READING

Cryptocurrency

LEVEL
Upper-Intermediate (B2)

NUMBER
EN_B2_1094R

LANGUAGE
English

Learning outcomes

- I can read a text about cryptocurrency and explain its main ideas.

- I can discuss the impact of technology in greater depth.

Warm-up

What do you already know about cryptocurrencies?

Can you give an example of a cryptocurrency?

The hidden side of cryptocurrency

Read the text. **Answer** the questions.

Around a decade ago, cryptocurrency was seen as an unusual hobby, with little to no **returns**. Back then, Bitcoin, one of the best-known digital currencies, could be mined at home, using a simple computer **set-up** and a small amount of household energy.

Now, one bitcoin is worth around $50,000 dollars and the mining process itself requires a room full of **specialised** machines and 140,000 kWh of electricity.

1. In the past, did people see Bitcoin as valuable or not?
2. How does the current process of mining Bitcoin differ from ten years ago?

The hidden side of cryptocurrency

Read the text. **Answer** the questions.

Bitcoin mining is now a highly **competitive** process involving power-hungry computers, companies and individuals competing with each other in order to **verify** transactions made by people who send and receive bitcoins.

Miners who successfully solve the puzzle are rewarded with a newly-created bitcoin. **Ultimately**, this is how new bitcoins enter into circulation.

3. What does Bitcoin mining refer to?
4. How do new bitcoins enter into use?

Use capital *B* for Bitcoin as a concept and lower-case *b* for the unit of currency.

Match the word in bold with the definition

1	*An unusual hobby with little to no **returns***	a	to check something is correct or true
2	*A simple computer **set-up***	b	the way in which things are organised or arranged
3	*A room full of **specialised** machines*	c	designed for a particular purpose
4	*Mining is a highly **competitive** process*	d	the profit you get from an investment
5	*Competing with each other to **verify** transactions*	e	involving or encouraging competition

Discuss

What does your work set-up look like?

Do you have any specialised technology at home?

The hidden side of cryptocurrency

Read the text. **Answer** the questions.

The **downside** to so many machines constantly working to complete the puzzles is the huge amount of electricity that needs to be used. Some estimates put Bitcoin's annual power consumption at the same level as Thailand, at around 204.50 TWh of energy.

In fact, if Bitcoin were a country, it is believed it would be the 23rd-largest energy consumer in the world!

1. What problem is associated with the current way of mining Bitcoin?
2. Why does the author mention Thailand?

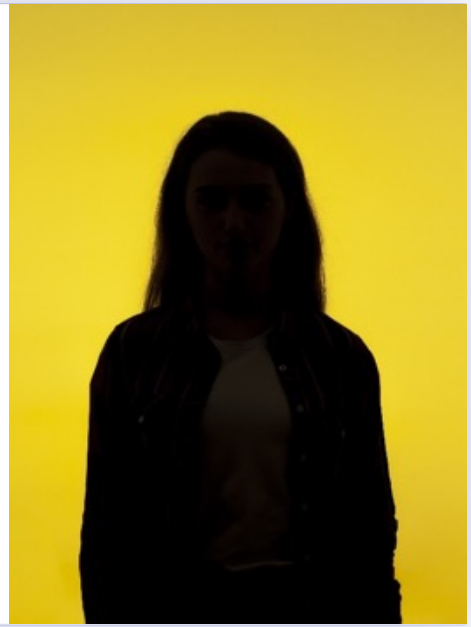
TWh stands for terawatt hour!

The hidden side of cryptocurrency

Read the text. **Answer** the questions.

The **difficulty** at present **lies** in verifying if miners are using renewable sources of energy or not. This process is further **complicated** by the fact that bitcoin is a decentralised currency that is **largely** mined by **anonymous** users.

Such complications have added to growing **concerns** over Bitcoin's environmental sustainability.



3. What makes assessing Bitcoin's environmental impact so difficult?

The downside is the huge amount of electricity that needs to be used.

A ***downside*** is another way of saying a disadvantage of something.

Read this quote

> **Some estimates put Bitcoin's annual power consumption at the same level as Thailand, at around 204.50 TWh of energy.**

Were you surprised by this fact or not?

For you, is Bitcoin's environmental impact a big downside to it or not?

