



BITCOIN AS A POTENTIAL HEGEMONIC WATERSHED: STRATEGIC FORESIGHT ON DECENTRALIZED MONEY AND THE FUTURE OF POLARITY

JOSÉ MIGUEL ALONSO TRABANCO *



PhD Candidate in Defence and Security Studies, Massey University, New Zealand

Abstract

This paper examines how and why Bitcoin, an unofficial cryptocurrency characterized by decentralized, leaderless, and stateless governance, could transform the balance of power and the structural configuration of polarity in the international system. Using strategic foresight as an analytical framework for horizon scanning and the anticipation of systemic behavioral trends, this study considers five hypothetical pathways, both direct and indirect, through which Bitcoin might influence a prospective hegemonic transition or redefine the global balance of power over the coming decades. These possibilities include: 1) Bitcoin as a potential major reserve currency, 2) Bitcoin as a policy instrument of an anti-hegemonic revisionist grand strategy, 3) the proliferation of Bitcoin as a trend that reflects the twilight of US hegemony, 4) Bitcoin as a linchpin of Pax Americana, and 5) Bitcoin as an inspirational forerunner for the design of creative alternatives to the dollar. This discussion blends the explanatory views of hybrid disciplinary models such as geoeconomics, mercantile realism (economic realism), and economic statecraft.

Keywords: *Bitcoin, money, reserve currencies, cryptocurrency, FinTech, strategic foresight, hegemony, international political economy.*

* José Miguel Alonso Trabanco is a doctoral candidate in Defence and Security Studies at Massey University, New Zealand. His dissertation examines the strategic implications of digital currencies for national security and global geopolitical dynamics. His research interests include geopolitics, geoeconomics, security, foreign policy, statecraft, intelligence, grand strategy, interstate rivalries and conventional and unconventional warfare. He has experience as an analyst, researcher, policymaker, adviser, consultant, professor and lecturer.

Email: jose.miguel.trabanco@exatec.tec.mx **ORCID iD:** 0009-0007-3123-4597



This work is licensed under a Creative Commons Attribution-NonCommercial 4.0 International License.

Received: 23.07.2025

Revised: 09.10.2025

Accepted: 14.10.2025

© The Author(s) 2025

Introduction

In the contemporary information age, the emergence of digital money, generated by the transformative technological processes of the Fourth Industrial Revolution, has become an increasingly global phenomenon that warrants analysis within the framework of high politics. This assumption is supported by the disruptive nature of stateless cryptocurrencies, their unique governance mechanisms, and their influence on the post–Cold War security environment, where traditional rivalries and emerging threats increasingly converge. At the same time, the continuation of the dollar’s hegemony in the international political economy of money faces increasing challenges such as structural macroeconomic distortions, shifting geopolitical alignments in pivotal regional theatres, the reactivation of great power rivalries, and the overuse of economic coercion as a tool of US foreign policy.¹ It is therefore essential to clarify the strategic implications of data-driven currencies such as Bitcoin for the global balance of power and the prospective restructuring of polarity, particularly in light of the ongoing transformation of the international monetary and financial system into a key arena of great power rivalry. Building on these considerations, this study explores the possible avenues through which Bitcoin could influence the evolving architecture of world order.

Methodology: This work relies on strategic foresight as a qualitative method intended to scan the horizon, envisage hypothetical situations, and study their prospective ramifications. Rather than simply assuming the simple extrapolation of familiar long-range trends, strategic foresight encourages the assessment of various plausible evolutionary trajectories that may take place and the development of multidisciplinary analytical perspectives. In the context of this research, the identification and examination of these projections are informed by academic scholarship, open-source materials, and grey literature within the fields of international political economy, geopolitics, and security.

Theoretical Framework: The explanations put forward by this paper have been formulated based on the theoretical reasoning and insights of international political economy (IPE),² geo-economics,³ economic statecraft,⁴ and mercantile realism.⁵ The interpretative frameworks of these hybrid models are useful for un-

¹ Wasta Ahmed Medha, “Dollar Hegemony in the Realm of Multipolarity: An Analysis,” in *Contemporary World Politics*, ed. Amit Mandal, Farheen Bhuiyan, Nazmul, Laskar, Deepanjana Majumder, and Ekata Gosh (Authorspress, 2024), 300–311.

² Robert Gilpin, *The Political Economy of International Relations* (Princeton University Press, 1987).

³ Robert Blackwill and Jennifer Harris, *War by Other Means: Geoeconomics and Statecraft* (Harvard University Press, 2016).

⁴ David Baldwin, *Economic Statecraft* (Princeton University Press, 2020).

⁵ Eric Heginbotham and Richard Samuels, “Mercantile Realism and Japanese Foreign Policy,” *International Security* 22, no. 4 (1998): 171–203.

derstanding why and how the logic of high politics, hegemonic cycles, and great power competition provides an appropriate lens for engaging with the multifaceted grammar of money and finance in an era of high-tech complex interdependence.

