

Exhibit 112

Bitcoin Forum



simple machines forum

October 18, 2022, 03:16:59 AM

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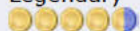
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Author

Topic: How the Ripple payment network and XRP are different from Bitcoin (Read 11027 times)

misterbigg
(OP)

Legendary

Activity: 1064
Merit: 1001**How the Ripple payment network and XRP are different from Bitcoin**

#1

March 02, 2013, 03:38:40 AM

Most of my conclusions regarding the Ripple system have been confirmed after an enlightening session with one of the Ripple principals, Jed McCaleb (thanks for providing clarifying insights into this exciting technology). With his permission I am passing along relevant excerpts from today's #ripple Freenode-IRC channel log. In retrospect, anyone could have figured out these answers simply by making the assumption that "actors always act in their own economic self interest according to the best of their knowledge."

Regarding the apparent 1 billion XRP "bid wall"

Vinnie: ...OpenCoin's wall would value all XRPs at \$225 million USD

Jed: ...what do you mean OpenCoin's wall?

Jed: That isn't opencoin I assure you

Jed: No right now the orderbook will show unfunded offers. It is on the list to fix

Vinnie: Is this a client bug?

Jed: no it is a server issue

On the amount of XRP already distributed

Blitzboom: ...can you guys release updated information on how much ripples have been given out so far out of the total planned 50%?

Jed: ...we have given away 76,786,010 xrp so far

Insider access to Ripple server binaries

Vinnie: ...How many organizations have been given Ripple server binaries which have not come online yet?

Jed: 2 maybe

Jed: oh 3

Regarding the closed source schedule of the Ripple software

Jed: ...we are pretty open. what is it you want us to be more open about other than the server source?

Comboy: ...what if gov takes down OpenCoin?

Jed: ...no we would just release the source at that point. the source will be out in 2 or 3 months anyway

Comboy: ...what is the reason why you don't realease it right away? (sorry for noob questions)

Jed: ...there are still tons of bugs and we might have to make protocol changes which is way harder to do if there are lots of servers out there

How OpenCoin will monetize XRP

Vinnie: ...What's the OpenCoin business model?

Jed: ...we hold xrp and hopefully they gain value

The economic incentive for OpenCoin to bootstrap Ripple before open sourcing

Vinnie: ...Isn't there a risk of a hard fork after releasing the source code, which could make XRPs held by OpenCoin worthless?

Jed: ...yes. hopefully there will be a lot of users before we release though

On the XRP distribution schedule

Vinnie: ...How many XRP will be distributed before the source is released?

Jed: ...no set number

The roster of individuals participating in the Ripple project

Comboy: ...and are you able to share names of people responsible?

Jed: the consensus idea was mine. a lot of improvements on it from david and arthur. arthur realized we could do something like the old ripple-project on top of the ledger concept. the contract idea was mine. stefan has made it much better etc

Jed: ...sure the main developers are me, david schwartz, arthur britto, stefan thomas

On the identity of Jed McCaleb

Vinnie_win> Jed McCaleb author of eDonkey, founder of MtGox, Founder of OpenCoin (<http://www.linkedin.com/pub/jed-mccaleb/0/2a4/405>)

Jed: heh glad you have my linked in at hand

Informed disclosure

Vinnie: Do you mind if I save the log and publish these answers?

Jed: ...yeah that's fine

My thoughts on this

* XRP is designed to function as a currency

* XRP value is beyond a mere "stamp". People who believe they have trivial value

because they are "just used to prevent spam" are misguided, and the founders have implied as such.

* The technical principals behind the development of the Ripple software have top credentials. I have no doubt they will open source their product, and I have no doubt that Ripple will perform exactly as advertised (i.e. mathematically secure).

* It is in OpenCoin's best interests to open source the Ripple software and encourage widespread adoption; This will lead to the highest possible value for XRP in the future

* Since OpenCoin's business model is to "hold XRP and hope they appreciate", we know that no proposals for fully decentralized distribution (e.g. "proof of work") can possibly be taken seriously.


