China's Cryptocurrency Crackdown Intensifies, All Transactions Banned

Matt Milano
September 25, 2021

China is intensifying its war on cryptocurrencies, banning all transactions, as well as all mining.

China has traditionally accounted for the lion's share of crypto mining, and especially bitcoin, but the government has been taking an increasingly dim view of the technology. Back in May, there was talk the government could eventually issue a total ban on crypto,

The Chinese government has followed through on those threats, banning all cryptocurrency transactions, as well as mining, on Friday.

"This is really about establishing a state monopoly in payments," George Selgin, an economist and senior fellow at the Cato Institute, told *The Seattle Times*. "The most obvious implication is that the state will have more opportunities to monitor citizens' economic activity."

Bitcoin dropped as much as 7% on the news, before eventually recovering.