Assessing Bitcoin's Prospects as a Global Reserve Currency

The conception of a major global reserve currency emancipated from the political control of governmental authority and great power politics is not new. During the negotiations of the Bretton Woods Conference, John Maynard Keynes, leading the British delegation, proposed the establishment of "Bancor," a supranational currency designed to be anchored in the intrinsic value of gold and intended to stabilize the postwar international monetary system.⁶ In the twenty-first century, the proliferation of Bitcoin has revitalized the expectation of a denationalized international currency not subject to unilateral control.⁷ A number of observers suggest that the dollar's hegemonic predominance as the world's leading reserve currency may not yield to another sovereign monetary unit, but to an emergent, nontraditional monetary paradigm. Within this evolving landscape, Bitcoin, as the foundational prototype of cryptocurrencies, occupies a potentially advantageous position to ascend into the upper hierarchy of global reserve assets.⁸ Since its debut more than fifteen years ago, Bitcoin's most enthusiastic advocates have embraced "the dream of a single world currency that is private, free for all to use, and under the control of the masses."⁹

The rise of nonstate cybercurrencies such as Bitcoin can serve as a game-changer that hastens the renewal and diversification of international monetary governance. Theoretically, a digital currency such as Bitcoin could evolve to assume the functions of money on an international scale: unit of account, medium of exchange, and store of value.^{10 11} Bitcoin offers substantive benefits over conventional fiat currencies and even precious metals: built-in transnational circuits, algorithm-

⁶ Benn Steil. *The Battle of Bretton Woods: John Maynard Keynes, Harry Dexter White and the Making of a New World Order* (Princeton University Press, 2014).

⁷ Ashwath Komath. "Bancor Comes of Age: A Case for an Indian Bitcoin Reserve." *India Quarterly* 78, no. 1 (2021): 121-142.

⁸ STRATFOR. "Not Much Stands in the Dollar's Way." *Strategic Forecasting Inc.* March 29, 2017. <https://worldview.stratfor.com/article/not-much-stands-dollars-way>.

⁹ Morgen Peck. "Let's Destroy Bitcoin." *MIT Technology Review* 121, no. 3 (2018): 72-77.

¹⁰ I. Efremenko, T. Panasenkova, D. Artemenko, and V. Larionov. "The Role of Crypto-Currencies in the Development of the Global Currency System." *European Research Studies Journal* 21, no. 1 (2018): 117-124.

¹¹ Bill O'Grady. "The Dollar Weapon." *Vettafi Advisor Perspectives*. July 15, 2014. <https://www.advisorperspectives.com/commentaries/2014/07/15/the-dollar-weapon>.

mic programming, and apolitical governance.¹² As its accompanying ecosystem has flourished organically, the gravitational pull of this cryptocurrency has attracted mainstream economic agents such as retail e-commerce platforms, traditional financial entities, exchanges, and start-up businesses. Eventually, Bitcoin's increasing traction may go much further in cross-border payments, even though it would have to overcome regulatory obstacles. Such a level of international reach would challenge both the greenback's monetary hegemony and the legitimacy of established economic paradigms, including fiat money and fractional-reserve banking.¹³

Nevertheless, it would be both unwise and premature to assume the inevitable materialization of these forecasts. Political, economic, and technical constraints justify a degree of skepticism. Most notably, the Bitcoin network does not enjoy the full-spectrum political backing of any great power. Achieving a much higher degree of international circulation would require the adoption of Bitcoin as the anchor of a national or regional hard currency.¹⁴ Without this backing, its strength would be structurally constrained. Since the Athenian silver drachma in classical antiquity, no currency has risen to dominance without the full-fledged support of a hegemonic polity. In contrast, the superior status of the US dollar is undergirded by various assets of American national power, such as military preparedness, economic prosperity, institutional nodes, infrastructure, territory, and cultural soft power.¹⁵ Furthermore, it is improbable that most nation-states would willingly forgo the strategic, political, and functional advantages linked to the sovereign Westphalian authority they exercise over monetary policy.¹⁶

By design, 21 million is the maximum number of units that can exist in the Bitcoin network. This artificial scarcity means that even the total volume of Bitcoin's money supply is insufficient to fuel international economic exchanges, commercial operations, and financial transactions.¹⁷ To keep things in perspective, Bitcoin's total market capitalization, estimated at 2.4 trillion US dollars by early

¹² Arumugam Seetharaman, A. Saravanan, Nitin Patwa and Jigar Mehta. "Impact of Bitcoin as a world currency." *Accounting and Finance Research* 6, no. 2 (2017): 230-246.

¹³ Bill Maurer, Taylor Nelms and Lana Swartz. "When Perhaps the Real Problem is Money Itself? The Practical Materiality of Bitcoin." *Social Semiotics* 23, no. 2 (2013): 261-277.

¹⁴ David Orrell, and Roman Chlupatý. *The Evolution of Money*. (Columbia University Press, 2016).

¹⁵ STRATFOR, "Not Much Stands."

