

Title: Agreed

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Linked Post Content:

I am going to open up by saying that some of the following is going to be FACT and some of it will be OPINION. However, the opinion will never prevail over the facts. Also, depending on traction I may do a second post with some more up to debate things.

I also know that the title alone will lead to downvotes, some of you won't even read it before downvoting. It is a shame that people forgot downvotes are supposed to be used to penalize off-topic and not to punish unpopular opinions, not to create echo chambers.

So let's get to it shall we?

****ETH is shady:****

Not only is ETH a security, it has always been manipulated by well connected and powerful people behind the scenes. The connections between the ETH Foundation, ConsenSys, and the SEC are totally public knowledge.

Jay Clayton, the former SEC chairman, was a partner at Sullivan and Cromwell.

Joe Lubin, co-founder of ETH, also founded ConsenSys. He also bought 9.5% of ETH supply.

ConsenSys is a client of Sullivan and Cromwell.

That was the back door ETH used to get the free pass on regulations.

There are court papers about the meetings between ConsenSys and the SEC.

At the same time, the SEC was prosecuting DOZENS of ICOs that were using the exact same approach ETH was.

Hinman's, Clayton's Director of Corporate Finance, speech where he says ETH is not a security was partly WRITTEN by some of ETH top investors.

The plan by ConsenSys with the help of the SEC was clearly to make ETH the only crossborder payment platform by giving it a free pass, while at the same time preventing any incursion into that space with SEC lawsuits.

At the same time this was happening, Gary Gensler told an MIT audience that "XRP deserved regulatory clarity". (I won't go in depth with the Ripple lawsuit here).

Not only is Chairman Gensler trying to pretend he never said that, and the entire SEC trying to hide the fact they gave ETH a free pass, to date ETH is the only altcoin to have had the privilege of being formally consider a commodity/currency and not a security.

Other funny "coincidences" include: Claydon being hired by a crypto hedge fund 100% invested in BTC and ETH. SEC Enforcement Director Marc Berger being hired by Simpson Thatcher and Bartlett, part of the ETH Alliance and Hinman's prior employer, less than a month after the Ripple lawsuit was filled.

Hinman receiving \$15 Million, during his service on the SEC, from Simpson Thatcher and Bartlett. AND after leaving the SEC, Hinman returned to Simpson Thatcher and Bartlett as a senior crypto adviser.

****ETH is centralized:****

Users and nodes have no real power to shape the protocol. This is virtually true of all protocols with a Foundation at it's head, but we can't forget ETH falls under this group.

The first piece of evidence here is the ETC hard fork. This fork happened because the wrong people lost money. They changed the code and the protocol for the first time to suit the wealthy whales and not the users or miners. They changed the rules to fit their goals.

The second piece comes in the form of changes to mining rewards. This was a blatant attempt to decrease supply by not paying the miners. More important than the way it impacts the economics of ETH, it points towards a centralisation of power. Rules can be changed on the fly with no consideration from the community but based on profits alone for the higher ups.

This leads us to the PoS change. This has nothing to do with energy concerns or with price of fees. This is meant to skip all the intermediate problems by getting rid of miners and let the token holders leverage their will directly. Don't forget the LUDICROUS amount of ETH that was pre-mined.

Every hard fork the Ethereum blockchain has enacted has always been for the benefit of the few, never for the benefits of the community. You know what that looks like? Our current banking system. Where the citizens and the working class pay the price for mistakes and reap none of the rewards for profit.

People in this sub hate central bank digital currencies, failing to see that every abuse these could enact on the public, so can Ethereum upon it's users.

To quote one of my sources "Ethereum is not a decentralized peer-to-peer system. It is a system with an unaccountable ruling class exploiting the working class, making promises they can't keep, while spinning a wonderful narrative."

****ETH recent and future design is bad:****

Everyone was fooled into thinking EIP 1559 was going to be a good thing. How the Foundation pulled that off is honestly mind boggling.

This change made it so fees were more uniform. Uniformly high. And making sure that miners saw none of that profit by burning it.

Burning the fees essentially made sure that the biggest holders get they profits increased because every ETH is worth more, while miners that actually keep the network safe get a pay cut because there are less fees per block for them.

But the biggest problem is that you are getting a landlorded network to users. If you want ETH to be useful, you need to, well, use it. But this model makes it so the interests of holders are opposite to the interests of users. Users want lower fees so they can use the network to transact, but holders want higher fees, for more burn and more profit.

Taking money out of the pockets of miners decreases security. If you are paid less you have a higher incentive to get your money some other ways.

And since users and holders have different agendas, future goals benefit different people. An interesting question would be for instance what happens in the case of a block size adjustment? Bigger or smaller block sized benefit users and holders differently.

Well, given ETH's history, you know how those chips would fall. Even this decision was reached by a small amount of key players.

And PoS will only make this whole process more straight forward. The fact that the token holding are already so centralized will make changes easier for the ruling class and be baked into the system.

****In conclusion:****

ETH's had a shady start, has been controlled by a group of shadow players on the background, is becoming less and less secure and has no intention of not being.

At any point, any decision can be hard forked in. The miners don't matter. Your nodes don't matter.

ETH is INTENDED to shackle you the exact same way the current banking system does.

Don't be fooled.

****Sources:****

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<https://www.crypto-law.us/the-ethereum-free-pass-fair-notice-and-the-fight-ahead/>

<https://www.coindesk.com/policy/2021/09/17/ethereums-design-choices-are-inherently-political/>

EDIT: I was enjoying the discussion in the comments, but I am getting spam downvoted so I will have to stop. This is the state of this sub.