

Abstract

This bachelor's thesis revolves around the acceptance of Bitcoin as legal tender in El Salvador and the subsequent reactions from the international community, particularly the United States and the International Monetary Fund. Using the case of El Salvador as a study, the thesis seeks to explore a broader phenomenon concerning Latin America and the potential for Bitcoin to be the key for positive socio-economic transformation in the region. The theoretical part of the thesis delves into the concepts of dollarization and the governance of Bitcoin, in addition to the world-systems theory proposed by Immanuel Wallerstein. Subsequently, the thesis applies these theories to concrete facts and conducts an analysis. The timeframe for this research spans from September 2021, when Bitcoin was officially adopted as legal tender in El Salvador, until the end of 2022.