from direct confrontation and competition to coexistence in addition to the traditional monetary system has been proved in the article. The essence of alternative currencies, their functions and topology are revealed, the characteristic features of their individual types, in particular, currencies based on time, energy currencies, digital currencies, community currencies are revealed also, based on a comparative analysis, their strengths and weaknesses, as well as opportunities and threats to their acceptance and distribution are indentified.*

**Keywords:** *monetary system, credit and banking system, money pluralism, alternative currencies, cryptocurrency.*

Increasing the frequency of global challenges, namely the growth of economic and social inequality, shadow and speculative economies, increasing uncertainty and crises with severe consequences for the national and global economy as a whole, accelerates the evolutionary development of the credit and banking system.

The emergence of the phenomenon of alternative currencies and their spread in the context of monetary pluralism confirms that the latter should be considered from the standpoint of

subsidiarity, because alternative currencies actually try to compensate the monetary system imperfections and market failures, to meet social needs, because their countercyclical nature for a long time manifested itself mainly during economic crises. An important prerequisite for the emergence of alternative currencies and their spread is scientific and technological progress and global trends, namely digitalization, which based on information and communication technologies, the Internet and high-speed information networks

accelerates financial transactions and increases capital turnover. Such a powerful potential becomes the basis for the transformation processes of the monetary system.

Analyzing the attitude of society to alternative currencies, the behavioral approach can distinguish non-financial and financial factors of the adoption of alternative currencies. Ways to create alternative currencies are quite diverse: from their issuance by national or local government agencies (to support or stimulate the economy) to the creation of individu-

als or institutions. The circulation of alternative currencies is often limited to a geographical area, such as the territory of a particular country, and they can be presented in the form of a specific product or abstract units of account, or without specific forms. In our opinion, the most promising types of alternative currencies are energy-backed currencies, digital currencies and time-based currencies.

For a better understanding of the features of the functioning of traditional, electronic and digital currencies, their comparative analysis was carried out.

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