Read the following resources before answering the questions below:

1. <https://www.theglobeandmail.com/report-on-business/rob-commentary/cryptocurrencys-crash-is-a-matter-of-when-not-if/article37257013/>
2. <https://www.cbc.ca/news/business/hut8-medicine-hat-bitcoin-mining-1.4834027>
3. <http://www.bbc.com/news/business-42237432>

Guidelines for writing a supported opinion paragraph (SOP)

* + <http://schools.peelschools.org/sec/fletchersmeadow/studentlife/OSSLTprep/Documents/Sample_%20Writing%20a%20Supported%20opinion%20paragraph.pdf>

**Level 1: Bitcoin & Cryptocurrencies**

1. List three ways that “cryptocurrencies” (e.g. Bitcoin) are different from traditional currencies (money).

Unlike traditional currencies, crypto currencies lack the backing of an established government or financial institution, and transactions occur under an "anonymous" cloak. For some people, this is the appeal. Crypto currencies are favored by criminals who hack computers and hold them for ransom, by individuals who aim to move assets from countries that enforce currency-exchange controls and by those who seek to avoid taxation. (Cash offers this same anonymity, but it's more conspicuous to send people suitcases full of money than it is to send bitcoins.)

1. List one advantage of Bitcoin over on-line payment services such as PayPal.

However, the purported anonymity of bitcoin transactions may not be as airtight as advertised. Each transaction is associated with the sender's and receiver's bitcoin wallet address. And anyone who wants to convert bitcoins into dollars, to facilitate spending in the real world, will need eventually to perform a transaction that associates their cryptocurrency wallet with their bank account (and personal identity). Additionally, regulatory agencies have begun demanding data from cryptocurrency exchanges in an effort to identify money launderers and tax evaders.

1. List three types of organizations (or types of users) that would benefit in a positive way from the use of “cryptocurrencies”.

There can be many types of organizations that would benefit from cryptocurrencies. Firstly, Amazon, everything for amazon is online and it is currently the biggest growing company experimenting. The use of crptocurreny can be great as it can be used as a transaction price instead of cash. For example, a percentage of bitcoin. This is a more secure way of using money.

1. Bitcioin claims to be anonymous. Is this true (explain)? How could someone find out your identity?

Bitcoin claims to be anonymous but it’s really not. In the section I was reading they claim that each transaction is assoiciated with the sender’s and receiver’s bitcoin wallet address. It also says that anyone who wants a bitcoin needs to perform a transaction that is connected to their bank account. Another fact is that regulatory agencies have begun demanding data from esxchanges, so they can point out money launderers and tax evaders.

1. Many people claim that the use of "cryptocurrencies" should be restricted because they make it easier for criminals to hide their actions. Is this a valid point of view? Write a SOP to support your arguement.

Cryptocurrency is the new age of currency and is always growing. To start off, the statement of cryptocurrencies being restricted because of criminal activity is wrong and unresearched. Firstly, if cryptocurrencies are restricted criminals are still going to do crime. The world is not a perfect place and there is always going to be someone doing wrong. If cryptocurrencies are restricted there are lots of other ways to scam or to do stuff to hide their actions. There will always be a way which is loophole where they can abuse it to their advantage. To end this point off there will always being someone doing wrong and that is stuff as a society we cannot stop. Secondly, bitcoin and other cryptocurrencies are still tracked as stated before. There is still tracking between the transaction making it a lot easier to track and shutdown. Lastly, identity theft. Bitcoin and other cryptocurrencies are said to be easier to be a criminal on but there are easier ways criminals can do their actions. Bitcoin ‘s security system is very strong that prevents identity theft as your bitcoin account information is yours. Cards and other forms with a chip are easily stolen and used to a criminal’s advantage. Ultimately, the thought of cryptocurrencies being restricted is not a good choice as it prevents many forms of criminal behavior.

**Level 2: Bitcoin & The Environment**

1. What is a Bitcoin “miner” and how big is the Hut-8 facility in the city of Medicine Hat Alberta?  
   Bitcoin mining is a program/software which companies use to mine bitcoins. Meaning getting a certain percentage of it depending on the usage and the amount of energy being provided. The size of the facility is 4-and-a-half-hectare site on the northern edge of the city is also contains 56 shipping containers, each filled with 180 computer servers.
2. Why has Hut-8 decided to locate its facility in Alberta when its head office is in Toronto?

