

# **ECS 198 - Cryptocurrency Technologies**

## **Course Syllabus**

### **Spring 2016**

#### **Course Information**

Student Facilitator: Rylan Schaeffer, Vincent Yang  
Contact Information: ryschaeffer@ucdavis.edu, vinyang@ucdavis.edu  
Faculty Mentor: Karl Levitt  
Contact Information: levitt@cs.ucdavis.edu  
Credit: 2 unit  
Grading: P/NP  
CRN: TBA  
Meetings: TBA  
Location: TBA

#### **Course Description**

In 2008, Satoshi Nakamoto published “Bitcoin: A Peer-to-Peer Electronic Cash System,” detailing how cryptographic primitives and distributed consensus protocols could be combined to create an online, decentralized payment system. Although digital currencies had long been of interest to the computer science, financial and cypherpunk communities, Nakamoto’s paper sparked further research on the security, anonymity and utility of Bitcoin and other cryptocurrencies. This course aims to teach undergraduates how cryptocurrencies like Bitcoin are constructed, what engineering decisions were made and the corresponding trade-offs, and how the core principles of Bitcoin can be leveraged in other areas and future pursuits.

Note: This course is based on Princeton University’s “Bitcoin and Cryptocurrency Technologies” course.

#### **Course Learning Outcomes**

To be developed...

#### **Prerequisites**

ECS 60 is recommended, 20 and 40 required. If you have not yet taken ECS60, but are interested in the course and are willing to spend extra time learning the background material, you are welcome to enroll.

# Course Outline

1. Introduction to Cryptography
  - Cryptographic Hash Functions
  - Digital Signatures
2. Cryptographic Data Structures
  - Hash Pointers
  - Append-Only Ledgers (Block Chains)
  - Merkle Trees
3. Bitcoin's Protocol
  - Keys as Identities
  - Simple Cryptocurrencies
  - Decentralization through Distributed Consensus
  - Incentives
  - Proof of Work (Mining)
    - Application-Specific Integrated Circuit (ASIC) Mining and ASIC-resistant Mining
    - Virtual Mining (Peercoin)
4. Engineering Details
  - Bitcoin Blocks
  - Hot and Cold Storage
  - Splitting and Sharing Keys
  - Proof of Reserve
  - Proof of Liabilities
5. Anonymity, Pseudonymity, Unlinkability
  - Statistical Attacks (Transaction Graph Analysis)
  - Network-layer De-anonymization
  - Chaum's Blind Signatures
  - Single Mix and Mix Chains
  - Decentralized Mixing
  - Zero-Knowledge Proof Cryptocurrencies
6. Cryptocurrency Technologies (Note: Only some of the following will be covered)
  - Smart Property
  - Efficient micro-payments
  - Coupling Transactions and Payment (Interdependent Transactions)
  - Public Randomness Source
  - Prediction Markets
  - Escrow transactions
  - Green addresses
  - Auctions and Markets
  - Multi-party Lotteries

## Required Texts & Materials

**Bitcoin and Cryptocurrency Technologies.** Arvind Narayanan, Joseph Bonneau, Edward Felten, Andrew Miller, Steven Goldfeder and Jeremy Clark. Available free online at <http://piazza.com/princeton/spring2015/btctech/resources>

**Bitcoin: A Peer-to-Peer Electronic Cash System.** Satoshi Nakamoto. Available free online at <https://bitcoin.org/bitcoin.pdf>

**How the Bitcoin protocol actually works.** Michael Nielsen. Available free online at <http://www.michaelnielsen.org/ddi/how-the-bitcoin-protocol-actually-works/>

## Learning Activities & Assessment

Create a rudimentary cryptocurrency. To be developed...

## Grading & Other Policies

Grades will be determined as follows:

1. Attendance and Participation - 40% (10 class meetings, 4% each).
2. To be developed...

**Late Policy:** No late assignments will be accepted. However, if a personal emergency arises, or if multiple assignments/tests coincide, please talk to me in advance to set up a workaround. I want you to learn in my class, and I don't want students dropping or failing because they need to prioritize their major-required courses and the like.

**Accessibility Policy:** Any student who may need an accommodation based on the impact of a disability should contact me privately to discuss his or her specific needs. In addition, the student should contact the Student Disability Center (SDC) at (530) 752-3184, [sdc@ucdavis.edu](mailto:sdc@ucdavis.edu) as soon as possible to better ensure that such accommodations can be implemented in a timely fashion.