

Profitable INVESTING Tips

Stock Market Investing Tips, Techniques, and Resources



Who Gets to Vote in Crypto?

By: www.ProfitableInvestingTips.com

Bitcoin, the first of the cryptocurrencies, came to be at the time of the 2007 to 2008 Financial Crisis. This was the worst economic crisis since the Great Depression. People lost their homes. There was an international banking crisis. People blamed predatory lending practices that targeted low-income buyers of homes and the US housing market collapsed. At this time a digital token was invented with the rationale that control would be decentralized and not placed in the hands of a few institutions that had proven untrustworthy. As the crypto system has matured a crypto centralization issue has developed. Who gets to vote in crypto, set the rules and have control of digital money?

The Worst Form of Government

In a speech in Britain's parliament in 1947 Prime Minister Winston Churchill noted that Democracy is the worst form of government except for every other alternative that had ever been tried. As a rule, the reason that democratic systems of government work is because people are free to vote out of office those who have been passing bad laws, stealing money, and generally messing up. And the system works because pretty much any adult can run for office and potentially be in charge of fixing things.

Crypto and Power to Which People?

Cryptocurrencies were invented with the idea that taking economic power away from centralized entities like banks would bring more power to the people. That served, for a time, in providing a system where big, bad, banks and other central agencies were not in charge. Regarding who got to vote, the blockchain took care of that because blockchains operate by majority rule of those who validate new transactions. This turns out to be miners of the tokens of a given cryptocurrency. This system is a bit like a business where only the owners or shareholders get to decide on issues, not their customers. Or perhaps it is like old democratic systems where only male property owners voted!

When People Cannot Vote They Vote With Their Feet

Voting with your feet means that you leave a job, neighborhood, state, or country when things get bad and you cannot personally do anything about it. In the crypto world a lot of people voted with their feet during and after crypto winter as promises of untold riches proved false. Others have voted with their feet over the years due to hacked blockchains when 51% attacks were used to write new data into crypto systems for things like sending crypto payments more than once! The risk of more 51% attacks due to fewer miners in the crypto system brought this issue of who gets to vote in crypto to mind.

The 51% Crypto Curse

Bloomberg wrote recently about [51% attack risks](#). They reported how Coinbase took steps recently to protect assets in the Zcash market. As crypto prices and therefore crypto payments for mining have fallen, there are fewer and fewer folks mining tokens. As the remaining miners join consortiums of miners these consortiums

often become the majority of validators (voters) for smaller crypto tokens. That happened with Zcash. The mining pool involved, ViaBTC, states that it has no interest in doing bad things within Zcash. Nevertheless, Zcash has actually been investigating how to move to a proof of stake system like Ethereum's instead of their current proof of work system for validation. Unfortunately, to our way of thinking, that just means entities will be able to buy enough tokens to control the system instead of having to do more work than anyone else! It still means that the voice of the investor in a given token can only be served by them walking away when they distrust a given token or exchange.

For more insights and useful information about investments and investing, visit www.ProfitableInvestingTips.com.

Educational Resources

**Click the links below to get your
FREE training materials.**

Free Weekly Investing Webinars

Don't miss these free training events!

<http://www.profitableinvestingtips.com/free-webinar>

Forex Conspiracy Report

Read every word of this report!

<http://www.forexconspiracyreport.com>

Get 12 Free Japanese Candlestick Videos

Includes training for all 12 major candlestick signals.

<http://www.candlestickforums.com>

Disclaimer: Trading and investing involves significant financial risk and is not suitable for everyone. No content on this document should be considered as financial, trading, or investing advice. All information is intended for educational purposes only.