The company Hut-8 decided to locate its facility in Alberta because province had the most amount of electricity and power to give up. The city provides a good amount of energy needed with not lots of people which is a viable city to use as it can get lots of bitcoins.

1. What benefits does the city of Medicine Hat expect to see from this Bitcoin facility?  
     
   The amount of energy being released. This is because the facility being located beside the natural gas-fired power plant. It also has four wind turbines which results into more power. It can use up to 60 megawatts of power.That is uses too much power. This is because it uses 60 megawatts of power per day which is 10 times more electricity used by any other facility in the city. They even have to prevent the amount of electricity provide to them on hot days so there are no blackouts which can cause problems to the individuals living there.

4.) What concern do environmentalists have about the Medicine Hat facility and about Bitcion mining in general? E.g. how does Bitcoin mining harm the environment?

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5.) What concern do environmentalists have about the Medicine Hat facility and about Bitcoin mining in general? E.g. how does Bitcoin mining harm the environment?

The main problem environmentalists have about both Medicine Hat and mining in general is the amount of power is needed. It uses so much power that it can prevent power from going to people in the houses of residents because it is located beside the powerplant. The power harms the environment as more fossil fuels are used and our world is already abusing them. The problems it can cause because Bitcoin mining uses so much energy. The more fossil fuels the more heat and pollution is released into the environment which can lead to problems in the future.

**Level 3: Mobile Payments**

1.) Explain how you could use social media to make payments for things you buy in the store. You can use social media to make payments as you can walk into a store buy whatever you need and pay on your phone on your way out. This can reduce the need for cashiers as everything will be checked out. You will also reduce the amount of money carried on your person as everything will be digital and only require your passwords and digital device.

2.) List three ways that social media payments are a positive thing.

Social media payments are a positive thing because they are cheaper, as “moving coins and notes around as expensive and time-consuming”. Second of all it provides a fast way to donate or send money across the province, country, or world. This can be backed up by the when Facebook’s messenger was launched in the UK in the holiday season, as sending money during these times is for celebrations, social, or festive occasions. The third positive reason for social media payments are a positive thing, there can be software designed to manage our money in the best way possible which can help individuals control how they use money and how to get out of debt.

3.) List three ways that social media payments are a negative thing.

Scams or viruses can be implemented in which users may end up unwillingly give money. Banks may lose slight amount of income, as transactions will more so be done on other platforms that provide minimal or no fee. Security is the final biggest issue when it comes to social media payments as this can be breached just how your facebook account can get hacked into.

1. Is Canada ahead of or behind other countries in the use of mobile payments? Explain your answer.

Compared to China Canada is behind, since most individuals have their transactions done through their phones. I believe Canada is the in the “grey area” when it comes to being behind or ahead of other countries, as It allows users with access to social media payments but has a level of restriction. For example, Apple Pay is only usable in America, but Canada has yet to have it available. However Canadian banks are okay with PayPal as to connect you bank account with your PayPal is a simple process which only involves verifying your identity and access to the account.

1. In your opinion, should mobile payments be allowed in Canada? Write a SOP to justify your position.

Mobile payments are a step forward in today’s world, making it necessary for Canada to follow the rest of the countries and have mobile payments allowed. Mobile payments allow for a chance to transfer money easily, withhold large sums safely, and lower costs. Mobile payments provide a way to transfer money between individuals fast and easily. Such as the use of apple pay, it has the ease of just sending a text message in which you can transfer funds with an individual or group. Since a large portion of mobile use is iPhones apple pay should be available for Canadians, however there are alternatives like PayPal. Mobile payments also are a lot safer than carrying large sums of money in cash or carrying credit cards which can get lost. Mobile payments provide a way to hold large amounts of sum without having the fear of having it stolen or lost. Finally, there are fewer costs in using mobile payments, as there is no bank fee for a transaction for currencies like bitcoin, in such instances this may help save money in the

long run.