What is Cryptocurrency and How to Mine it

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Cryptocurrency, still in its neophyte stages, is a medium of exchange referred to as:
•altcoin,
•alternative coins,
•alternative currency,
•virtual currency, and
•digital currency.

An investment in digitalized money, called cryptocurrency, is also a medium of exchange for goods and services. These coins are an asset, which holds a certain value based on the market price of the type you are using.

Some of the traditional terminology used in legacy money transactions— like wallets—has been adopted into the virtual world. Wallets run on a computer, or on an android or mobile device, and they perform the same function as a physical wallet.

At this time, there are already many types of crypto coins. The top ten of these are:

•Bitcoin,   •Cardano,
•Ethereum,   •EOS,
•Litecon,   •Monero,
•Ripple,   •NEO, and
•IOTA,   •Stellar.

Bitcoin is reliant upon blockchain for stability and integrity. It is indispensable to understand blockchain if you are using bitcoin, or any other cryptocurrency to transact payments because the two are inextricable.

The blockchain, decentralized ledger is perpetually distributed as a database among all those using the blockchain to conduct transactions with bitcoin. It keeps track of the number of units, ownership of the units, and all cryptocurrency transactions in real-time.

Multiple thousands of computers all around the world store the blockchain; each of them confirms the integrity of the blockchain ledger in real time.

"[When a computer](#) in a blockchain network processes an encrypted transaction, it adds the details of the transaction to a block that contains a mining reward, which all of the computers in the network validate."

Miners approve bitcoin transactions and earn bitcoins in exchange for using special software to solve math problems as a means of securing a block in the chain. Currency mining is the act of approving these transactions in return for tokens.

Essentially, this is a brilliant way to issue the currency while incentivizing more individuals to continue to mine because more miners are analogous to more security.

The bitcoin network is designed to make the problems increasingly difficult in accordance with the speed at which the math problems are being solved.

To begin with, mining was done on personal computers; however, the process requires CPU speed and a lot of memory, not to mention energy—which progressively became prohibitively expensive.

Currently, there are specially designed ASIC (application specific integrated circuit chip) machines that are way more productive, but they are expensive, and they still use an enormous amount of electricity—which is beginning to lead to environmental concerns.

Furthermore, they are limited when it comes to the fact that large production is required to achieve sustainable growth, and these machines are able to mine only a small percentage of what is actually possible.

Enormous, data center companies who can provide cost-effective enterprise technology, colocation services, and are able to operate with green energy (hydroelectric)—guaranteeing their uptime—are positioned to offer a perfect solution for crypto miners. The high cost of electricity is not a problem when

green energy is used, and with a guarantee of [100 percent uptime](), they can service miners anywhere in the world.

Cryptocurrencies are here to stay. They are disrupters, already one-hundred percent legal throughout all of North America, Europe, and in most of South America and most Asian countries. They feature an above average investment, and they are fast becoming convenient to spend—even using a crypto debit-card.

Furthermore, by comparing Bitcoin, Ethereum, and money—as regards transaction costs and the cost of inflation—[gridplus.io]() has a comprehensive explanation that is well worth the read, "Money vs. Cryptocurrency, The Real Costs (part 1)."   END ©

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