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Global Transfer of Bitcoins from One Party to Another

Ergashev Mirzobek Tohir o‘g‘li
Tashkent State University of Law (Master Student)
E-mail: ergashevmirzobek414@gmail.com

Abstract:

We have been hearing about Bitcoins for several years not only in the news but also in TV series. The problem is that in most cases, especially in TV series, what Bitcoins really are and what we can do with them is distorted. It is not controlled by any authority, it is not stored in banks, it is not traceable and, in many cases, especially in the early days, it is associated with illegal activities related to drug and arms trade. But if we dig a little deeper into what this new currency actually means, we can see that it could become a widely used currency by users in the near future. Bitcoins is the thing that used by any person or organization without any restriction and this currency may be used as a currency officially. To understand transferring bitcoins among parties globally, it can be essential to clarify what a bitcoin is itself.

Keywords: Bit-coin, Mining, Block-chain, Virtual Reality, Digital Currency, Crypto-currency.

I. INTRODUCTION

Bitcoin is a type of digital and decentralized currency in the world. Bitcoins are stored in virtual wallets from which we can make instant payments over the internet. Although there is no clear evidence of who its creator is, most tracks Satoshi Nakamoto credit in 2009, the first ideas for creating a decentralized and anonymous currency were found in a mailing list created by Wei Dai in 1998. Satishi conducted the first tests of the Bitcoin concept on his university's mailing list, although he left the project shortly after leaving a sea of skeptics, citing a lack of understanding of the open source underlying Bitcoin and actual utility.

In 2016, Australian Craig Wright claimed to be the creator of the digital currency along with Dave Kleiman (who died in 2013) stating that Satoshi

Nakamoto's name was a hoax and that the two had created it to cover up. Craig Nakamoto has provided a set of private keys associated with the first coins created, but it appears that the information he has revealed is not enough to prove that he is the creator, and for now, the name of the creator of Bit-coins is still withheld. The problem that Bit-coin represents for countries and big banks is that there is no responsible institution that manages everything related to this currency, which obviously does not make them funny, especially in this part where Bitcoin has started to circulate. common currency, although a real alternative is still many years away.

II. Materials and Methods

Bitcoin (BTC) and the block-chain are combined in the Bit-coin block-chain. When centralized organizations around the world failed, a person or group of people known as Satoshi Nakamoto developed the Bit-coin protocol in 2009 to decentralize control over money. The Bitcoin white paper established a set of computational principles that define block-chain, a new type of distributed database. The network became active in January 2009. Block-chain technology was created for the most popular cryptocurrency, Bitcoin. Cryptocurrency, like the US dollar, is a digital medium of exchange that uses encryption techniques to track the creation of currency units and authenticate financial transactions. The Bit-coin block-chain refers to data stored in "blocks" that are then linked together to form a permanent "chain".

A block is a group of bitcoin transactions over a period of time. Stacks of blocks are placed on top of each other, each new block is placed on top of the last. As a result, a chain of blocks is created, hence the term "block-chain". When a new block is added, the old blocks are not changed. This guarantees that each block will become more secure over time and is an example of how Bitcoin technology is revolutionizing banking and finance. On the other hand, the Bit-coin block-chain is more than a cryptocurrency: it is the technology that powers most

cryptocurrencies, including Bitcoin. The Bit-coin block-chain is unique because it guarantees the accuracy of all transactions. Since every action is recorded, nothing is left of the block-chain network. Once the action is recorded and stored in one of the data blocks, it is time-stamped and protected, and the complete record is available to everyone on the system.

The Bit-coin block-chain is also decentralized, meaning it is not stored on a single computer or controlled by a corporation. It is spread across many networked computers. Hashes are the codes found on the Bit-coin block-chain. Each block in the block-chain has its own hash. Since each block has a unique hash of the previous block, the hash allows all network users to identify each block and move up the chain. With this in mind, records, blocks, hashes, and chains are the most important components of a block-chain. Block-chain has two types of records: block records and transaction records. Recent bitcoin transactions that have not yet been recorded in previous blocks are contained in a single block. Property, price, and asset information is submitted, authorized, and settled across all nodes within seconds, according to transaction logs. A hash is a fixed-length string generated after processing any length of data entered into the block-chain, a block is like a page in a ledger, and the string refers to connected blocks

III. Results

It is also well known that unlike other currencies, Bitcoin is not issued by any central bank or government. Then, not all monetary policy, inflation rates, and economic growth indicators apply to bitcoin. This is because the value of the currency is traditionally influenced by bit-coin. In addition, Bitcoin is based on the block-chain, which also includes a distributed digital ledger. A block-chain (a chain of blocks) is a set of compatible data composed of units called blocks. These blocks contain information about each transaction, such as the buyer and the seller. It may also include date and time, a unique identification code, and a total value for each transaction. Thus, when the inputs are connected in chronological order,

they form a digital chain of blocks. Once a block is uploaded to the block-chain, it becomes available to people who want to see it. As such, it is considered a public record of cryptocurrency transactions.

In addition, the block-chain is decentralized, which means that it is not controlled by any one person. This digital block-chain is like a Google Doc that can be edited by anyone. Also, it is not owned by anyone, but anyone can connect to contribute to it. However, the copy is updated when different persons make some changes to it. Although it may seem risky because anyone can change the block-chain, this is exactly what makes Bitcoin stable and secure. To be included in the Bit-coin block-chain, a transaction block must be approved by a majority of Bitcoin miners. Authentic credential encryption used to identify user wallets and transactions must be followed. It is very difficult to forge because these unique codes are large arbitrary numbers. The statistical unpredictability of the block-chain verification codes required for each transaction greatly reduces the likelihood of a fraudulent Bitcoin transaction by anyone connected to the network.

