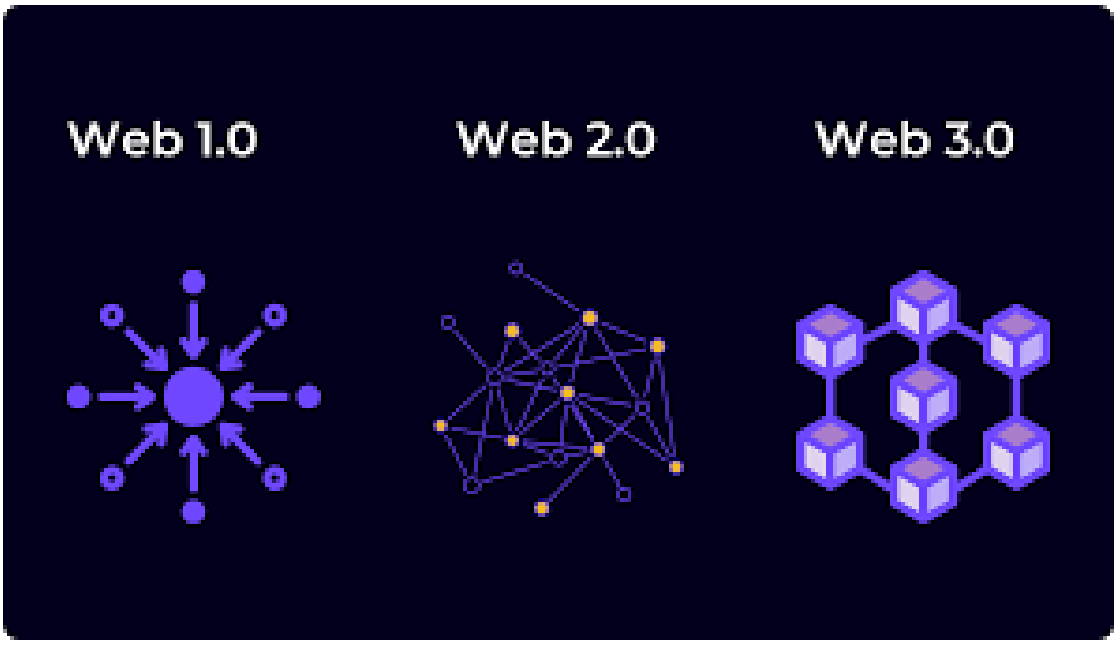
Why is Web3 the future?



With the recent rise in the popularity in cryptocurrencies, Web3 has become a word that is constantly thrown around, but no one seems to know the actual definition of the term. *So, what really is Web3?* To understand this we first need a brief history of the internet. When the internet was first created in the 1980s, the internet was primarily used as a place to publish information. Websites and applications were incredibly basic, only taking the form of static HTML files, with no interaction on the user's side. Most of Web1 was created by corporations, with little individual contributions.

Web2 was built in 1999, with the start of the dot com boom, and is the current version of the web. Its interactivity allowed for the rise of social media as well as mobile devices like iPhones. However, with the exponential increase in users of Web2 came massive problems. Privacy is one of the most significant issues when it comes to Web2, as it is dominated by a select few companies that store massive amounts of user data, selling and using it for monetary gain. In

addition, web2, data is centralized, meaning the data is usually stored in only one location.

Web3 sought to address these problems in Web2. Just like how cryptocurrencies sought to address the centralization in financial institutions, Web3 used decentralization to combat the centralization of banks with money. On web3, information can be stored in multiple locations at once, meaning that it can't be lost as easily as with web2, and that it will be completely decentralized. Where in web2, most content was created or owned by companies, users will be able to own their own content in web3. Users also get complete control over their data, and can use cryptocurrencies instead of government-issued money.

New IRS tax rule

The IRS announced a number of new rules for crypto investors aimed at those attempting to use crypto to avoid paying taxes. Estimated to make the government $30 billion in the next decade, the law would force crypto exchanges, DeFi companies, and NFT marketplaces to send annual reports to

the IRS. Whereas it was relatively easy to avoid paying taxes for crypto investment due to the pseudo-anonymity of cryptocurrency, this new law would make it much harder to circumvent these taxes.

