

Syllabus

[cmcd.economia@fgv.br]

Course Name: The Economics of Digital Currencies and Digital Payments

Faculty:

2026 SECOND SEMESTER

COURSE OUTLINE

The course covers digital currencies, digital payment systems, stablecoins, and central bank digital currencies (CBDCs). It introduces the economic foundations of money and payment systems before analyzing how technological innovations are transforming financial intermediation and the provision of payment services. Particular attention is dedicated to the potential role of CBDCs in modern monetary systems, to the design and operation of stablecoins, and to programmability, distinguishing between programmable payments and programmable currencies. In addition, it investigates the implications of digital currencies and digital payment systems for financial stability.

COURSE PROGRAM

July 20 th	Foundations of Money and Payments
July 21 st	Digital Currencies
July 22 nd	Programmability of Currencies and Payments
July 23 rd	Stablecoins and Financial Stability
July 24 th	Policy Implications and Directions of Research

BIBLIOGRAPHY

Ahnert et al, The economics of central bank digital currency, **International Journal of Central Banking**, 2024

Ari et al, Designing Central Bank Digital Currencies, **Journal of Monetary Economics**, 2022

Budish, Trust at Scale: The Economic Limits of Cryptocurrencies and Blockchains, **QJE** 2024

Chiu and Monnet, To Tokenize, or Not to Tokenize: The Design Question for a CBDC, **CJE** 2026

Chiu and Monnet, On the Programmability and Uniformity of Digital Currencies, **AER Insights**, 2026

Davoodalhosseini et al, Bank Market Power and CBDC: Theory and Quantitative Assessment, **JPE**, 2023

Keister and Sanches, Should Central Banks Issue Digital Currency? **Review of Economic Studies**, 2022

Lagos and Wright, Unified Framework for Monetary Theory and Policy Analysis, **JPE**, 2005

Lester et al, Information, Liquidity, Asset Prices and Monetary Policy, **Review of Economic Studies**, 2012

Williamson, Central Bank Digital Currency: Welfare and Policy Implications, **JPE**, 2022

GRADING

Students need to prepare a short research project

CONTACT