The real question now becomes:

Do the benefits that the Ripple system bring to participants outweigh the enrichment of the authors through the self-issuance of the entire block of in-system currency units?

Discuss.

The forum strives to allow free discussion of *any* ideas. All policies are built around this principle. This doesn't mean you can post garbage, though: posts should actually *contain* ideas, and these ideas should be argued reasonably.

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JoelKatz
Legendary


Activity: 1596
Merit: 1012



Democracy is vulnerable to a 51% attack.



Re: Ripple: New facts

March 02, 2013, 03:46:37 AM

#2

To clarify the order book issue, it works like this:

To place an order, it must be at least partially funded. That is, if you are offering something, you must have some of it. The offer need not be fully funded however. You can, for example, offer to buy 100 XRP for 2 BTC even if you only have 1 BTC.

If an offer is discovered to be unfunded (or runs out) while it's being taken, the offer is removed. Otherwise, an unfunded offer stays. Partially funded offers always stay. So my example offer would stay on the books until it ran down to 50 XRP for 1 BTC. At that point, if anyone tried to take from that offer, it would go away.

The server doesn't provide the client the information needed to tell how funded an offer is. The plan is for the server to, when reporting orders, also report how much the offer is funded. The client could then show only the funded portion of the offer.


This makes order books appear deeper, sometimes absurdly deeper, than they really are.

This wasn't at all planned or intended behavior. We just never considered how support for partially-funded offers would affect the order book view. Because this requires both server and client support, it will take awhile.

The ledger is public, I update the downloadable ledger from time to time, so anyone can find particular offers to see if they are funded. If anyone has a

particular need for a current ledger, feel free to PM me and I'll update it.
<http://goo.gl/GfoZW>

I am an employee of Ripple. Follow me on Twitter @JoelKatz
 1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHgN

CIYAM
 Legendary


Activity: 1890
 Merit: 1028



Ian Knowles -
 CIYAM Lead
 Developer



Re: Ripple: New facts
 March 02, 2013, 03:51:20 AM

#3

The **only** concern that I have is whether or not it will work as promoted which is that it should be very simple to make payments to people between currencies including BTC with an extremely low risk of any failed payment (assuming I have not blindly trusted unknown entities) and in a manner that is fast and has significantly lower fees than using existing payment systems.

If it delivers this then I am 100% happy for the guys to "get rich" from it (as I am sure it would help my own project greatly).

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**Zangelbert
 Bingleback**
 Legendary


Activity: 1036
 Merit: 1000



Re: Ripple: New facts
 March 02, 2013, 03:56:33 AM

#4

In launching any new currency the founders can always choose to enrich themselves. What prevents them from doing so is that people find it unjust or can't really believe in it ideologically or philosophically, so they don't support it.

However, conditions are different now. People already believe in cryptocurrencies, and OC has a lot of marketing power behind it. The more people trust the idea of cryptocurrencies and the more they can be swayed by marketing and/or deception, the bigger a cut the founders can justify taking for themselves. I just happen to think this Ripple implementation has been way too greedy, way too closed, way too central-bank-like, and way too deceptive ("XRP=chits, stamps") to be adopted despite all the marketing power. I could be wrong.

moocowpong1
 Member


Activity: 79
 Merit: 10



Re: Ripple: New facts
 March 02, 2013, 03:56:44 AM

#5

One observation that I haven't seen in these discussions is the following: the relationship between the value of XRP and the size of Ripple (say number of users, or transaction volume) is different from the relationship between Bitcoin price and the size of Bitcoin. People can (and some people will) use Ripple without using a significant amount of XRP, for a number of different reasons. (Not wanting to deal with currency risk is a big one; another is that if you're converting your funds to XRP as a store of value, you might as well convert them to BTC and store them on the blockchain, which has a longer history of success than the Ripple ledger, and probably more privacy.) It's theoretically possible that Ripple will take off without XRP taking off at all, in which case OpenCoin would get very little payoff. XRP might also take off in a big way. It's very hard to say. However, analogies like "what if half the bitcoins were premined" don't translate directly to Ripple.