¹⁶ Bill O'Grady. "The Dollar Weapon." *Advisor Perspectives*. July 15, 2014.

<https://www.advisorperspectives.com/commentaries/2014/07/15/the-dollar-weapon>.

¹⁷ Peter Hazlett and William Luther. "Is Bitcoin Money? And What That Means." *The Quarterly Review of Economics and Finance* 77 (2020): 144-149; See also James Rickards. *Cryptocurrency Wars: The Making of the Next Monetary System* (Baltimore: Agora Financial LLC, 2018); Alesja Serada. "The Continuous Materiality of Blockchain." The University of Vaasa. 2020. https://monami.hs-mittweida.de/frontdoor/deliver/index/docId/11868/file/Druckversion_Serada_paper.pdf.

October 2025, makes it the dominant nonstate cryptocurrency.¹⁸ This value exceeds the nominal GDP of economies such as Brazil, Russia, Spain, South Korea, and Australia.¹⁹ Yet, this figure remains modest compared to the estimated value of global gold reserves (11.5 trillion US dollars), the market capitalization of the S&P 500 index (36 trillion US dollars), and the total global money supply (82.6 trillion).²⁰

Nonetheless, stateless cryptocurrencies are still in their early developmental stages.²¹ The volatile fluctuations of Bitcoin's exchange rates are another problem. This endemic instability means that Bitcoin behaves more like a speculative asset that is bought and sold in speculative markets for quick profits, denominated in more conventional forms of wealth, rather than as sound international money.²² Critics contend that, for this very reason, Bitcoin's eventual trajectory may mirror the collapse of the seventeenth-century "tulipmania" bubble in Amsterdam, at a time when the Dutch Republic stood as the leading financial hub of the world.²³

In summary, the predictions about Bitcoin as a universal coin are misplaced.²⁴ *Ceteris paribus*, the potential of prominent nonstate cybercurrencies like Bitcoin to reach the commanding heights of the global monetary pyramid is minimal.²⁵ Under existing circumstances, Bitcoin is hardly a strong candidate that can outcompete the US dollar.²⁶ Still, the long-term incremental projection of Bitcoin and similar cryptocurrencies could reduce the strategic advantages that come with the dollar's condition as a hegemonic reserve currency and even be leveraged by states as a strategic asset to further the implementation of de-dollarization policies.²⁷ There-

¹⁸ CoinMarketCap. "All Cryptocurrencies." October 04, 2025.

<https://coinmarketcap.com/all/views/all/>.

¹⁹ World Bank. "GDP (current US\$)." 2025.

https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?year_high_desc=true.

²⁰ Jeff Desjardins. "All of the World's Money and Markets in One Visualization." *Visual Capitalist*. November 28, 2022. <https://www.visualcapitalist.com/all-of-the-worlds-money-and-markets-in-one-visualization-2022/>.

²¹ STRATFOR, "Examining the Future of Bitcoin," Strategic Forecasting Inc., September 21, 2015, <https://worldview.stratfor.com/article/examining-future-bitcoin>.

²² David Blaazer, "Bitcoin in the Longue Durée: Money, the State and Cryptocurrency." *Australian Humanities Review* 66, (2020): 196-203; George Friedman. "What Is Bitcoin?" *Geopolitical Futures*. December 17, 2017. <https://geopoliticalfutures.com/what-is-bitcoin/>; Nellie Huang. "What You Need to Know About Bitcoin." *Kiplinger's Personal Finance* 72, no. 4 (2018): 60-62; Tom Hashemi. "The Bitcoin Solution to Terrorism Financing." *War on the Rocks*. May 08, 2014. <https://warontherocks.com/2014/05/the-bitcoin-solution-to-terrorism-financing/>.

²³ Graham Middleton. "Bulbs, Bitcoins and Bubbles." *Dental Practice* 29, no. 1 (2018): 86-89.

²⁴ Hashemi. "The Bitcoin Solution to Terrorism Financing."

²⁵ Gal Luft and Anne Korin. *De-dollarization: The Revolt against the Dollar and the Rise of a New Financial World Order* (USA: Independently published. 2009).

²⁶ STRATFOR, "Not Much Stands."

²⁷ Glenn Diesen. *Great Power Politics in the Fourth Industrial Revolution* (London: I.B. Tauris, 2021).

fore, their potential applications as second-tier, minor, or alternative reserve assets are worth considering.²⁸ In a nutshell, Bitcoin could only partially roll back or downsize the dollar's hegemony if it becomes a secondary reserve currency.

