



Blockchain Snippets





ROLE OF BITCOIN MINERS





BITCOIN MINING

- **BITCOIN MINING IS THE PROCESS OF ADDING TRANSACTION RECORDS TO BITCOIN'S PUBLIC LEDGER OF PAST TRANSACTIONS.**
- **THIS LEDGER OF PAST TRANSACTIONS IS CALLED THE BLOCKCHAIN AS IT IS A CHAIN OF BLOCKS. BITCOIN MINING IS USED TO SECURE AND VERIFY TRANSACTIONS TO THE REST OF THE NETWORK.**

ROLE OF BITCOIN MINERS

- **WITHIN THE BITCOIN NETWORKS, THERE ARE A GROUP OF PEOPLE KNOWN AS MINERS.**
- **IN MINERS, THERE WAS A PROCESS AND CONFIRM TRANSACTIONS.**





- **ANYBODY CAN APPLY FOR A MINOR, AND YOU COULD RUN THE CLIENT YOURSELF.**
- **HOWEVER, THESE MINORS USE VERY POWERFUL COMPUTERS THAT ARE SPECIFICALLY DESIGNED TO MINE BITCOIN TRANSACTION.**
- **THEY DO THIS BY ACTUALLY SOLVING MATH PROBLEMS AND RESOLVING CRYPTOGRAPHIC ISSUES BECAUSE EVERY TRANSACTION NEEDS TO BE CRYPTOGRAPHICALLY ENCODED AND SECURED.**
- **THESE MATHEMATICAL PROBLEMS ENSURE THAT NOBODY IS TAMPERING WITH THAT DATA.**





- **ADDITIONALLY, FOR THIS TASK, THE MINORS ARE PAID IN BITCOINS, WHICH IS THE KEY COMPONENT IN BITCOIN.**
- **IN BITCOIN, YOU CANNOT CREATE MONEY AS LIKE YOU CREATE REGULAR FIAT CURRENCIES SUCH AS DOLLAR, EURO, AND YUAN.**
- **THE BITCOIN IS CREATED BY REWARDING THESE MINORS FOR THEIR WORK IN SOLVING THE MATHEMATICAL AND CRYPTOGRAPHICAL PROBLEMS.**

HOW IS THE BITCOIN BLOCKCHAIN BUILT?

- **THE ROLE OF A MINOR IS TO BUILD THE BLOCKCHAIN OF RECORDS THAT FORMS THE BITCOIN LEDGER.**





- **THESE LEDGERS ARE CALLED BLOCKS, AND EACH BLOCK CONTAINS ALL THE DIFFERENT TRANSACTIONS THAT HAVE TAKEN PLACE.**
- **A NEW BLOCK IS ADDED IN EVERY 10 MINUTES AS A NEW BITCOIN TRANSACTION TAKES PLACE.**
- **SO, AS THE MINORS PROCESS THESE DIFFERENT TRANSACTIONS, THEY BUILD THE BLOCK, AND WHEN A BLOCK IS CONFIRMED, IT GETS ADDED TO THE BLOCKCHAIN.**
- **THE BITCOIN BLOCKCHAIN PROVIDES A PERMANENT RECORD OF ALL BITCOIN TRANSACTIONS TO THE BEGINNING.**





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