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).

Cryptocurrencies (e.g. Bitcoin) are different than traditional currencies because they are not under the control of governments, the transactions that you perform are anonymous, and they are much more secure.

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

One advantage of Bitcoin over on-line payment services such as PayPal are that Bitcoin does not keep a record of the transactions you make.

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

Three types of organizations or users that would benefit in a positive way from the use of “cryptocurrencies” would be gamblers, criminals , and regulatory agencies.

1. Bitcioin claims to be anonymous. Is this true (explain)? How could someone find out your identity?  
   Bitcoin is not anonymous because the wallet address for both the sender and receiver is required to perform a transaction. Someone could find out your identity only if you wish to take out or deposit money from the bank because your cryptocurrency wallet will be shown to your bank account.
2. 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.

The argument of why “cryptocurrencies” should be restricted is a valid point of view. Cryptocurrencies are favorable for criminals. This is because criminals can hack other computers and encrypt their data for ransom purposes. Criminal users of cryptocurrencies remain anonymous. This is because users of Bitcoin can perform transactions to make purchases of any kind without being noticed therefore having an unrecognizable identity. Criminal users do not have to pay tax. Users of Bitcoin do not have to pay tax which means that they gain money in a way rather than the regular bank users which lose money. The use of Bitcoin mining will have a negative impact on the society because of criminal users.

**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?  
   A Bitcoin “miner” is a user that tries to solve difficult puzzles in order to verify his or her transactions for them to be added to the public ledger which is also known as the block chain. The size of the Hut-8 facility in the city of Medicine Hat Alberta is four and a half hectares.
2. Why has Hut-8 decided to locate its facility in Alberta when its head office is in Toronto? What does the city of Medicine Hat provide that is required for mining Bitcoin?  
   The city of Medicine Hat provides energy at a low cost for mining Bitcoin.
3. What benefits does the city of Medicine Hat expect to see from this Bitcoin facility?  
   The city of Medicine Hat expects to see economic benefits from the Hut-8 facility.
4. What concern does the city of Medicine Hat have about from this Bitcoin facility?

The city of Medicine Hat is concerned about the large amount of electricity being wasted by the Hut-8 facility.

1. 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?

Environmentalists are concerned about the substantial use of electricity that is required for the Medicine Hat facility and Bitcoin mining in general. The immense use of electricity requires power plants to produce more power which increases the greenhouse gases in the atmosphere and harms the environment.

1. If Hut-8 wanted to build a facility in Brampton, would be in favor of this proposal. Write a SOP to justify your position.

If Hut-8 wanted to build a facility in Brampton, I would not be in favor of this proposal. The facility of Hut-8 will harm the environment. A large amount of electricity will be required to run the facility which means that more carbon emissions will be released into the atmosphere. A large amount of space will be required. Hut-8 requires a substantial amount of space for it’s facility alone as well as space for power production plants to generate electricity. The Hut-8 facility will not help in employment. As said in the article, there are only 40 workers in the Hut-8 facility in Medicine Hat which means that their will be no help in the business point of view for Canadians. Hut-8 should not build a facility in Brampton because it will not benefit the population.

**Level 3: Mobile Payments**

1. Explain how you could use social media to make payments for things you buy in the store.

You could use social media to make payments for things you buy in the store by using mobile applications such as eWallet and PayPal.

1. List three ways that social media payments are a positive thing.
   * They are less time consuming
   * They are easy to make
   * You do not have to make payments in person
2. List three ways that social media payments are a negative thing.

* They do not secure personal information
* Criminals are able to steal money easily
* It will have a negative effect on banks

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

Canada is ahead of most of the other countries in the use of mobile payments except for China and the USA. This is because mobile payments are first introduced in the USA and there are many Chinese companies that only exist in China which are more ahead than other countries in the world.

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

In my opinion, mobile payments should not be allowed in Canada. Mobile payments are unsafe. This is because mobile payment applications do not secure personal information as much as banks do. Criminals are benefited from mobile payments. Criminals are able to steal money from other users because the protection of mobile payments is not completely secure. Mobile payments are not benefiting banks. Banks are losing users because a large amount of the population is switching to mobile payments. Mobile payments should not be allowed in Canada because they are not beneficial.