# bitcoin

CS1699: Blockchain Technology and Cryptocurrency

# 3. Cryptographic Hashing Basics

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#### What is a hash function?

- \* A function which accepts some arbitrary input x and returns a fixed-length "summary"
- Let's look at "bad hash"

#### Bad Hash

- Converts all values in a string to their ASCII values
- Sums up all of these values
- \* Returns value modulo 256 (results 0x0 0xFF)
- \* Note: this is hashing function, but not a good one for our purposes!
- \* See ./sample\_code/hash/bad\_hash.rb to run an example, e.g. ruby bad\_hash.rb "meow"

# Hash vs Cryptographic Hash

- \* Hash values can be used for a variety of purposes (e.g. hash maps, data distribution, nearest neighbor search etc.)
- \* These different kinds of hash functions will have different properties (e.g. continuous hash functions are great for nearest neighbor search, horrible for data distribution!)
- \* For our purposes, we are interested in using hash functions for *cryptographic hashes*

## Cryptographic Hashes

- \* Should have the following properties:
  - collision-free
  - \* hiding
  - puzzle-friendly

#### Collision-Free

\* For hash function H(x), should be computationally infeasible to find a collision, that is, some y where:

$$* H(x) == H(y)$$

# Collision Example with Bad Hash

```
(23477) $ ruby bad_hash.rb "ATTACKATDAWN"
 Hash of 'ATTACKATDAWN' is: 77
 (23478) $ ruby bad_hash.rb "SIT DOWN ### MEOW."
 Hash of 'SIT DOWN ### MEOW. ' is: 77
  "SIT DOWN ### MEOW. "→ H()
```

# Collisions Always Exist!

- \* A mapping from an infinite domain (x) to a finite codomain (H(x)) will have, in fact, infinite collisions
- \* So while collision-free is our goal, usually we say "collision-resistant"
- \* But can they be found in a computationally feasible way (i.e., a reasonable amount of time)?

# Finding Collisions

- \* Brute force is always possible, but timescales for large hash functions are massive (millions of years using today's computers or even networks of computers)
- \* BUT holes are always possible in any hash function H(x) and have been exploited/broken in the past!
  - \* Broken = collisions can be found in a way significantly faster than brute force
  - \* SHA-1, GOST, MD2, MD4, MD5, Panama
- \* No hash function has been PROVEN secure

#### Can We Find A Collision?

- With bad hash, sure
- \* Easy to calculate result can move up or down knowing ASCII values of characters in original message *m*
- \* Only 256 possible hash values, thus vulnerable to brute force

# Using A Hash As a Message Digest

- \* Generally speaking, if H(x) == H(y), we can be reasonably certain that x == y
- \* So if we want to check, say, if we have seen something before, we can store its hash instead of the actual data
- \* Example: git (Side note: git uses the broken SHA-1 algorithm! See <a href="https://shattered.io/">https://shattered.io/</a> and <a href="https://shattered.io/">https://</a> blog.github.com/2017-03-20-sha-1-collision-detection-on-github-com/)

# Hiding

- \* Given the result of a hash function H(x), it is infeasible to "go backwards" to determine x
- \* That is, H(x) should be a one-way function

$$41 \longrightarrow H(x) = x + 1 \longrightarrow 42$$

No hiding: given H(x), very easy to find x!

# Hiding: A Formal Definition

- \* "A hash function H is said to be hiding when a secret value r is chosen from a probability distribution that has *high min-entropy*, then, given H(r | | x), it is infeasible to find x"
- \* min-entropy: a measure of how predictable an outcome is
- \* In other words, for any given input, if r is chosen uniformly, the result is likely to be any one of the possible output values

# Bad Hash - Is it hiding?

- No, assuming low-ASCII (first 128 possibilities)
- \* Adding an additional character will strongly favor one half of the possibilities in our output!