misterbigg

(OP)

Legendary



Activity: 1064

Merit: 1001

**Re: Ripple: New facts**

March 02, 2013, 04:02:33 AM

#6

Quote from: moocowpong1 on March 02, 2013, 03:56:44 AM

People can (and some people will) use Ripple without using a significant amount of XRP

I'm not sure I agree. People are getting misdirected by the XRP cost of transactions, currently set to 10 drops, and completely forgetting about the **reserve requirement of 200 XRP** to fund a new account.

The cost for a new user to participate in Ripple is 200 XRP, not the marginal transaction cost.

Quote

analogies like "what if half the bitcoins were premined" don't translate directly to Ripple.

I agree with that. It is hard to analyze.

Quote from: CIYAM Open on March 02, 2013, 03:51:20 AM

The **only** concern that I have is...that it should be very simple to make payments...in a manner that...has significantly lower fees

Once all of the free XRPs have been given out, then in order for anyone to receive payments they would have to buy 200 XRP to fund a new account.

Thinking about it from a business perspective, I don't think it is practical to push the burden of paying for new accounts on to customers (online shoppers for example). Instead, it would make sense for internet businesses to subsidize the cost of new account creation by buying large blocks of XRP from OpenCoin and then paying for new users' accounts as a value-add for shopping online with them.

Note that the users will still indirectly bear the cost of new account creation (and accompanying enrichment of the founders) through slightly higher prices passed on to them by merchants.

If you want to speculate on the future value of XRP: **What is a reasonable price customers can be expected to pay to fund a new Ripple account?** One dollar? 50 millibitcents? What?

JoelKatz

Legendary



Activity: 1596

Merit: 1012



Democracy is vulnerable to a 51% attack.

**Re: Ripple: New facts**

March 02, 2013, 04:07:11 AM

#7

Quote from: misterbigg on March 02, 2013, 04:02:33 AM

Once all of the free XRPs have been given out, then in order for anyone to receive payments they would have to buy 200 XRP to fund a new account.

That assumes the base reserve stays at 200 XRP, which it may or may not do. It's established by a consensus of validators weighted by how much other validators trust them. I expect that in the future, this will mainly be merchants, so if they want the fee lower, they can probably push it lower.

I am an employee of Ripple. Follow me on Twitter @JoelKatz
1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHgN


Zangelbert Bingleback

 Legendary

 Activity: 1036
 Merit: 1000

Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 04:10:09 AM

#8

Whatever it's worth to a business to gain a new customer. So probably 200 XRP will be significant. If each XRP is one cent, the founders keep half a billion dollars for themselves and centrally plan the distribution of the other half. And that's just the valuation XRP could have for one purpose. In reality, businesses will be competing in their bids for XRP with many other parties.

moocowpong1

 Member

 Activity: 79
 Merit: 10

Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 04:13:33 AM

#9

Quote from: JoelKatz on March 02, 2013, 04:07:11 AM

Quote from: misterbigg on March 02, 2013, 04:02:33 AM

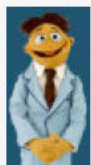
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If OpenCoin continues to play a significant role in the network in the future (by having trusted validators and by their position in the Ripple community), what will their policy on account reserve changes be?

Walter Rothbard

 Sr. Member

 Activity: 476
 Merit: 250

 Bytecoin:
 8VofSsbQvTd8YwAc

Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 04:13:57 AM

#10

Quote from: misterbigg on March 02, 2013, 03:38:40 AM

Do the benefits that the Ripple system bring to participants outweigh the enrichment of the authors through the self-issuance of the entire block of in-system currency units?

It doesn't bother me at all for people to be enriched.


alexkravets

 Full Member

 Activity: 209
 Merit: 100

Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 04:18:22 AM

#11

Let there be light !

Thanks for posting this misterbigg !!!

People are buying cheap Litecoin from me, every day - shouldn't you?



