

With proof of work there is a clear separation between the hardware investment and the proof of work nonce. There is no way to trace back the nonce to the hardware and thus the miner (note: not the reward address) can't be held accountable because of plausible deniability.

However with proof of stake, the block producer is selected based on identity tied to a stake on chain. This stake can be traced and thus made to be tainted if the block producer doesn't comply with regulations from a powerfully entity.

How is Casper going to resolve this?