

Until the Last Breath

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Who knows where this will go in the future?

You do not know for sure in advance if you are making the 'right' decision.

Past performances are not indicative of future performances.

I do understand that the past does not predict the future, but human factors can be predicted at some level.



3.9.17

I'm on the sites. One dedicated to ethereum price and news updates. Another is a reddit site I found that has forums of traders and speculators. I got hooked a year and a half ago when I got a tip from a guy and passed this tip on to two of my economics students. My students bought early at about 15\$ a token. Now the token is worth about 400\$ which if you do the math means my students made a lot of money.

10.9.17

My dad is at a cryptocurrency summer school in Israel. I sent him there after I saw somewhere online that the founder of ethereum will be giving a talk there. The summer school is a 4 day conference at the Technion (Israeli Institute of Technology). My dad completed his BA in Computer Engineering there about 45 years ago. Now my dad is retired which is just another reason why I thought he would like going to this summer school back in the university he studied in. After all he has nothing to do in his first year of pension. The company took back his car, personal computer and cell phone and he is learning how to live without them. So far he is doing alright. He seems to be enjoying his new life devoid of any responsibility to a superior being such as a boss, CEO, etc. My dad sends me a photo of him and Vitalik Buterin, the founder of

ethereum on a lunch break in the summer school.

23.9.17

A guy tells his crypto online forum friends that he is about to get married that same day. The online forum friends congratulate him and warn him not to trade any crypto on his wedding day. The fact that the guy decides to share such a significant life event with these anonymous people strikes me as a bit odd. After all the crypto space is quite speculative and unpredictable. But then again isn't married life just as speculative and unpredictable? You do not know for sure in advance if you are making the 'right' decision. Things will go up and down. There inevitably will be a crisis along the way. You might of course have a 'feeling' that you are taking the right decision but that is what these cryptocurrency traders are feeling as well, isn't it?

12.11.17

In a technology, art, entrepreneurship conference that I find myself in by mistake I meet a guy that I know from a few years back. He was invited to give a guest lecture in my business management class on the uses and uptake of virtual reality in new businesses. We small talk for a bit and then I mention that I would like to start my own company but that I never have the

guts for it. The guy answers that he had the impression that I already had two or three companies and that I am really fitting for this. I ask the guy why he thinks so not really getting his drift, and not understanding why he blindly believes in my entrepreneurial skills. The guy says that I must be so as I always know about new investment opportunities in the cryptocurrency sphere and blockchain world. I ask the guy for details whilst at the same time recall that the guy is in one way or another connected to my previous student from the school whom I gave the investment tip to just before its value went up. “Oh yes”, I say, “well I gave the tip but never really invested in it until very recently when its price was already very high”. “Did you invest in it in the beginning phase?”, I ask him. “Yeah”, the guy answers with a big smile on his face, while implicitly hinting that it is thanks to my tip, that I got from 'the guy' and passed on to my student that passed it on to him, that he has made some significant gains. I make a quick estimated guess in my mind of how much money this guy made thanks to my tip and come up with a number followed by at least five zeros.

21.11.17

Crypto is going up. My coin is performing well. I am quite happy about it but don't know if to sell or not. I mean I would be making some little money if I sold now but what if I wait a bit and see where it can go? Maybe it might reach high prices this

year before the end of year? Maybe I should just hold on to it for a couple more years and then see how it is doing? This way I am just looking at it daily and asking myself all day long if I should sell or keep holding.

23.11.17 (10:50)

The cryptocurrencies have been doing well in recent weeks. If I sell now I would be making about 300€ which is not a lot but it would be my first ever profit in such a thing. I did set myself a sell price which we have not reached yet but I am getting a feeling that even if the coin gets to that price I won't want to sell in fear that I would be missing out on something. They say that if you doubled your money it is perfectly fine to sell but some of these coins are making 10 times as much money as people put into it. Who knows where this will go in the future? Maybe everyone will be using these things and if I sell now I will miss out on a chance to be a multi millionaire. It seems to be in my hands but of course this must be an illusion. However, the feeling that it actually is in my hands gives me this kind of speculative power. If I press some buttons I make some little profit but I don't become a millionaire. If I don't press the button now and wait let's say 2-3 years I have a chance of being much richer than I am now. I guess this is what they call FOMO (Fear Of Missing Out).