Bitcoin as a Policy Instrument of an Anti-Hegemonic Grand Strategy

The growing cross-border circulation of decentralized cryptocurrencies such as Bitcoin could lead to a more pluralistic and fragmented global monetary order.²⁹ Considering their disruptive properties, these FinTech innovations can weaken the hegemonic status of the dollar and the capacity of the so-called “collective West” to impose coercive financial sanctions. Moreover, Bitcoin's open and competitive architecture carries counter-hegemonic potential by limiting the unilateral control of financial privileges.³⁰ Together, such features make Bitcoin attractive to states that seek to upend the enduring American dominance of international financial and monetary circuits. Therefore, revisionist states may strategically employ nonstate cryptocurrencies to construct parallel financial networks, promote de-dollarization, and foster a global monetary order grounded in a more multipolar distribution of power.³¹

The Russian Federation—a revisionist great power that seeks to play a more assertive role in a polycentric world order—may be interested in unlocking the counter-hegemonic potential applications of Bitcoin. This cybercurrency could be wielded by Russian economic statecraft to further a transition toward a higher degree of multipolarity within the international system. In the financial and monetary domains, Moscow lacks the resources to directly challenge the United States. However, operating from a zero-sum perspective, Russia may incorporate nonstate cryptocurrencies into a broader grand strategy aimed at eroding the dollar's global supremacy. This course of action would diminish Washington's commanding position in global financial and monetary affairs, lessen the attractiveness of the greenback in international markets, and deepen American financial problems such as the accumulation of unsustainable debt levels. Under these circumstances, Moscow

²⁸ Ashwath Komath. “Bancor Comes of Age: A Case for an Indian Bitcoin Reserve.” *India Quarterly* 78, no. 1 (2021): 121–142.

²⁹ David Orrell and Roman Chlupatý. *The Evolution of Money* (New York: Columbia University Press, 2016).

³⁰ Jason Lowery. *Softwar: A Novel Theory on Power Projection and the National Strategic Significance of Bitcoin* (Las Vegas: Independently published, 2023).

³¹ Laura Shin. “Why Cryptocurrencies Could Push the Dollar from World Reserve Currency Status.” *Forbes*. November 07, 2017. <https://www.forbes.com/sites/laurashin/2017/11/07/why-cryptocurrencies-could-push-the-dollar-from-world-reserve-currency-status/?sh=583c8976a9ed>; Eric Yakes. “Whither Bitcoin?”. *Bitcoin Magazine*. April 13, 2022. <https://bitcoinmagazine.com/markets/whither-bitcoin-monetary-restructuring>.

could serve as a testing ground for innovative projects involving unofficial cryptocurrencies such as Bitcoin.³²

Russia is already taking strategic steps within the global cryptocurrency sector. In fact, the Kremlin's transition from an initial rejection of cryptoassets toward a more flexible approach is likely driven by a pragmatic necessity to bypass and weaken the dollar.³³ Russia, owing to its existing comparative advantages and strategic interests, is encouraging the intensive proliferation of large-scale Bitcoin mining facilities in Eastern Siberia as an unconventional industrial policy.³⁴ By December 2024, the Russian Federation represented 16% of global Bitcoin mining operations, which makes it the world's second-largest hub for this activity, only after the United States.³⁵ The Russian government has officially authorized national private companies to use Bitcoin in cross-border economic exchanges.³⁶ President Vladimir Putin himself has noted that, as a reserve asset, wealth denominated in Bitcoin cannot be frozen for political or strategic motives.³⁷

However, Russia and other revisionist powers must overcome significant constraints before they can expand Bitcoin's role in cross-border transactions and international payments. These challenges include the development of a comprehensive transnational network of financial infrastructure.³⁸ Bitcoin's high financial volatility represents another shortcoming worth considering.³⁹ Even though such a strategic option could be useful to circumvent US-led international financial and monetary circuits, it would lack the critical mass needed to undermine the dollar. In the best-case scenario for Russian national interests, such measures could partially weaken the dollar's dominant position. Moscow could employ Bitcoin and other nonstate cryptocurrencies as counter-hegemonic tools, yet establishing a truly mul-

³² Nicholas Ross Smith. "Could Russia Utilize Cryptocurrencies in Its Foreign Policy Grand Strategizing?" *Russia in Global Affairs* 17, no. 3 (2019): 134-152.

³³ Sean Costigan and Greg Gleason. "What if Blockchain Cannot Be Blocked? Cryptocurrency and International Security". *Information & Security* 43, no. 1 (2019): 13-20.

³⁴ Hugo Estecahandy and Kevin Limonier. "Cryptocurrencies and processing power in Russia: a new strategic territory in eastern Siberia?" *Journal of Cyber Policy* 6, no. 1 (2021): 68-80.

³⁵ Kaan Farahani. "Top 10 Bitcoin Mining Countries of 2025." Hashrate Index. January 06, 2025. <https://hashrateindex.com/blog/top-10-bitcoin-mining-countries-of-2025/>.

³⁶ Reuters. "Russia is using bitcoin in foreign trade, finance minister says." December 25, 2024. <https://www.reuters.com/markets/currencies/russia-is-using-bitcoin-foreign-trade-finance-minister-says-2024-12-25/>.

³⁷ Filip De Mott. "Vladimir Putin says bitcoin could be a useful asset as Russia's reserves remain frozen". *Business Insider*. December 14, 2024. <https://markets.businessinsider.com/news/currencies/bitcoin-cryptocurrency-russia-economy-vladimir-putin-frozen-assets-payment-systems-2024-12?op=1>.