Alex Kravets

<http://twitter.com/alexkravets>**misterbigg**

(OP)

Legendary



Activity: 1064

Merit: 1001

**Re: Ripple: New facts**

March 02, 2013, 04:20:08 AM

#12

Quote from: JoelKatz on March 02, 2013, 04:07:11 AM

That assumes the base reserve stays at 200 XRP, which it may or may not do. It's established by a consensus of validators weighted by how much other validators trust them. I expect that in the future, this will mainly be merchants, so if they want the fee lower, they can probably push it lower.

It's really hard for me to analyze but my intuition tells me that the strategy for a rational actor who controls the distribution of XRPs would be engage in price maintenance. There are two opposing goals:

- 1. Allow more funded accounts by expanding the XRP supply.**
- 2. Maximize the exchange rate by limiting the XRP supply.**

There exists some equilibrium XRP exchange price which just low enough to discourage the need for validators to lower the reserve requirement. If I was controlling the XRP supply I would do my best to sell it off near this equilibrium rate. Furthermore, I would enter into agreements with gateways and merchants to sell them blocks of XRPs with price maintenance contracts (i.e. gateway agrees only to sell with prescribed daily volumes and prices).

I can't prove it but I believe that for as long as the initial volume of XRPs are employed as a price maintenance tool, validators will have no incentive to change initial network parameters like the reserve requirement.

misterbigg

(OP)

Legendary



Activity: 1064

Merit: 1001

**Re: Ripple: Why XRPs are superior to Bitcoins**

March 02, 2013, 04:20:57 AM

#13

Quote from: alexkravets on March 02, 2013, 04:18:22 AM

Thanks for posting this misterbigg !!!

You're welcome but was it really necessary to quote the entire post 🙄 🙄 🙄

CIYAM

Legendary



Activity: 1890

**Re: Ripple: New facts**

March 02, 2013, 04:30:32 AM

#14

Quote from: misterbigg on March 02, 2013, 04:02:33 AM

Once all of the free XRPs have been given out, then in order for anyone to receive payments

Merit: 1028

they would have to buy 200 XRP to fund a new account.



Ian Knowles -
CIYAM Lead
Developer

That is a point - although as I did get free XRPs I would probably provide the 200+ XRP for at least the first hundred or so people that wanted to be paid by this method (and who don't have sufficient funds for this).

If people learn from others that they are able to get paid for tasks in their own currency with little fees then an initial small amount to "open an account" would probably not be such an impediment.



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TradeFortress



Re: Ripple: New facts

March 02, 2013, 04:33:55 AM

#15



Bitcoin Veteran
VIP
Legendary



This this this.

How OpenCoin will monetize XRP

Activity: 1302
Merit: 1042

Vinnie: ...What's the OpenCoin business model?
Jed: ...we hold xrp and hopefully they gain value



misterbigg
(OP)

Legendary



Activity: 1064
Merit: 1001



Re: Ripple: New facts

March 02, 2013, 04:38:26 AM

#16

Quote from: TradeFortress on March 02, 2013, 04:33:55 AM

This this this.

How OpenCoin will monetize XRP

Vinnie: ...What's the OpenCoin business model?
Jed: ...we hold xrp and hopefully they gain value



Make no mistake, I see nothing wrong with OpenCoin monetizing their business but I take umbrage with the opaque way that it was done. People coming out here and evading direct questions about the currency built in to Ripple. It stunk of week old fish. Even worse are the fanbois and apologists who swore up and down that "XRPs are just like stamps and they are only used to pay for transactions." Anyone who keeps tooting this horn deserves a forum ignore.

Kudos to Jed for coming out and saying what needed to be said in clear and certain terms. Did he do this because he was sick of the bitching (admittedly with a lot of it coming from me)? Because he is generally a nice guy? Or because Ripple is already bootstrapped to the point where the revelation can no longer influence the outcome? I'd like to think it's because he's a nice guy.



TradeFortress



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 04:43:59 AM

#17



Bitcoin Veteran
VIP
Legendary
👑👑👑👑👑

LOL @ the thread title.