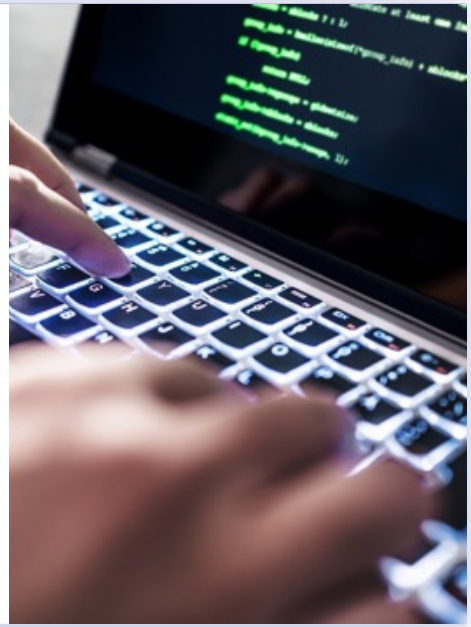
Why or why not?

The hidden side of cryptocurrency

Read the text. **Answer** the questions.

Many analysts initially **praised** cryptocurrency for democratising the financial system. It did this by **essentially** eliminating banks and allowing people to overcome a lack of access to financial services.

However, for cryptocurrency to be truly revolutionary economists say a **shift** to renewable energy sources is needed and issues related to governance, data collection and privacy urgently need to be **addressed**.



1. What positive change did Bitcoin bring about?
2. Is the environmental impact the only problem associated with Bitcoin?

Interview a partner

1. **Ask** and **answer** the questions in breakout rooms.
2. **Find** one similarity between you and your partner.

Have you ever used cryptocurrency?

If not, why haven't you used it?

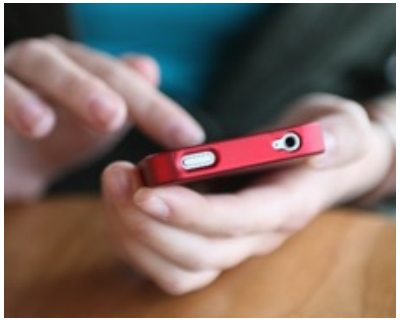
What do you think is the biggest benefit of cryptocurrency?

Do the downsides to cryptocurrency outweigh its benefits or not?

Choose one form of technology

Jot down answers to the questions. Then, **share** them with the class.

How has it had a positive impact on our lives?	What are some of its downsides?



Smartphones

CCTV

Cars

Wind turbines

Let’s reflect

- Can you read a text about cryptocurrency and explain its main ideas?

- Can you discuss the impact of technology in greater depth?

Your teacher will now make one suggestion for improvement for each student.

End of the lesson

Idiom

the other side of the coin

Meaning: a different way of seeing a situation, making it seem better or worse than before.

Example: Bitcoin succeeded in disrupting the banking sector. However, ***the other side of the coin*** is that it brought some serious environmental issues with it.

Lingoda

Additional practice

Fill in the gaps

1 Mining Bitcoin didn't use to require _____ equipment.

2 My work _____ is pretty simple: a laptop, monitor and a mouse.

3 Investing in Bitcoin brought me significant _____ years later.

4 My bank asked me some questions to _____ my identity.

5 The smartphone industry is one of the most _____ to work in.

returns
specialised
set-up
competitive
verify

Talking about downsides

1. **Choose** one of the other problems associated with Bitcoin.
2. **Research** it using the internet. Why does it represent a problem?
3. **Present** your findings to the group.

1	Governance
2	Data collection
3	Privacy

Reflection task

What's one new thing you learned about Bitcoin today?

Are you tempted to try using cryptocurrency now or not?

Answer key

P. 4-5:

1. No, it was seen as something of little value.
2. Now, mining requires specialised equipment and huge amounts energy. 10 years ago, it could be done with equipment you had at home.
3. Verifying transactions made by people who send and receive bitcoins.
4. When miners successfully solve the puzzle (of verifying the transactions).

P. 6:

1. d, 2. b, 3. c, 4. e, 5. a

P. 8-9:

1. Huge amounts of electricity need to be used.
2. Bitcoin's annual power consumption is the same as Thailand's.
3. It's hard to know where the energy is coming from (i.e. if it's renewable or not) and who the miners themselves are.

P. 12:

1. It democratised (=made fairer) the financial system.
2. No, there are also problems related to governance, data collection and privacy.

Answer key

P. 18:

1. specialised
2. set-up
3. returns
4. verify
5. competitive

Summary

Cryptocurrency

- *returns; set-up; specialised; competitive; to verify;*
- *Cryptocurrency was seen as an unusual hobby with no **returns** and only requiring a simple **set-up**.*
- *Nowadays, individuals compete with each other to **verify** transactions and earn new coins.*

Discussing the impact of technology

- *downside; difficulty; to complicate; concerns; anonymous*
- *to praise; a shift; to address something*
- *Such complications have added to growing **concerns** over Bitcoin's environmental sustainability.*

Vocabulary

returns

set-up

specialised

competitive

to verify

downside

difficulty

to complicate

concerns

anonymous

to praise

shift

to address something

Notes