³⁸ Eric Yakes. "Whither Bitcoin?" *Bitcoin Magazine*. April 13, 2022. <https://bitcoinmagazine.com/markets/whither-bitcoin-monetary-restructuring>.

³⁹ Sarah Jones. "Can Cryptocurrency Be Weaponized?" *Diplomatic Courier*. February 07, 2018. <https://www.diplomaticcourier.com/posts/can-cryptocurrency-weaponized>.

tipolar global monetary order would require far greater strategic and economic capacity to displace the United States from its central position.

Bitcoin Proliferation as an Indicator of the Decline of US Hegemony

Bitcoin's symbolic significance is noteworthy. The currency's creation in the aftermath of the 2008 crisis shook the international financial system and raised concerns about the political and economic credibility of the US dollar as the world's primary reserve currency.⁴⁰ Financial Times commentator Rana Foroohar argues that the rise of Bitcoin and other nonstate cybercurrencies reflects a systemic trend that cannot be dismissed as transient. She maintains that the growth of these unofficial currencies signals mounting skepticism toward the dollar—driven by rising debt levels and persistently loose monetary policies—and simultaneously reflects a broader structural shift toward multipolarity in the realm of high politics.⁴¹ In this sense, Bitcoin may herald the emergence of a more polycentric world order. Zoltan Pozsar, a former Credit Suisse analyst, argues that a new Bretton Woods-type arrangement would be beneficial for Bitcoin. He contends that such an arrangement would entail a weaker US dollar, a stronger Chinese yuan, heightened financial uncertainty, and the expansion of “outside money,” including gold and other commodities.⁴² Consequently, these tendencies would characterize an interregnum in which a waning dollar-centric order coexists with the rise of cryptocurrencies.⁴³ These perspectives suggest that Bitcoin is part of a long-term progression that, over the coming decades, will lead to the redesign of global financial and monetary systems.

Bitcoin as a Linchpin of Pax Americana

Mikic proposes the intriguing hypothesis that the growing monetization of Bitcoin will increase—rather than decrease—the greenback's role as the dominant reserve currency.⁴⁴ In a landscape influenced by worsening internal financial imbalances and the external pressure of revisionist challengers determined to target the green-

⁴⁰ Chris Zapone, Elise Thomas and Katherine Mansted. “The Geopolitics of Crypto-currencies.” *National Security Podcast*, September 03, 2019. Podcast, website. <https://www.policyforum.net/national-security-podcast-the-geopolitics-of-crypto-currencies/-index.html>.

⁴¹ Rana Foroohar. “Bitcoin's Rise Reflects America's Decline.” *Financial Times*. February 14, 2021. <https://www.ft.com/content/16a37710-cbff-41b1-af96-7dc8b2de0c43>.

⁴² Zoltan Pozsar. *Bretton Woods III* (Zurich: Credit Suisse, 2022).

⁴³ Blessing Mbalaka. “The Finance Money Crisis and Cryptocurrencies: Is the US Dollar Hegemony in an Interregnum?” *Digital Policy Studies* 2, no. 1 (2023): 09-22.

⁴⁴ Luke Mikic. “The US Will Weaponize the Dollar by Backing it with Bitcoin.” *Bitcoin Magazine*. October 29, 2022.

back's supremacy, it would be convenient for US self-interests to lead the in-depth renovation of the global monetary order with a Bitcoin-backed dollar. He further argues that this counterintuitive monetary formula could offer viable solutions to these structural challenges. Likewise, a report by the Bitcoin Policy Institute contends that Bitcoin represents an untapped source of strategic advantage that could reinforce the United States' position as the world's predominant power.⁴⁵ The think tank recommends that, rather than suppressing it, US economic statecraft should adopt Bitcoin as a strategic tool to deepen capital markets, spur technological innovation, counter China's promotion of e-RMB internationalization and the global spread of its FinTech platforms, project American soft power, and finance opposition to hostile regimes. Such a plan could reorganize international monetary governance—with Bitcoin as a central architectural pillar broadly analogous to the role played by gold under the provisions of Bretton Woods—in a way fully consistent with Washington's strategic agenda. Although this policy prescription once seemed unlikely at first glance, the recent official establishment of the US Strategic Bitcoin Reserve⁴⁶ represents a turning point that may foreshadow an incremental trajectory in this direction. Notably, the US has accumulated 198,012 Bitcoin, roughly equivalent to 23.45 billion US dollars.⁴⁷

Bitcoin as a Conceptual Forerunner of Alternatives to the US Dollar

From a Braudelian perspective, Bitcoin could become a precursor that inspires the development of more far-reaching digital currency projects. Bitcoin's potential to eclipse the US dollar is negligible. Nevertheless, the ripples of its eventual success could trigger a domino effect that leads to the design of new generations of digital currencies, *linked either to their own financial infrastructures or to hard assets of intrinsic value, designed to contest the dollar's hegemonic status*.⁴⁸ Notably, an analytical report prepared within the framework of the Valdai Discussion Club

⁴⁵ Matthew Pines, *Bitcoin and U.S. National Security: An Assessment of Bitcoin as a Strategic Opportunity for the United States* (Washington, D.C.: Bitcoin Policy Institute), <https://cointhinktank.com/upload/crypto/Bitcoin%20and%20U.S.%20National%20Security.pdf>.

