

CMSC 304

Assignment: Ethical Analysis 2; due Nov 17th, 5pm

“Cryptocurrency” is purely digital currency whose security derives from strong cryptographic methods. Examples include Bitcoin, Litecoin, and Dogecoin. Cryptocurrency has a number of properties, both desirable (transaction anonymity for privacy, purely digital interactions, minimal overhead, borderless) and less so (transaction anonymity for illegal uses, lack of stability, hackability).

Modern currency and currency exchanges are heavily regulated (to prevent fraud, protect investors, control inflation, etc.), but it’s not clear if these laws apply to cryptocurrencies. Your goal is to analyze and determine *the most ethical way to regulate cryptocurrency*. There are a number of possibilities: no regulation, regulating them as currency exchanges, regulating them as property, and banning them outright are the most obvious options, but there are many others.

Your goal is to present the different sides, and then to *advocate a position and clearly and persuasively* support it as the best option. Your previous ethical analysis should guide you, but remember that this assignment will be graded with stricter adherence to the grading rubric now that you have an example. Come see us if you have questions!

The expected length is **3-4 pages** in a standard single-spaced, 11 or 12 point font report style. If you have more to say, it’s OK to submit a longer analysis (but not more than 8 pages, please). Focus on content and clarity of writing before worrying about length.

1. Read, and consider the primary sources (these are all Google-able):

- Cryptocurrency and A History of Bitcoin:
<http://en.wikipedia.org/wiki/Cryptocurrency>
http://en.wikipedia.org/wiki/History_of_Bitcoin
- “How does BitCoin Work,” The Economist:
<http://www.economist.com/blogs/economist-explains/2013/04/economist-explains-how-does-bitcoin-work>
- “Of Bitcoins and Ethical Banking,” Patrice Peyret:
http://www.huffingtonpost.com/patrice-peyret/of-bitcoins-and-ethical-b_b_4051361.html
- “Bitcoin players knock on Washington doors,” Jennifer Liberto:
<http://money.cnn.com/2014/04/09/technology/bitcoin-washington-lobbying/index.html>
- “FBI Fears Bitcoin’s Popularity with Criminals,” Kim Zetter:
<http://www.wired.com/2012/05/fbi-fears-bitcoin/>
- “U.S. Agencies to Say Bitcoins Offer Legitimate Benefits,” Max Raskin:
<http://www.bloomberg.com/news/2013-11-18/u-s-agencies-to-say-bitcoins-offer-legitimate-benefits.html>

2. While there are many different angles to this story, you do not need to include all of them. Decide what you want to focus on and what aspects of this situation you want to draw out—for example (but not limited to): cryptocurrency’s privacy benefits vs. criminal use; the ethical

pros and cons of allowing people to invest in a completely unregulated market; or the ethical dangers and benefits of having a completely border-free currency.

3. Do your own research. What questions do you have that these articles haven't answered? This both a technical and an ethical subject; as you go through the rest of the process, you will need to do more research on specific questions or possible consequences.
4. Use the **ethical analysis framework** to organize your thoughts and develop your analysis. (You do not need to submit your notes as you did with the in-class analysis.)
 - This is the framework posted at [Analysis Guidelines](#) on the class schedule page.
5. Write your own cogent ("clear and understandable") essay presenting your analysis. It should include all of the key information that you organized in your framework process, but should not just be linearly presented as those information sequentially.
6. Think about what conclusion you drew and use that as a thesis statement, then create a narrative structure that will let you support that thesis using the information from your analysis. You probably want to write an outline first to organize the general order in which you'll present the information, and what you'll say, before you write the final essay.
7. Start this assignment soon! Feel free to come by office any time the door is open to talk about your notes from the ten-step process, review your outline, or ask me to look through parts of an early draft with you. It's OK to ask a friend/peer to read and comment on your draft, but they **should not rewrite it for you**. Indicate any editing help you received.
8. Please be very careful about any quotations or wording you'd like to borrow from your sources, and quote and cite those sources appropriately, consistent with the course policy. You should also cite your sources for any specific facts, findings, or sources of expert opinions (but you don't need to cite sources for general knowledge like what a remote exploit is).
9. Include a bibliography (list of references) that is easy to read and has full bibliographic information (**not** just URLs, even if you found a source online). MLA style is suggested but you are free to use any style as long as it's internally consistent. Don't forget to cite the primary sources listed above.
10. Don't try to include every single thing that you've learned.
11. Don't write an "overview" paper that summarizes the topic. Define ethical sides, pick one, and defend it. This is not a research-and-regurgitation paper.

If you aren't sure how to properly format a citation, you can use one of the standard style options, such as IEEE, APA, or MLA Style. In general, you need:

- A consistent way of showing within the text what to look at it in the bibliography; for APA style, this is to use **(author, year)** in parentheses:
 - "Some believe banking should be ethical (Peyret, 2013), while others..."
- A bibliography that includes author, title, place of publication, and date, along with other useful information like URL or place of publication; example below.

Peyret, P. (2013, October 1). *Of Bitcoins and Ethical Banking*. Retrieved November 1, 2014, from http://www.huffingtonpost.com/patrice-peyret/of-bitcoins-and-ethical-b_b_4051361.html