Bitcoin Assignment

1. List two ways that “cryptocurrencies” (e.g. Bitcoin) are different from traditional currencies (money).

Cryptocurrencies would not have the backing of an established government and financial institutions. Another thing is that the transactions of cryptocurrencies occur under an “anonymous” cloak while on the other hand traditional money is backed by the government.

1. List three types of organizations / people that “cryptocurrencies” favor.

* Sanguine investors
* Blockchain
* Criminals who hack computers

1. Is Bitcioin truly anonymous? How could someone find out your identity?

The Bitcoin is not anonymous. This is because each transaction would have the sender’s and receiver’s Bitcoin wallet address. Then when you would want to convert the cryptocurrency to real money it would go through your bank account and this can show your personal identity.

1. What is a Bitcoin “miner”?

A Bitcoin “miner” is a transaction-verification that process task users to make their computers solve complex cryptographic problems.

1. How is Bitcoin bad for the environment?

Bitcoin is bad for the environment because it uses an estimated of tenth of one percent of the worlds energy to solve complex cryptographic problems.

1. What are some advantages of Bitcoin over traditional money or services such as PayPal?

Some of the advantages that Bitcoin has over traditional money is that the price of Bitcoin can go up and when it goes up in value, it would be worth more than some of the traditional money that you have. Also there are improved ways for recording transactions on the stock-market using Bitcoin

1. What are some disadvantages of Bitcoin.

The disadvantages to Bitcoin is that the transactions-verification would take some time. It can take up to 10-20 minutes, but in some cases it can take hours or even days. Also, for each transaction that you do, you would have to pay as much as $20. So, it is not worth it to make small transactions when you would use cryptocurrency. It is more worth it when making bigger transactions.

Questions (Mobile Payment):

1. Explain how you could use social media to make payments for things you buy in the store.

The way that social media can make payments for things you buy at the store is that social media sites like Facebook and Google would enable to make payments through their platforms.

1. List some ways that social media payments are a positive thing.

In todays world social media is a very big platform for most people. Some of the ways that social media payments would be a positive thing is that in the Venmo app you add comments to the payments that you made. For example, if you went to go out to dinner with a friend and then you send the other person back some money for your share of the dinner, you can add a comment that can be “The food at the restaurant was great”. Another thing is that the success of the Vemmo app created an app called Zelle which is another app that you can make payments in.

1. List some ways that social media payments are a negative thing.

The way that social media payments can be a negative thing is because if you do not walk around with money you would have to bring your phone with you all the time. So, for example if you forget your phone at home or your phone battery got low and turned off, you would not be able to pay for what you purchased in that moment. Also, since this is all online there is a chance where your account can be hacked and then you would lose all your money.

1. What countries are ahead of Canada / United States in the area of mobile payments?

The countries that are ahead of Canada and the United States in mobile payments is China, UK, Denmark and Sweden.

1. In your opinion, should mobile payments be allowed in Canada?

I do agree with mobile payments being allowed in Canada. However I’m not so sure that I would use them all the time because of all the risks involved like getting hacked. Also I would have to make sure to bring my phone everywhere I go just in case I want to buy something and I would have to make sure it is charged. I don’t mind other people using this method of payment but for myself I think I will stick to the old fashion way which is using cash because it makes everything better and more simple in my opinion.