⁴⁶ The White House. "Establishment of the Strategic Bitcoin Reserve and United States Digital Asset Stockpile." March 06, 2025. <https://www.whitehouse.gov/presidential-actions/2025/03/-establishment-of-the-strategic-bitcoin-reserve-and-united-states-digital-asset-stockpile/>.

⁴⁷ Sai Nikhil. "World governments now hold 517,296 Bitcoin worth 61 billion." *Crypto Coverage*. July 31, 2025. <https://www.cryptocoverage.co/news/world-governments-now-hold-517296-bitcoin-worth-61-billion>.

⁴⁸ Erik Townsend. *Beyond Blockchain: The Death of the Dollar and the Rise of Digital Currency* (Coppell: Independently published. 2018); see also Gal Luft and Anne Korin. *De-dollarization: The Revolt against the Dollar and the Rise of a New Financial World Order* (USA: Independently published. 2009); David Birch. *The Currency Cold War: Cash and Cryptography, Hash Rates and Hegemony* (London: London Publishing Partnership, 2020).

points out that, since cryptocurrencies have a promising potential as highways for large-scale international money transfers, the introduction of innovative solutions programmed to overcome their current shortcomings and limitations is probably a matter of time.⁴⁹

The ongoing development of governmental digital currencies and their foreseeable use in cross-border payments, reserves, and settlements will further the structural diversification of the global monetary system.⁵⁰ Authors like Gomez and Pasin even put forward the hypothetical design of multilateral virtual currency projects for groups such as the BRICS forum, Russian-speaking areas of the former Soviet Union aligned with Moscow's foreign policy, Latin American countries that belong to the so-called "Bolivarian axis", and nations that share a Turkic heritage as a common denominator.⁵¹ Hence, Bitcoin's digital legacy could generate innovative monetary mechanisms intended to challenge the dollar's hegemonic order.

Conclusion

Per se, Bitcoin lacks the weight to overturn the global correlation of forces, remake world order, or rise as a hegemonic reserve currency. However, the grammar of nonstate cryptocurrencies with a strong degree of international circulation is suitable to interact with the strategic logic of Machiavellian statecraft. The expanding presence of Bitcoin in the international (global) political economy of money and finance *is a sign* of a broader transitional moment. Specifically, strategic foresight suggests that Bitcoin can be wielded in attempts to alter the global structural correlation of forces that underpins world order. Revisionist great powers such as Russia are prime candidates to rely on Bitcoin as an asymmetric vector of an anti-hegemonic grand strategy. In turn, the US can also co-opt the Bitcoin grid in an attempt to preserve the existing status quo and prolong the lifespan of the dollar's hegemonic reign. In the age of FinTech, digital cash has the potential to behave as kingmaker. Moreover, Bitcoin's ideological and technological legacy may inspire the conception of new monetary architectures *intended to transcend* the dollar's hegemonic sphere.

⁴⁹ Kristina Ivanova, Vladimir Sokolov and Polina Uvarova. *Blockchain and Cryptocurrencies: Trends and Prospects* (Moscow: Valdai Discussion Club, 2018), <https://valdaiclub.com/a/reports/blockchain-and-cryptocurrencies-trends-and-prospects/>.

⁵⁰ Ran Wei. "The Impact of Fiat Digital Currencies on the Hegemony of the US Dollar" *Finance & Economics* 1, no. 4 (2025): 1-7.

⁵¹ Nancy Gomez and Patrick Pasin. *Géopolitique des Cryptomonnaies* (Paris: Talma. 2018).

Conflict of Interests

The author declares no ethical issues or conflicts of interest in this research.

Ethical Standards

The author affirms this research did not involve human subjects.