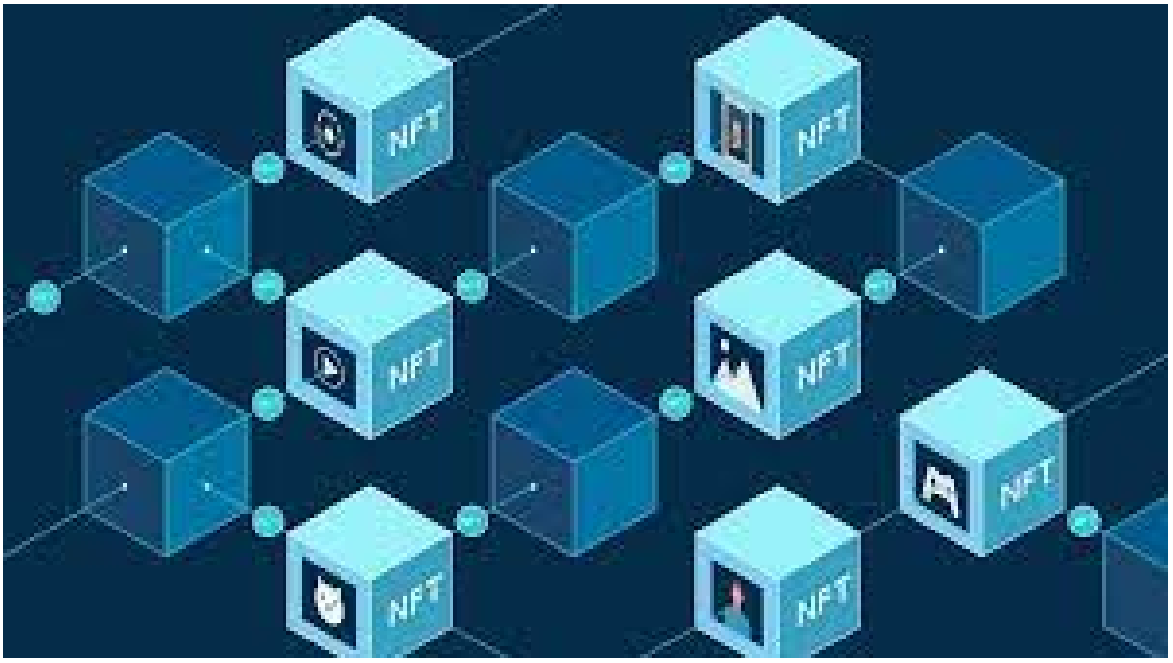
Renowned Soccer Player Ronaldinho's Crypto Controversy

Having failed to testify at a congressional hearing for the second time on August 25, citing "adverse weather" as the problem, Ronaldinho has one last chance, on August 31, to prove his innocence in the '18kRonaldinho' crypto pyramid scheme. The company promised at least 2% daily return to its investors, but quickly fell apart, and now faces a $61 million lawsuit for its failure to meet these promises. While Ronaldinho's lawyers claim that he was unaware of the

inner workings of the company, and simply an ‘ambassador’ for the company, many others are skeptical of his innocence.

This lawsuit comes amid an investigation into the swath of crypto scams currently plaguing Brazil.

Pairing AI with Blockchain



Former Facebook employees who founded Aptos Labs are expanding their blockchain platform's capabilities using Microsoft's artificial intelligence (AI) technology. This decision comes after the announcement caused the Aptos token (APT) to surge by 15% to $7.70.

As outlined in a press release on Wednesday, Aptos intends to roll out fresh tools that meld AI with blockchain, capitalizing on Microsoft's resources. Among these tools is Aptos Assistant, a chatbot tailored to furnish insights about the Aptos ecosystem and assist developers in constructing smart contracts and decentralized apps. The chatbot harnesses the prowess of Microsoft's Azure OpenAI Service.

Move, the native programming language of Aptos is also being woven into GitHub's AI programming tool, Copilot. This amalgamation aims to streamline diverse facets of contract development and testing. Mo Shaikh, CEO of Aptos Labs, underscored the transformative nature of AI and blockchain, citing their profound influence on reshaping the internet and society.

Rashmi Misra, General Manager of AI and Emerging Technologies at Microsoft conveyed that this partnership seeks to democratize blockchain access and fuel the conception of inventive decentralized applications through AI. Moreover, the collaboration is delving into blockchain-driven financial products like asset tokenization, payment alternatives, and central bank digital currencies. To bolster security, Aptos intends to operate validator nodes on Microsoft Azure.

A representative from Aptos underscored the symbiotic partnership between Aptos Labs and Microsoft, involving AI experts, developers, and researchers. These teams are harmoniously working to seamlessly infuse AI capabilities into Aptos Assistant, GitHub tools, and the blockchain platform itself. This symbiosis exemplifies the escalating trend of blockchain developers integrating AI into their projects, buoyed by the triumph of tools like ChatGPT. Venture capitalists are equally displaying a heightened interest in AI, rendering its fusion pivotal for fundraising endeavors and the attraction of tech talent.

