

Bitcoin in the real world

All Crypto

Distributed /
decentralized

Ledger of transactions
(verified)

Fast, public verification

Block chain
(using hashes to make
immutable, appendable)

Mining (w/ rewards)

(and others, not all) BTC Specific

(Fungibility)

Proof of work

Hash puzzles

~ 1 hour transaction

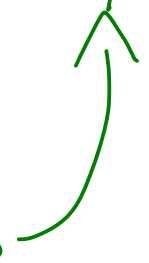
Total max supply

↳ Unemployment + Inflation

Public ledger

↳ Amt of mining reward

Technical Shortcomings of BTC

- Small block size (expensive TXNs)
 - Resource intensive
 - Slow transactions
 - Volatility
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Non-technical "features" of cryptocurrency

- Cool, new, hyped
- Potential to hit it big
- Libertarian dream
(no govt control)
- Potential to add new features
- Easy to store / transport
- (Pseudo) anonymity
compared to other e-payment

Ethical Problems

★ - Bias towards techno-capable

Gres - BIG opportunity for scams

Jantzen - Black market -

- Potential loss of value

Devin - Money laundering - Concealing source of \$
Ransomware

- Environment - Global warming
Noise pollution Kevin

Bias and crypto

↳ Assume this is a problem

① Fiat money

② Bitcoin (our world)

③ Inherent to any cryptocurrency

Jantzen - Black Market

Hitmen; drugs, weapons

Dark web sales

- Perfect for cryptocurrency
(trustless)

(Also hard cash)

Scams

- ① Asking for payment
- ② Steal private key
- ③ Pump and dump

False ransomware

Cons

- Irreversibility, difficulty to trace
- All cryptocurrency

Environment

Higher popularity - more difficult to mine
- higher power usage

Cheapest electricity - "dirty" coal

Particular to proof of work.

↳ alternatives exist!

Money Laundering (+ Ransomware)

Cash business



Sell \$50
of lemonade.

Add \$100
from bag

Claim \$150
in sales

Crypto Money Laundering

- One person can hold many accounts.
- Txns with lots of inputs and outputs

Ransomware

① Lock/encrypt an organization's computer systems.

② Demand payment to unlock.

- Less risk on both sides
- Attackers can be anywhere