Bibliography

- Baldwin, David. *Economic Statecraft*. Princeton: Princeton University Press, 2020.
- Birch, David. *The Currency Cold War: Cash and Cryptography, Hash Rates and Hegemony*. London: London Publishing Partnership, 2020.
- Blaazer, David. "Bitcoin in the *Longue Durée*: Money, the State and Cryptocurrency." *Australian Humanities Review* 66 (2020): 196–203.
- Blackwill, Robert, and Jennifer Harris. *War by Other Means: Geoeconomics and Statecraft*. Cambridge: Harvard University Press, 2016.
- CoinMarketCap. "Examining the Future of Bitcoin." October 3, 2025. <https://coinmarketcap.com/all/views/all/>.
- Costigan, Sean, and Greg Gleason. "What if Blockchain Cannot Be Blocked? Cryptocurrency and International Security." *Information & Security* 43, no. 1 (2019): 13–20. <https://doi.org/10.11610/isij.4301>.
- De Mott, Filip. "Vladimir Putin Says Bitcoin Could Be a Useful Asset as Russia's Reserves Remain Frozen." *Business Insider*, December 4, 2024. <https://markets.businessinsider.com/news/currencies/bitcoin-cryptocurrency-russia-economy-vladimir-putin-frozen-assets-payment-systems-2024-12?op=1>.
- Desjardins, Jeff. "All of the World's Money and Markets in One Visualization." *Visual Capitalist*, November 28, 2022. <https://www.visualcapitalist.com/all-of-the-worlds-money-and-markets-in-one-visualization-2022/>.
- Diesen, Glenn. *Great Power Politics in the Fourth Industrial Revolution*. London: I.B. Tauris, 2021.
- Efremenko, I., T. Panasenkova, D. Artemenko, and V. Larionov. "The Role of Crypto-Currencies in the Development of the Global Currency System." *European Research Studies Journal* 21, no. 1 (2018): 117–24.
- Estecahandy, Hugo, and Kevin Limonier. "Cryptocurrencies and Processing Power in Russia: A New Strategic Territory in Eastern Siberia?" *Journal of Cyber Policy* 6, no. 1 (2021): 68–80. <https://doi.org/10.1080/23738871.2021.1939746>.
- Farahani, Kaan. "Top 10 Bitcoin Mining Countries of 2025." *Hashrate Index*, January 6, 2025. <https://hashrateindex.com/blog/top-10-bitcoin-mining-countries-of-2025/>.

- Foroohar, Rana. "Bitcoin's Rise Reflects America's Decline." *Financial Times*, February 14, 2021. <https://www.ft.com/content/16a37710-cbff-41b1-af96-7dc8b2de0c43>.
- Friedman, George. "What Is Bitcoin?" *Geopolitical Futures*, December 17, 2017. <https://geopoliticalfutures.com/what-is-bitcoin/>.
- Gilpin, Robert. *The Political Economy of International Relations*. Princeton: Princeton University Press, 1987.
- Gomez, Nancy, and Patrick Pasin. *Géopolitique des Cryptomonnaies*. Paris: Talma, 2018.
- Hashemi, Tom. "The Bitcoin Solution to Terrorism Financing." *War on the Rocks*, May 8, 2014. <https://warontherocks.com/2014/05/the-bitcoin-solution-to-terrorism-financing/>.
- Hazlett, Peter, and William Luther. "Is Bitcoin Money? And What That Means." *The Quarterly Review of Economics and Finance* 77 (2020): 144–49. <https://doi.org/10.1016/j.qref.2019.10.003>.
- Heginbotham, Eric, and Richard Samuels. "Mercantile Realism and Japanese Foreign Policy." *International Security* 22, no. 4 (1998): 171–203. <https://muse.jhu.edu/article/446914>.
- Huang, Nellie. "What You Need to Know About Bitcoin." *Kiplinger's Personal Finance* 72, no. 4 (2018): 60–62.
- Ivanova, Kristina, Vladimir Sokolov, and Polina Uvarova. *Blockchain and Cryptocurrencies: Trends and Prospects*. Moscow: Valdai Discussion Club, 2018. <https://valdaiclub.com/a/reports/blokchain-and-cryptocurrencies-trends-and-prospects/>.
- Jones, Sarah. "Can Cryptocurrency Be Weaponized?" *Diplomatic Courier*, February 7, 2018. <https://www.diplomaticcourier.com/posts/can-cryptocurrency-weaponized>.
- Komath, Ashwath. "Bancor Comes of Age: A Case for an Indian Bitcoin Reserve." *India Quarterly* 78, no. 1 (2021): 121–42. <https://doi.org/10.1177/09749284211068165>.
- Lowery, Jason. *Softwar: A Novel Theory on Power Projection and the National Strategic Significance of Bitcoin*. Las Vegas: Independently Published, 2023.
- Luft, Gal, and Anne Korin. *De-Dollarization: The Revolt against the Dollar and the Rise of a New Financial World Order*. USA: Independently Published, 2009.
- Maurer, Bill, Taylor Nelms, and Lana Swartz. "When Perhaps the Real Problem Is Money Itself? The Practical Materiality of Bitcoin." *Social Semiotics* 23, no. 2 (2013): 261–77. <https://doi.org/10.1080/10350330.2013.777594>.