Blockchain is this weird thing between an open-source project, a corporation, a country and a language.

- Vitalik Buterin, co-founder of the blockchain-based system Ethereum, in conversation with Hans Ulrich Obrist, Tank Magazine, 2018

To write secretly

Cryptocurrency, a compound word made of Cryptography and Currency, lies somewhere between the worlds of financial assets, currencies, securities and collectables. While not entirely a currency in the normal sense of the word, it was designed to function as a potentially anonymous, decentralized and publicly transparent medium of exchange. First created in 2009 (#bitcoin) by a yet untraceable individual known as Satoshi Nakamoto, these digital currencies have come a long way to propose a new economic horizon that challenge the more traditional economic systems of the past. Encryption plays a key role in this new economic system by validating the financial transactions that take place between two parties in an open, well documented and unmodifiable *blockchain*. A blockchain is a complex algorithmic system that publicly verifies and documents all of these transactions on an ongoing basis.

The fact that the messages or transactions between any two

parties in this system utilize cryptographic methods, that contain encrypted (from the Greek *kryptós*, "hidden, secret") ways of communication over the internet, has led to this set of assets or currencies to be recognised as an anonymous way of using and exchanging money that prevent any third party from reading these messages. However, one might wonder, what is so anonymous in a system that is publicly open and traceable to all, such as the blockchain. In this case the anonymity lies not in the various transactions that take place within the system but more so in the digital 'wallets' that hold these digital currencies. These 'wallets' are not tied to any private individual but to digital keys, addresses or codes, which take the form of long strings of numbers and letters known only to the individual that holds them. In case the individual holding these keys loses them or is a victim of an online theft of the keys then the funds previously owned by the individual are lost as the access to these hidden or secret wallets is lost.

In any case, there seems to be a growing desire in society to be able to communicate 'secretly', without the watch of any third party. Touching on our equally growing need for privacy in the face of the omnipotent algorithm, we seem to want to go back to the time when children would use string telephones made of paper cups to communicate with each other without their parents listening. Within the digital world, the string which is attached to both ends of the paper cups, and on which the air

molecules our vocal cords cause to vibrate travel, seems to be replaced with another string or array of numbers and letters. Whether we are seeing a real transformation in our ability to communicate on discrete channels is yet to be seen, as eventually most forms of communication in the blockchain ecosystem are, in one way or another, still required to display a certain amount of transparency.

When the cat's away the mice will play

The production or supply of these currencies has quite distinct features which is also known as the activity of mining cryptocurrencies. Mining in this system is the process of validating the transactions within the system, and individuals that take on this role (miners) are awarded new cryptocurrencies for their service. While offering a new way of producing or supplying an endless amount of new currencies, some of these currencies are capped by a supply limit, built into the system that designed them, thus creating a future potential limit to the supply of these coins. The fact that money produced or supplied in this system is not controlled by any single authority, such as a central bank, but rather produced collectively by miners all over the world has led to this system being known as a *decentralised* monetary system. As there is no central 'bureau' responsible or accountable for the supply or control of the cryptocurrencies exchanged in the ecosystem,

individuals are, at large, free to act as they will, or as the 18th century French proverb goes - *quand le chat n'est pas là, les souris dansent* meaning “when the cat's away the mice will play”.

Still, however, the group dynamics in this free-wheeling system, seems to fall into the hands of powerful individuals who have managed to accumulate a vast amount of cryptocurrencies and are able to influence the markets on a large scale. These individuals that go by the name of *whales*, at strategic times, coordinate amongst themselves their next attack of buying or selling large amounts of cryptocurrencies, and by so cause a spur that immediately influences the prices of various cryptocurrencies. By pumping or dumping one specific cryptocurrency a chain of events can lead the rest of the cryptocurrency ecosystem to crash or run on what is called a *bull run* (upwards moving trend) in contrast to a *bear run* (downwards moving trend). Whether small fish in the ecosystem will be able, in the long run, to uphold the shocks and movements caused by these, is another question the big ocean will have to answer.

Frequently asked questions - If X then A?

The original meaning of speculation has been that of an instrumental imagination. The Latin word ‘speculator’ derives