IV Discussion

A. Advantages of Bitcoins

Security Since users are in full control of all their transactions, no one can charge accounts such as credit cards or checking accounts. Transparent. All information related to Bitcoins is public through blockchains, a ledger containing all information related to this currency, which cannot be changed or manipulated. There are no commissions. In addition to playing with our money, banks live off the commissions they charge us. The payments we make with Bitcoins are mostly completely free because there is no intermediary to make it, although sometimes some commissions may apply depending on the type of service we want to pay for, but in very specific cases. Speed. Thanks to Bitcoins, we can send and receive money instantly from the world or anywhere in the world.

B. Disadvantages of Bitcoins

Undoubtedly, not only the world, but also financial organizations are in favor of the popularization of this currency, because there is no way to get this money and manage it. Sustainability. Since its birth, Bitcoins have reached figures exceeding a thousand dollars per unit, and after a few days they have a value of several hundred dollars. It all depends on the transactions and volume of Bitcoins moving at that moment. Popularity, if you ask someone who is familiar with bitcoins and is not very interested in technology, they will say that you are talking about an energy drink or something like that. While more businesses and large companies are starting to support this currency, it still has a long way to go before it becomes a common everyday currency.

C. Buying bitcoin: Challenges

Credit card or PayPal. It may surprise you, but depending on where you are, it is still difficult to buy Bitcoins using a credit card or PayPal. Instead of using such payment methods, exchanges require users to link their bank accounts. Most private sellers are indifferent to such transactions and prefer to deal in cash. This is the result of what is called "refund". Most credit card and PayPal transactions can be easily reversed by calling the card issuer. As Bitcoin transactions are irreversible and it can be difficult to show that any goods have been transferred in a Bitcoin transaction, avoid this payment method for the most part.

Buying Bitcoins is not as simple as one might think. On the other hand, the number of alternatives is constantly growing. Everyone can find an option to buy bitcoin that suits their needs, and some of them don't even require an internet connection or a Bit-coin wallet. Although Bit-coin ATMs are still a relatively new idea, they are popping up in cities all over the world, and their numbers are growing. At the standard rate, the machines charge between 3% and 8%, but they provide consumers with the safest bit-coin buying experience. Simply deposit cash at the ATM and scan the QR code with your mobile wallet or receive a printed receipt with codes and instructions on how to transfer funds to your wallet. As

Bitcoin becomes more and more popular, such ATMs may be one of the most common ways to buy Bitcoin.

Bitcoin gift cards can help you save a lot of money. Because bitcoins are anonymous and can often be cheaper than cash, they are often used to buy gift cards. On the other hand, gift cards can be exchanged for Bitcoin. Purchase any gift card from the seller, then log in through one of the Bitcoin exchanges that accept gift cards (such as Paxful, Local Bit-coins, etc.) and complete the transaction. Personal information is required by most bitcoin exchanges. Every new Bitcoin buyer faces many exchanges vying for their business. The right choice is influenced by various elements, the most important of which is the location. A government-regulated exchange must follow "know your customer" and anti-money laundering rules. As a result, you have to go through extensive bureaucratic procedures to open an account and start trading on any current exchange.

Many exchanges, for example, require you to link an existing bank account before you can start trading, which often requires full disclosure of personally identifiable information and disables the privacy of Bit-coin buyers. There are different types of platforms in the internet. Such as: Bit-fineks Bit-Flyer Bit-Stamp Coin base BTCC and so on. These platforms are widely used by people or organizations. With peer-to-peer crypto-currency exchange, you can keep your transactions anonymous. If you want to keep your Bitcoin transactions private, don't have to deal with banking problems, and live in a city, a face-to-face transaction with a local seller is the most convenient way to buy Bitcoins. Local Bitcoin is the most popular platform to facilitate such transactions among various websites and forums, and it offers an escrow system to make both parties and their cash more secure.

Conclusion

bitcoins are automatically set free in the "Bitcoin network". This network usually releases new bitcoins that are minted to miners when miners find new

blocks in the blockchain. In fact, there is a strategy known as "bitcoin halving" that distributes coins in the "Bitcoin network" and a number of apps used for mining. Furthermore, this currency, like others, such as Ethereum, Shiba and so on, can be transferrable on the peer-to-peer network where generally individuals or entities that have a desire to exchange with others on the network. Bitcoin is based on the blockchain. A blockchain (a chain of blocks) is a set of compatible data that is composed of units called blocks.

These blocks contain information related to each transaction, like between the buyer and the seller. It may also include the date and time, a unique identification code, and a total value for each transaction.Turning to transferring bitcoins among users, there are several ways to allow traders to sell or purchase them. A Bitcoin exchange is a commercial transaction where traders can buy and sell BTC globally. Exchanges can use market orders or limit orders to buy and sell Bitcoin just like a traditional stock exchange. Also, users can trade on the stock exchange, and in order to trade Bitcoin on the exchange, a user must first register and then go through several identity verification procedures. When everything is verified, users join the trading process to sell and buy bitcoin globally around the world. But the process can require several actions to trade with it.

There is a bitcoin wallet to trade with cryptocurrency and special keys to verify transactions. Additionally, a special online platform may be used to buy bitcoins. Interestingly, anyone can buy them in any corner of the world if there is internet access. The other one is Bitcoin Gift Cards, where many people buy them to own bitcoin, and this is seen as a safe way of transaction. To give more information, another famous local way of trading and transferring bitcoin to others is through peer-to-peer cryptocurrency exchanges.

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