- Medha, Wasta Ahmed. "Dollar Hegemony in the Realm of Multipolarity: An Analysis." In *Contemporary World Politics*, edited by Amit Mandal, Farheen Bhuian, Nazmul Laskar, Deepanjana Majumder, and Ekata Gosh, 300–311. Authorspress, 2024.
- Mbalaka, Blessing. "The Finance Money Crisis and Cryptocurrencies: Is the U.S. Dollar Hegemony in an Interregnum?" *Digital Policy Studies* 2, no. 1 (2023): 9–22. <https://doi.org/10.36615/dps.v2i1.1357>.
- Middleton, Graham. "Bulbs, Bitcoins and Bubbles." *Australasian Dental Practice* 29, no. 1 (2018): 86–89.
- Mikic, Luke. "The U.S. Will Weaponize the Dollar by Backing It with Bitcoin." *Bitcoin Magazine*, October 29, 2022. <https://bitcoinmagazine.com/markets/whither-bitcoin-monetary-restructuring>.
- Nikhil, Sai. "World Governments Now Hold 517,296 Bitcoin Worth \$61 Billion." *Crypto Coverage*, July 31, 2025. <https://www.cryptocoverage.co/news/world-governments-now-hold-517296-bitcoin-worth-61-billion>.
- O'Grady, Bill. "The Dollar Weapon." *Vettafi Advisor Perspectives*, July 15, 2014. <https://www.advisorperspectives.com/commentaries/2014/07/15/the-dollar-weapon>.
- Orell, David, and Roman Chlupatý. *The Evolution of Money*. New York: Columbia University Press, 2016.
- Peck, Morgen. "Let's Destroy Bitcoin." *MIT Technology Review* 121, no. 3 (2018): 72–77.
- Pines, Matthew. *Bitcoin and U.S. National Security: An Assessment of Bitcoin as a Strategic Opportunity for the United States*. Washington, D.C.: Bitcoin Policy Institute. <https://cointhinktank.com/upload/crypto/Bitcoin%20and%20U.S.%20National%20Security.pdf>.
- Pozsar, Zoltan. *Bretton Woods III*. Zurich: Credit Suisse, 2022.
- Reuters. "Russia Is Using Bitcoin in Foreign Trade, Finance Minister Says." December 25, 2024. <https://www.reuters.com/markets/currencies/russia-is-using-bitcoin-foreign-trade-finance-minister-says-2024-12-25/>.
- Rickards, James. *Cryptocurrency Wars: The Making of the Next Monetary System*. Baltimore: Agora Financial LLC, 2018.
- Ross Smith, Nicholas. "Could Russia Utilize Cryptocurrencies in Its Foreign Policy Grand Strategizing?" *Russia in Global Affairs* 17, no. 3 (2019): 134–52.
- Seetharaman, A., A. Saravanan, N. Patwa, and J. Metha. "Impact of Bitcoin as a World Currency." *Accounting and Finance Research* 6, no. 2 (2017): 230–46. <https://doi.org/10.5430/afr.v6n2p230>.

- Serada, Alesja. “The Continuous Materiality of Blockchain.” The University of Vaasa, 2020.
https://monami.hs-mittweida.de/frontdoor/deliver/index/docId/11868/file/-Druckversion_Serada_paper.pdf.
- Shin, Laura. “Why Cryptocurrencies Could Push the Dollar from World Reserve Currency Status.” *Forbes*, November 7, 2017.
<https://www.forbes.com/sites/laurashin/2017/11/07/why-cryptocurrencies-could-push-the-dollar-from-world-reserve-currency-status/?sh=583c8976a9ed>.
- Steil, Benn. *The Battle of Bretton Woods: John Maynard Keynes, Harry Dexter White and the Making of a New World Order*. Princeton: Princeton University Press, 2014.
- STRATFOR. “Examining the Future of Bitcoin.” *Strategic Forecasting Inc.*, September 21, 2015.
<https://worldview.stratfor.com/article/examining-future-bitcoin>.
- STRATFOR. “Not Much Stands in the Dollar’s Way.” *Strategic Forecasting Inc.*, March 29, 2017.
<https://worldview.stratfor.com/article/not-much-stands-dollars-way>.
- Townsend, Erik. *Beyond Blockchain: The Death of the Dollar and the Rise of Digital Currency*. Coppel: Independently Published, 2018.
- Wei, Ran. “The Impact of Fiat Digital Currencies on the Hegemony of the U.S. Dollar.” *Finance & Economics* 1, no. 4 (2025): 1–7.
<https://doi.org/10.61173/k124e832>.
- The White House. “Establishment of the Strategic Bitcoin Reserve and United States Digital Asset Stockpile.” March 6, 2025.
<https://www.whitehouse.gov/presidential-actions/2025/03/establishment-of-the-strategic-bitcoin-reserve-and-united-states-digital-asset-stockpile/>.
- World Bank. “GDP (Current U.S.\$).” 2025.
https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?year_high_desc=true.
- Yakes, Eric. “Whither Bitcoin?” *Bitcoin Magazine*, April 13, 2022.
<https://bitcoinmagazine.com/markets/whither-bitcoin-monetary-restructuring>.
- Zapone, Chris, Elise Thomas, and Katherine Mansted. “The Geopolitics of Cryptocurrencies.” *National Security Podcast*, September 3, 2019.
<https://www.policyforum.net/national-security-podcast-the-geopolitics-of-crypto-currencies/index.html>.