It’s All About Bitcoin

Akshata Akkanna

Abstract— It’s all about Bitcoin….Why it’s all about Bitcoin? What is the use of Bitcoin? Is it secure? Can Bitcoin be hacked? Even I did not know the answers of all these questions before joining Unocoin.

On 20 November 2014, I got a call from my friend. He just told me “You have an interview tomorrow. Be prepared, and go through the Bitcoin concepts”. I just said yes and started preparing. I started reading about Bitcoin on Wikipedia. I cracked the interview and joined Unocoin.

Unocoin is India’s largest bitcoin trading platform through which you can BUY STORE and SELL Bitcoin. It is simple, secure and seamless. You simply register, enter your bank account information, and convert the local currency into Bitcoin. My learning curve about Bitcoin began this way.

Index Terms—Bitcoin, wallet.

I. INTRODUCTION

We all have a basic understanding of physical notes. We know that we can store bank notes in our wallet, and then exchange it directly with someone else for goods or services. We can do this because we collectively believe the note to have value, anchored as it is within an immensely powerful cultural system which gives it such value, and further reinforced by our belief in the central banks that issue it, and the governments that accept it for tax.

Now, what exactly the bitcoin is all about? In a simple word, Bitcoin is a form of virtual currency. You can use Bitcoin to pay friends, merchants, etc. Bitcoin is visualized as a peer-to-peer trustless exchange—that means I want to do a transaction with you, but I don’t trust you with my credit card number or other personal information. I don’t care what country you live in, who you are, or what you do. You have something I want that has a value for me. It could be anything. You have it, I want it, but I don’t want you to know anything about me or my finances. It is in such transactions that Bitcoins are used.

The value of each Bitcoin fluctuates based on the law of supply and demand. The more people that want to use them, the higher their value. My friends at Unocoin told me, when they joined Unocoin the value of Bitcoin was around INR 5,000, but after few months it was around INR 80,000. This is the best price of Bitcoin yet.

There is the famous story of an IT worker threw out a computer hard drive without realizing it contained $7.5 million worth of the digital currency Bitcoin inside. The device is now buried somewhere in a vast land fill site near the home of owner James Howells -- who only realized his mistake when it was too late. This shows how the value of this currency changes over time.

II. HOW BITCOIN WORKS?

When you purchase through Bitcoin, every single purchase is immediately logged digitally on computers on a transaction log. This tracks the time of purchase, who owns them, how many Bitcoin are there, and other details. Think of this transaction log as an audit trail: it contains every single piece of information about every bitcoin transaction. This digital transaction log is called ‘Blockchain’. The Blockchain records every single transaction - of present and past - and the ownership of every single Bitcoin in circulation.

How Secure is Bitcoin? Can Bitcoin be hacked? It should go without saying that you should treat Bitcoin like the money in your bank account. As Cryptocurrencies become popular day-by-day, thieves have definitely been paying attention. So the core Bitcoin system (this does not include exchanges or online wallets) is unlikely to be hacked. The decentralized network means there are no central keys that control everyone’s money, so there is no way for such keys to be compromised. Nothing is impossible, but it’s probably safe to say that Bitcoin is many times safer than any opaque centralized system is likely to be.

THE FUTURE

Many big companies like WordPress, Overstock.com, Microsoft, Dell and many more accept Bitcoin, and a growing numbers of brick and mortar stores are beginning to accept them internationally as well. More than $1.5 billion worth of bitcoins are currently in circulation around the world, with millions of transactions occurring daily. Needless to say, the popularity and usage of Bitcoin is picking up very quickly as more and more businesses and individuals are becoming aware of its benefits and advantages over traditional currencies.

As for me, thanks to Unocoin, at least I can answer the questions about Bitcoin to people who don’t know anything about Bitcoin. Still long way to go with Bitcoin..................!!!!

REFERENCES


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