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 lack the backing of an established government or financial institution, and transactions occur under an “anonymous” cloak
   * Cryptocurrency transaction-verification takes time
   * The Bitcoin transaction verification process involves certain users known as “miners” tasking their computers to solve complex cryptographic problems
2. List one advantage of Bitcoin over on-line payment services such as PayPal.

An advantage of using Bitcoin over online payment services that using Bitcoin doesn’t reveal a user’s identity to the company’s service.

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

* Criminals
* Companies
* Investors

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

Bitcoin does claim to be anonymous. This is true because Bitcoin is a digital currency that isn’t backed by an established government or financial institution which helps users remain unknown when using Bitcoin to make purchases. Each Bitcoin transaction is associated with the sender’s and receiver Bitcoin wallet address. Also, someone could find your identity if a user is planning to convert bitcoins into dollars will need to perform a transaction that associates their cryptocurrency wallet with their bank account (and personal identity).

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.

To begin with, the use of crytocurrencies should be restricted because it does make it easier for criminals to hide their actions since using cryptocurrencies, specifically Bitcoin, has no government establishment or financial institution to track it’s users and their purchases. Also, Bitcoin claims to be anonymous which makes criminals actions more easy to hide. I believe this should be restricted since cryptocurrency is not backed by an established government which criminals would love since the government or financial institution won’t be able to track what their users purchase/sell, also, criminals can scam users into purchasing things online for bitcoin. In addition, criminals will find it easier to hide their actions because Bitcoin is anonymous. Meaning that the Bitcoin that is used to purchase, cannot be traced back to the user and it won’t show any personal information unless the user wants to convert their Bitcoin earnings into real life money, but knowing what will happen if they do that will just completely get rid of their consideration to do such a thing. To conclude, I believe that the use of cryptocurrencies should be restricted because it does make it easier for criminals to hide their actions since there is no government/financial company that could track its users and what they do on their accounts as well as the fact that crytocurrencies stay anonymous.

**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 miners are people that process bitcoin by which transactions are verified and added to the public ledger, known as the block chain and also means through which new bitcoin are released. The Hut-8 facility based in Toronto spent more than $100 million to develop the 4 and a half hectare site on the northern edge of the city.

1. 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?  
     
   Hut-8 decided to locate it’s facility in Alberta beside the city of Medicine Hat because of the new natural gas-fired power plant and four wind turbines that are a short distance away. The city of Medicine Hat provides the new natural gas-fired power plant and four wind turbines which will help the process of bitcoin mining because it takes a vast amount of energy, electricity, computing power and processing power to perform.
2. What benefits does the city of Medicine Hat expect to see from this Bitcoin facility?

Medicine Hat owns its own natural gas and electricity generation and distribution businesses. The city leases the land to Hut 8 and the facility employs 40 full time workers. As well as the economic benefits and the city of Medicine Hat will receive a significant financial boost from the new project.

1. What concern does the city of Medicine Hat have about from this Bitcoin facility?  
     
   The city of Medicine Hat has concerns about the Bitcoin mining facility using large amounts of electricity.
2. 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?  
     
   Environmental groups are concerned by the sheer amount of energy consumed by bitcoin mining, especially in places like Medicine Hat where the most of the electricity is produced by fossil fuels.
3. If Hut-8 wanted to build a facility in Brampton, would be in favor of this proposal. Write a SOP to justify your position.

To begin with, if Hut-8 wanted to build a facility in Brampton, I would not be in favor because, the process of bitcoin mining uses a lot of energy and electricity which can affect residents and Brampton is one of the most urbanized cities in Canada which will create even more environmental problems. The proposal of building a Hut-8 facility in Brampton is a bad idea because bitcoin mining uses lots and lots of electricity and energy which will affect residents in the city because their household may not have any electricity running to their house for everyday things to function which can create problems for the families that are living and wanting to have electricity. In addition, the proposal of building a Hut-8 facility will cause Brampton a plethora of environmental problems because of how much energy the process of bitcoin mining uses, even building a facility that large, using that much space will cause atmospheric issues like pollution and maybe road blockage which will anger the residents.

**Level 3: Mobile Payments**

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

One could use social media to make payments by using apps that allow users to pay for things across a social feed

1. List three ways that social media payments are a positive thing.
   * + It’s easy
     + Convenient
     + Right from the device
2. List three ways that social media payments are a negative thing.
   * + It can require personal information/data
     + It may be able to leave a trail of information that can be traced
     + It can lead to getting doxed/swatted
3. Is Canada ahead of or behind other countries in the use of mobile payments? Explain your answer.

Canada is indeed behind other countries in terms of the use of mobile payments because in the article it says that it started in the UK, and once it was getting popular, countries like China and the US were not far behind from implementing it to users across the countries. Canada is nowhere to be said to have the use of mobile payments which I believe that makes Canada behind other countries.

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

To begin with, I believe mobile payments should be allowed in Canada. I stand by this because Canada is a country that keeps on growing and growing at a very rapid pace in terms of technology and digital communication. The use of mobile payments should be allowed in Canada because it will help citizens who may have a lot to deal with and may want to put better use of their technology. Furthermore, I believe mobile payments should be allowed in Canada because Canada has a very wide use of digital communication and technology meaning that technology is used across the entire country and having mobile payments allowed can help with the citizens who choose to rather use mobile payments than traditional in real life payments.