Nice sarcasm.

Activity: 1302
Merit: 1042



JoelKatz
Legendary
👑👑👑👑👑

Activity: 1596
Merit: 1012



Democracy is
vulnerable to a
51% attack.



Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 04:53:14 AM

#18

Quote from: moocowpong1 on March 02, 2013, 04:13:33 AM

If OpenCoin continues to play a significant role in the network in the future (by having trusted validators and by their position in the Ripple community), what will their policy on account reserve changes be?

As far as I know, it has not been discussed in any kind of detail. We did discuss the downsides of raising the reserve -- people will suddenly find XRP that they expected to be able to transfer would be locked up. Also, large drops in the reserve could disrupt expectations. So I expect we'd argue that the reserve should only be raised if absolutely needed and should only be lowered slowly.

I would expect validators to vote their own personal interests -- which brings up an interesting consequence. You want to trust validators not only that you trust to be well managed and not collude but also that you expect to "vote" on fee and feature changes in ways that make sense to you. Of course, validators cannot vote in secret, so if a validator votes against a widely-desired feature or for an unfavorable fee change, expect that to reduce their trust.

I am an employee of Ripple. Follow me on Twitter @JoelKatz

1J0e1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHgN

misterbigg
(OP)
Legendary
👑👑👑👑👑

Activity: 1064
Merit: 1001



Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 05:14:51 AM

#19

Quote from: JoelKatz on March 02, 2013, 04:53:14 AM

...

Can you comment on the magnitude of information asymmetry between OpenCoin and the general public in terms of prediction models for the XRP exchange rate? Let me give you an example. In MMORPGs like World of Warcraft or Eve Online, economists build prediction models to determine how changes in system parameters affect the virtual economy. A change might be made to gold sinks to drain excess currency from the virtual world in order to reach a price target for specific goods.

What models have been developed for the XRP economy? Are there any? Can we get details? Has there been any research consulted, simulations performed, or modeling software written, to calculate future expectations of XRP exchange rate with respect to how network parameters like transaction cost, growth in transaction volume, or any other emergent characteristic of the network evolves?

Can you comment on whether or not such research was performed prior to final

decisions regarding the XRP system?

Has OpenCoin developed any metrics for calculating the economic "performance" of the network, which might be used to set XRP distribution policy?

niko

Hero Member



Activity: 756
Merit: 500



There is more to Bitcoin than bitcoins.



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 05:16:10 AM

#20

If Ripple is found useful by the masses, it will be used. Users will need to obtain XRP to push transactions. As long as they are comfortable with the cost of transaction fee, I don't care where they got the XRP from (50% chance it's from OpenCoin if they keep their promise of giving away 50%). All this does not affect me as a user - whether it's bitcoin miners, or Ripple developers, or my bank executives. If I am happy with the free choice I can make, and the cost of transacting, and the security, and level of privacy or transparency, and social and environmental implications of the system, and any externalized cost they create - as long as I'm happy, I don't care who pockets the fee. In fact, I'm glad it's kind of folks behind OpenCoin.



They're there, in their room.

Your mining rig is on fire, yet you're very calm.

alexkravets

Full Member



Activity: 209
Merit: 100



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 05:42:24 AM

#21

Quote from: misterbigg on March 02, 2013, 04:20:57 AM

Quote from: alexkravets on March 02, 2013, 04:18:22 AM

Thanks for posting this misterbigg !!!

You're welcome but was it really necessary to quote the entire post 🙄 🙄 🙄

No it was not, but I am forum lurker not a frequent poster (until recently) so apologies for my lack of proper forum netiquette :-)

Alex Kravets

<http://twitter.com/alexkravets>

misterbigg

(OP)

Legendary



Activity: 1064
Merit: 1001



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 05:45:21 AM

#22

Quote from: alexkravets on March 02, 2013, 05:42:24 AM

I am forum lurker not a frequent poster (until recently) so apologies for my lack of proper forum netiquette :-)

It's not to late to "Edit post"

alexkravets

Full Member



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 06:14:46 AM

#23

Activity: 209
Merit: 100



MisterBigg's big "revelation" post does clear up a lot of uncertainty and various suspicions of nefarious motives on the part of OpenCoin, Inc's founders, however there does remain one fly in the ripple ointment, so to speak.

