

Unit #25 What is Cryptocurrency?

Below is a list of the vocabulary needed to pass this unit with a good score.

altcoin

any cryptocurrency other than Bitcoin

"The majority of early altcoins were just forks of Bitcoin with minor changes to the proof-of-work algorithm."

blockchain

a decentralised digital ledger of transactions maintained by consensus

"The Bitcoin blockchain is maintained by a network of specialized computers designed for mining."

cipher

a coded message or secret way of writing

"The boy had a difficult time time decoding the cipher in which his father's diary was written."

consensus process

a group of peers responsible for maintaining a distributed ledger

"A blockchain's consensus process is a vital part of its success because it must be fast, reliable, and verifiable by everyone using it."

cryptocurrency

a digital asset using secure computer algorithms to secure its transactions, create additional units, and verify transfer

"Bitcoin was the first decentralized cryptocurrency to reach public attention."

daps (decentralized applications)

programs designed to work without a central owner, server, or controller

"One can split dapps into three major types: financial transactions, traditional commerce, and "other" including everything from games to governance systems."

DAO (distributed autonomous organization)

a decentralised organisation often enabling users to purchase shares and vote for rule changes

"A DAO is the combination of blockchain, smart contracts, and people which can form anything from a shoe company, to a baseball team, to an entire government."

double spend problem

a single financial transaction potentially happening in two places at once

"The double spend problem is difficult to solve without a blockchain or trusted third party like a bank."

fintech

innovation that aims to compete with traditional delivery of financial services

"This rise of fintech has had a positive impact for society, including increased competition, a reduction in prices, and wider access to financial services."

fungible

interchangeable and replaceable

"Monero is a fungible cryptocurrency, meaning that every unit can be substituted by another unit without fear of a possibly tainted past."

lambo (Lamborghini)

a sports car closely associated closely with cryptocurrency millionaire memes

"Some early adopters of cryptocurrency are in love with blockchain technology, but others just want to be seen on Youtube driving a lambo."

mining

being rewarded with cryptocurrency for providing routine bookkeeping and verification services

"Cryptocoin mining is not really a reliable way to make substantial money for most people."

mooning

the term when a crypto coin's market activity and price go way up in a short amount of time

"ZoomCoin has been mooning for the past 24 hours, but it's likely just a "pump and dump scheme" and will fall back to Earth when reality hits."

paper wallet

a printed version of a cryptocoin's private key

"The woman did not trust technology so she printed out her paper wallet with 25 Bitcoin on it and put it in her safe."

privacy coin

a coin that focuses on anonymous transactions over other features

"Privacy coins like Zcash or Monero use techniques such as "ring signatures" or "zero knowledge proofs" to shield to buyer, the seller, and the amount of a transaction."

private key

a long random string of text used to create your digital signature

"If someone knows your private key, they can fake your signature and steal your cryptocurrency."

satoshi

a common measurement of the worth of altcoins, measuring one hundred millionth of a Bitcoin.

"The value of altcoins can vary, but one Bitcoin is always worth 100,000,000 satoshis."

shitcoin

a slang term for a pointless or worthless cryptocurrency with no future

"I laughed so hard when my friend traded \$100 worth of Ether for a shitcoin that crashed literally 10 minutes later."

the dark web

the portion of the Web that has been intentionally hidden and is inaccessible through standard web browsers

"The dark web first became known as the home of The Silk Road marketplace which sold guns and drugs via mail and took payments in Bitcoin."