

Homework 8

1. How can the hardness of the proof-of-work puzzles in Bitcoins be adjusted? What is parameter that determines how the hardness is adjusted?
2. What is the main data that is stored in Bitcoin's blockchain?
3. What is the purpose of the proof-of-work puzzle in Bitcoins?
4. The department has large labs full of computers that are pretty much idle over night. Why is it a bad idea to let them mine for Bitcoins?
5. Is it possible that Bitcoins can get lost (be irretrievable)?