I call it "Systemic Risk" or perhaps a better name would be "**Flood Risk**", i.e. the for whatever reason (divorce, lawsuit, law passed by some unnamed legislative body, kidnapping with torture, whatever)

The retained 50% of XRPs under direct or indirect founder control are partially or fully flooded onto the network after the initial period of the giveaway AND after the network has grown to rely on a more or less stable equilibrium BTC/XRP and USD/XRP exchange rate (hopefully ?).

I believe it's possible to come up with a post giveaway distribution / sale strategy such that:

- A. Flood Risk is eventually eliminated while
- B. Eventual total financial gain by founders is maximized, and
- C. Ripple's growth rate is not stifled by XRP's becoming too costly to open new accounts.

Here's a sketch of a proposal, let's call it **OpenCoin, Inc.'s Sunset Schedule**:

1. Large enough remaining portion of the 50% (but not necessarily all of it, let's say 48 to 49% of it) is put up as one giant **moving** bid wall where a huge amount of XRPs are **offered for sale** at a small enough price not to stifle the rate of growth of the network that has been observed until that moment.

That growth could be measured in various ways: percentage of the total world-wide monetary base, or percentage of world-wide GDP transacted on the network, etc (this is where some professional economists could really help).

2. The wall will effectively create a **gradually increasing ceiling** on the price of XRPs but with the rate of the ceiling increase (or decrease ?) varying to allow total eventual realized gains from the sale of the remaining 48% to be maximized while not endangering the growth rate due to continual presence of the Flood Risk or due to price of XRPs rising too rapidly to where it inhibits adoption by new users relative to the currently prevalent consensus account funding requirement.

3. Eventually the Fort Knox of XRP (except for some residual "retained forever" part which is small enough not to worry about Flood Risk gets emptied of all XRPs, but by that point in time, the price of each XRP should be high enough to prevent any other entity (including printing central banks !!!) from being able to seize a large enough fraction of the total XRP money supply to corner the XRP market.

That price might take the XRP way, way beyond parity with USD, \$1000 USD per XRP ? Who knows...

This type of schedule could be publicly pre-announced and committed to by OpenCoin, Inc and henceforth can be monitored by world financial press and blogosphere.

Comments, improvements, criticisms are all welcome.

Cheers ...

Alex Kravets

<http://twitter.com/alexkravets>**sublime5447**

Legendary

**Re: Ripple: Why XRPs are superior to Bitcoins**

March 02, 2013, 06:18:43 AM

#24

Set me straight If I am not understanding any of this.

Activity: 966

Merit: 1000



I would love a video of exactly how ripple is intended to work. Though I would suspect it would be hard to create a video explaining that 4 guys are going to create a currency give 50 percent away then hold the other 50 percent in the hopes that it gains in value. Then convince people that they should use it and even though 50 percent of them were given away for free! and the other 50 percent are held by the 4 oligarchs of digital currency! that they are valuable! So basically you have designed what could become the worlds most centralized currency with 4 members issuing and controlling the distribution of said currency oh and you have this little problem too

* Since OpenCoin's business model is to "hold XRP and hope they appreciate", we know that no proposals for fully decentralized distribution (e.g. "proof of work") can possibly be taken seriously.

So we know that you cant be trusted because of the nature of your business model.

Does anyone else see this ending in a repeat of the facebook fiasco between these guys all four of them in court suing one another over who did what and who owns what?

Let me know if i am missing something.

poly

Member

**Re: Ripple: Why XRPs are superior to Bitcoins**

March 02, 2013, 06:22:24 AM

#25

Quote from: sublime5447 on March 02, 2013, 06:18:43 AM

Set me straight If I am not understanding any of this.

