In simple terms, Eigen Layer is a new layer being developed on top of the Ethereum blockchain to create an ecosystem similar to Cosmos and Polkadot

Before Ethereum, it was not possible to launch decentralized programs on the Bitcoin blockchain, so researchers were looking for a new blockchain infrastructure where people could take security and block space to launch their crypto projects

When Ethereum was launched in 2015, it became the first blockchain with smart contracts and allowed for the creation of new crypto projects on top of its blockchain

However, with the growth in demand for Ethereum's security and block space, the chain started to jam due to ICOs and Crypto Kitty games

In response, layer two systems were built on top of Ethereum to help with scalability and fees, but they still struggled to compete with Ethereum

During the crypto market crash of 2022, the market for Ethereum colors collapsed, leading to a domino effect on other market players and businesses

However, Ethereum's Layer 2 ecosystem projects attracted significant capital during the bear market, and investors began to prefer Ethereum due to its stability

Eigen Layer is being developed to consolidate the market capitalization of all Ethereum companies and provide required services without creating unnecessary layer 1 or layer 2 chains

Experts in different fields can provide specialized services in the crypto ecosystem, such as providing capital for a DEX or building bridges, rather than creating their own unnecessary layers

In the next bull run, the focus will be on application-specific models, and Eigen Layer will play a significant role in creating the foundation for these models

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