

Blockchain Basics



Blockchain is an open, distributed ledger that can record transactions between two parties efficiently and in a verifiable.

Two fundamental blockchain properties are immutable and distributed. The immutability of the ledger means you can always trust it to be accurate.

Being "distributed" protects the blockchain from network attacks. Each transaction or record on the ledger is stored in a "block".

The information contained in a block is dependent on and linked to the information in a previous block and, over time, forms a chain of transactions. Hence the word blockchain

Blockchain Benefits

- ➡ Faster settlements
- ➡ Greater network capacity
- ➡ Less expense
- ➡ Immutable
- ➡ More secure
- ➡ Consensus ensures no one cheats.

Centralized vs Decentralized vs Distributed Network

- ➡ **Centralized** - a network where all the nodes (servers) come under a single authority.
- ➡ **Decentralized** - there is no centralized authority. Everyone can take part in the network.
- ➡ **Distributed** - a network of independent nodes that are interconnected and interact with each other.



The **public** blockchain is "permissionless". It's an open network that is not controlled by anyone and anyone can access it.

Whereas, a **private** blockchain requires permission and there is an "authority" such as an entity or a government that controls the network.



- 2008 The idea was published under the pseudonym Satoshi Nakamoto
- 2009 - The Start of the Bitcoin Network
- 2010 - 1st Cryptocurrency Exchange launched.
- 2011 - One Bitcoin = \$1.00 USD
- 2017 - Microsoft accepts BTC
- 2021 - One Bitcoin = \$47,000 USD



- ➡ Bitcoin is the world's most popular cryptocurrency.
- ➡ Currently, 11,000 alternative variants of Bitcoin in circulation.
- ➡ Peer to Peer network - no middleman
- ➡ World's preferred Store of Value
- ➡ Limited supply with increasing demand increases value.

Fiat currency is a centralized network that's managed by a central bank authority. Fiat currencies today are no longer backed by a store of value like gold. Governments simply declare their fiat to be legal tender.



Wallets are software that allows for sending, receiving, and storing Bitcoin. Wallets can be downloaded to a PC, smartphone, or digital device.

Bitcoin can be bought and traded from currency exchange, directly person to Broker or person-to-person.

Some exchanges offer rewards for opening an account and referring customers. They are available on a web browser or mobile app that allows users to earn Bitcoin (BTC) on in-store or online purchases.

Now, you know everything you need to know to get started. Continue to learn about this amazing technology and how it is beginning to profoundly impact our lives.

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