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Does anyone else see this ending in a repeat of the facebook fiasco between these guys all four of them in court suing one another over who did what and who owns what?

Activity: 84
Merit: 10Weighted
companion cube

Let me know if i am missing something.

This is the first time I actually agree with you, sublime.

poly | My Tip Jar

sublime5447

Legendary



Activity: 966
Merit: 1000



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 06:33:49 AM

#26

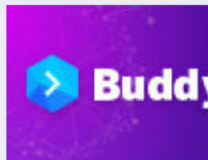
I have seen you are ripping ripple a new asshole all over bitcoin forums. Communism huh? I see why you would say that. I dont like its structure and i dont see a mechanized release of the coins held my OpenCoin as a solution to the problem, it just cant be transparent enough for me.

sublime5447

Legendary



Activity: 966
Merit: 1000



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 06:39:50 AM

#27

I mean dont get me wrong i sighed up for the free ripple give away and got my free ripples 😊

Monster Tent

Full Member



Activity: 238
Merit: 100



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 06:47:16 AM

#28

Quote from: sublime5447 on March 02, 2013, 06:39:50 AM

I mean dont get me wrong i sighed up for the free ripple give away and got my free ripples



lol

Paypal started by giving everyone \$5 free credit.

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Deprived

Hero Member



Activity: 532
Merit: 500



Re: Ripple: New facts

March 02, 2013, 07:33:53 AM

#29

Quote from: misterbigg on March 02, 2013, 04:02:33 AM

If you want to speculate on the future value of XRP: **What is a reasonable price customers can be expected to pay to fund a new Ripple account?** One dollar? 50

millibitcents? What?



Well that's already answered on the Ripple site.

They say the cost of a transaction is about \$0.0001 - 1/100th of a cent.
And we know the default cost of a transaction is 0.00001 XRP 1/100,000th of an XRP

So if 1/100th of a cent is 1/100,000th of an XRP then 1 cent is 1/1000th of an XRP and an XRP is worth \$10.

So the cost for a ripple account will be about \$2k. Either that or one of the ripple site (giving the cost per transaction in USD) or the ripple wiki (giving the cost in XRP) are wrong. This seems surprisingly high to me. But the cost per transaction can't really be much lower (in USD) and still deter spam - forwarding of 10,000 transactions for \$1 isn't going to deter anyone who is making any profit from them (and those trying to just flood the network don't need to pay XRP to do it anyway).

The obvious conclusion to me is that the default cost per transaction (in XRP) is set far too low in comparison to the account opening fee. This leads to either the cost per transaction being too low to be any kind of deterrent OR (as is the case at present) the value of a new account being stupidly high.

Put another way, IF the value of XRP is such that their website's claim of 1/100th a cent per transaction is true (at the default fee of 0.00001 XRP) then the 40k ripple they give away in the freebie thread are worth \$400k and everyone should be busy trying to buy forum accounts.

Or have I, somewhere, got my decimal places horribly wrong? Either I have - or OpenCoin has.

Deprived

Hero Member



Activity: 532

Merit: 500



Re: Ripple: New facts

March 02, 2013, 07:46:43 AM

#30

Quote from: alexkravets on March 02, 2013, 07:43:33 AM

Quote from: Deprived on March 02, 2013, 07:33:53 AM

Quote from: misterbigg on March 02, 2013, 04:02:33 AM

If you want to speculate on the future value of XRP: **What is a reasonable price customers can be expected to pay to fund a new Ripple account?** One dollar? 50 millibitcents? What?

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And we know the default cost of a transaction is 0.00001 XRP 1/100,000th of an XRP

So if 1/100th of a cent is 1/100,000th of an XRP then 1 cent is 1/1000th of an XRP and an XRP is worth \$10.

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Or have I, somewhere, got my decimal places horribly wrong? Either I have - or OpenCoin has.

Keep in mind that all these parameters will evolve and converge dynamically through gateway consensus, so not much to worry about here ...

