Case Study 2 – Bitcoin Assignment

1. Two ways “cryptocurrencies” are different from traditional currencies are that crytocurrencies lack the backing of an established government or financial institution and that transactions occur under an "anonymous" cloak.
2. Three types of organizations / people that “cryptocurrencies” favor are criminals who hack computers and hold them for ransom, individuals who aim to move assets from countries that enforce currency-exchange controls and those who seek to avoid taxation.
3. Bitcoin is not truly anonymous. Someone can find out your identity by checking your cryticurrency wallet, which has your bank account and personal identity.
4. A Bitcoin “miner” is involved in a transaction-verification process where certain users task their computers to solve complex cryptographic problems.
5. Bitcoin is bad for the environment because they have complex cryptographic problems which is a resource-intensive activity that that is currently estimated to account for about a tenth of 1 per cent of the world's energy consumption, exceeding the amount of power used by all of Ireland.
6. Some advantages are that the trans faster