# Hiding

```
(23480) $ ruby bad_hash.rb "AAAA"
Hash of 'AAAA' is: 04
(23481) $ ruby bad_hash.rb "AAAA "
Hash of 'AAAA ' is: 24
(23482) $ ruby bad_hash.rb "AAAAZ"
Hash of 'AAAAZ' is: 5E
(23483) $ ruby bad_hash.rb "AAAAz"
Hash of 'AAAAz' is: 7E
(23484) $ ruby bad_hash.rb "AAAA~"
Hash of 'AAAA~' is: 82
```

# Application of Hiding: Commitment

- \* Assume you want to wager on something happening, but you don't want others to know your guess
- \* e.g., "The price of one bitcoin will be over \$10,000 in one year"

#### Commitment Scheme

```
com := commit(m, nonce)
verify(com, msg, nonce)
```

A nonce is random value that can be used only once (i.e., the *r* in our hiding definition). Nonces will come up very often in our exploration of Bitcoin!

Assumes the commit function is hiding and binding

*Binding* = collision-resistant

Given two pairs m/nonce and m'/nonce', it is infeasible to find m!=m' and commit(m, nonce) == commit(m', nonce')

#### Commitment Scheme

- \* To commit to something:
  - \* com = commit(msg, nonce)
  - \* Publish com publicly
- \* To "open the envelope"
  - \* Publish nonce and msg publicly
  - \* Anyone can use *verify*(*com*, *msg*, *nonce*) function to verify *msg*

#### Puzzle Friendliness

\* "For every possible n-bit output value y, if k is chosen from a distribution with high min-entropy, then it is infeasible to find x such that  $H(K \mid \mid x) == y$  in time significantly less than  $2^{n''}$ 

#### Puzzle Friendliness

- \* In other words, if someone wants the hash value result H(x) to be a particular value y, if H(x) produces a result of size n bits, then finding some value x such that H(x) == y should require at least  $2^n$  attempts ( $O(2^n)$ )
- \* In other other words, the best way to find the result of a hash function is to just do the hash with different inputs, and brute force it

# Puzzle Friendliness Application

- \* Proof of work
- \* I want to prove that you have done some work before you get a prize
- \* So I may ask you to find a value x where H(x) gives me 0
- Best way to do it SHOULD be to just try every possible input

## Is Bad Hash Puzzle Friendly?

- \* No
- Very easy to determine output and modify input to modify output

#### A Shortcut for Bad Hash

```
(23485) $ ruby bad_hash.rb "AAAA"
Hash of 'AAAA' is: 04
(23486) $ ruby bad_hash.rb "AAA<"
Hash of 'AAA<' is: FF
(23487) $ ruby bad_hash.rb "AAA?"
Hash of 'AAA?' is: 02
(23488) $ ruby bad_hash.rb "AAA="
Hash of 'AAA=' is: 00
```

#### Hash Functions Used in Bitcoin

- \* SHA-256: Created by NSA, 256-bit output
- \* RIPEMD-160: Developed by researchers at Katholieke Universiteit Leuven, 160-bit output

#### SHA 256

- \* SHA 256 is a "good" hash for our purposes
- \* As far as we know (it has not been proven!), it is:
  - \* Collision-resistant
  - \* Hiding
  - \* Puzzle-friendly

#### SHA-256 Shortcut?

```
(23489) $ ruby sha256_hash.rb "AAAA"
Hash of 'AAAA' is:
63c1dd951ffedf6f7fd968ad4efa39b8ed584f162f46e715114ee184f8de9201
(23490) $ ruby sha256_hash.rb "AAA<"
Hash of 'AAA<' is:
ad587d6af700f2625287ce9b0c66120a120a0b56fd3c8049cc9d0596832d60a6
(23491) $ ruby sha256_hash.rb "AAAB"
Hash of 'AAAB' is:
5e01d7a18db038714fcbb6de5708f3f3c36ef61c206c72ce5dd91c149ecc910c
(23492) $ ruby sha256_hash.rb "AAA="
Hash of 'AAA=' is:
e2d4768b3472b90ca749600da34e622122d16f61517c459a5d7915693ec4ccf3
```

#### SHA-256 in Bitcoin

- \* Mining: SHA-256 hashing
- \* Internal integrity checks
- \* Hash pointers for Merkle tree
- \* SHA-256 hashing of ECDSA as part of key generation