What's the difference between cryptocurrencies?

With the increase in popularity of cryptocurrencies over the last decade, hundreds of new crypto coins have popped up on the internet, and inexperienced investors and Web3 users are left lost and confused among the wave of new currencies, with their features ranging from groundbreaking to a complete scam. In this article, I'm going to try and explain the main difference between Bitcoin and Ethereum, the two most popular and highest market share cryptocurrencies in the field currently.

To fully understand the difference between Bitcoin and Ethereum, we have to start with a little background. Bitcoin was created in early 2009, by someone under the pseudonym Satoshi Nakamoto. It sprang to popularity in the 2010s, and is now worth well over $20,000 each as of 2023. Being the first cryptocurrency to exist, Bitcoin was groundbreaking in that it was the first decentralized currency to exist. Its solution to the issue of trust in decentralized currency was called Proof of Work. In Proof of Work, Bitcoins were mined through the use of computing power from computers to solve algorithms. The immense computing power needed would thereby serve as proof that work had been done to mine the coin, thus making it economically infeasible to try and scam the system.

Ethereum on the other hand, was created in 2013 by Vitalik Buterin, and also started with a proof-of-work system, very similar to that of Bitcoin. However, it has since shifted to the proof of stake system.

While Proof of Work is undeniable a solid and successful system, many concerns have been raised about the climate impact that it has. Proof of Work uses massive amounts of electricity, consuming 204 terawatt-watt hours in 2022, surpassing the total power consumption of Finland, thus contributing to climate change.

Proof of Stake was developed to provide an alternative for cryptocurrencies that would not involve as much consumption of power. Saving

energy consumption by 99.9%, Ethereum uses Ethereum itself instead of energy to secure the currency. In Proof of Stake, users can use Ethereum to prove the authenticity of new coins, and the incentive for them to be real would be that the value of their own coins would decrease if not.

Another key difference between BTC and ETH lies in their blockchain. Bitcoin serves only one purpose, and that is the role of a currency. On the blockchain, each block only contains the addresses of the users and the amounts that they are exchanging. There is no information or use for the blocks other than as simply a transcript.

Ethereum, on the other hand, puts actual features in their blocks. Ethereum contains smart contracts, essentially programable contracts that users can add to blocks. This enables a wealth of possibilities, such as contracts for rent or pay, or even games and other programs to be placed on the blockchain.

11,000 years in Jail for a Crypto Scam

Today, Faruk Ozer, the Turkish founder of the failed crypto exchange site Thodex, was sentenced to 11,000 years in prison. This means that he will most likely be spending the rest of his life in prison. Found guilty of fraud, money laundering, and leading a criminal organization, the trial marked the end of high-school dropout's remarkable rise to fame.

Created in 2017, Thodex quickly rose in popularity and became one of Turkey’s biggest crypto exchanges. However, Ozer announced in 2021 that the firm was shutting down, and fled to Albania, where he stayed until extradited to Turkey earlier this year. Two of his siblings, who had helped him with the exchange, faced a similar fate to their brother.

While prosecutors gave an estimated investor loss of $13 million, others calculate the sum to be much higher, with some figures at $2 billion.

How to keep your wallet safe and secure

Just the other day one of my friends lost over $1000 dollars worth of cryptocurrency through a crypto scam. To put it bluntly, he was not very happy. So that others don't make the same mistakes that my friend did, I compiled a little list for those new to cryptocurrency and experienced traders who are looking for a quick refresher.

1. Don't click weird links

This is a very common mistake that people make, both inside and outside of the crypto field. Most of the time, if a website looks sketchy or not reliable, it is recommended that you don't click the link. Especially not if they promise a free car to the first person to sign up.

2. Don't invest in sh*tcoins

There has been a recent upward trend in people buying based off of pop culture(ex: dogecoin, gamestop, the list goes on), and it should be obvious that it's not only inefficient, it is also extremely risky. There are thousands of different cryptocurrencies on the internet, and chances are, unless they have something unique to bring to the table, they are a scam. So the next time you see some coin called "dogecoin", at least do some research before putting your life savings into it.

3. Don't reveal your private key

I've gotten a lot of flak on this opinion, but I stand by it through and through. Personally, I believe that it is not safe to entrust your login information to your crypto wallet to strangers on the internet, and I'll give a comparison to better explain this. Imagine you have a wallet. Now imagine you put your wallet on the sidewalk and leave. Chances are, when you come back, the money will be gone. In this case, the wallet represents the private key.