True - we don't need to worry about getting any details right, as consensus can solve that later.

Beepbop
Full Member
●●●

Activity: 126
Merit: 100



Re: Ripple: Why XRPs are superior to Bitcoins

March 02, 2013, 08:11:59 AM

#31

Once the reserve value comes down, the apparently high cost of having an account will be less, but consider that one person only needs to have one Ripple account in ones lifetime (plus any business accounts), while one would potentially conduct hundreds of thousands of transactions in ones lifetime. Now the transaction cost doesn't look so small next to having an account, does it?

Think of it like the early days of gMail right now, when you had to beg people for account referrals instead of just signing up.

[Quote from: misterbigg on March 02, 2013, 03:38:40 AM](#)

How OpenCoin will monetize XRP

Vinnie: ...What's the OpenCoin business model?

Jed: ...we hold xrp and hopefully they gain value

They can't just sit around hoping. Then they would fail. The only sustainable way to make XRP worth something is that people use Ripple for actual IOU transactions, so they had better keep working to promote Ripple if they want that XRP to be worth something.

The other - unsustainable - way is that Bitcoiners speculate in XRP and nobody uses Ripple, but then the people who hold XRP also have an incentive to promote Ripple so that XRP becomes worth something to other people.

Just be aware that XRP in the end only is guaranteed to pay for Ripple services, and if Ripple fails it's worth 0.

[Quote from: misterbigg on March 02, 2013, 03:38:40 AM](#)

* XRP is designed to function as a currency

The designers say so, and it can be used for buying and selling stuff in, but it's more like buying and selling in frequent flier miles or indeed non-denominated stamps. Look up Canadian Tire Money for example.

[Quote from: misterbigg on March 02, 2013, 03:38:40 AM](#)

* XRP value is beyond a mere "stamp". People who believe they have trivial value because they are "just used to prevent spam" are misguided, and the founders have implied as such.

They are indeed like stamps, if you needed 200 stamps to have a mailbox. As the founders have indicated, they only prevent spam in the way that those who create useless transactions would have to pay the same transaction cost as those who conduct gainful transactions.

If people want to use their "mail service" to send bricks to themselves just for wasting resources, the transaction processors still get paid the same as if it was used to send gold or electronics. It brings up the transaction cost for those using the service for gainful transactions too, but that will only persist while the trolls are sending rocks in the mail. (Did you see my link about the whole building that was send by post in Utah?) But as long as the transaction processors get paid their market rates, they don't care if they're shipping rocks or ASICs.

[Quote from: misterbigg on March 02, 2013, 03:38:40 AM](#)

* Since OpenCoin's business model is to "hold XRP and hope they appreciate", we know that no proposals for fully decentralized distribution (e.g. "proof of work") can possibly be taken seriously.

Agreed. XRP, rather than being a "proof of work" representing wasted electricity, are a "proof of work" representing both past work (that they made Ripple) and future work (will process your transactions in the future if Ripple still works). If people buy XRP to reward the Ripple creators, that's more like a donation or kickstarter, but if people buy XRP to use Ripple that's more like buying stamps or gift cards since they're redeemable for something.

[Quote from: misterbigg on March 02, 2013, 04:02:33 AM](#)

Note that the users will still indirectly bear the cost of new account creation (and accompanying enrichment of the founders) through slightly higher prices passed on to them by merchants.

This is an astute observation. As people only need one Ripple account though, I think the reserve will need to come down after a while and merchants might just "give away" some XRP.

In the beginning, the trivial user of Ripple shouldn't have to even deal with XRP beyond the reserve - the payment gateways would be acquiring the required XRP (maybe with some special agreement with Ripple founders as you indicated) and just bake that transaction cost into the USD-denominated transaction costs that their customers see.

comboy
Sr. Member


Activity: 247
Merit: 251



 **Re: Ripple: Why XRPs are superior to Bitcoins**
[March 02, 2013, 08:37:49 AM](#)


#32

My 2 cents. The general idea is interesting (except no explicit protocol and sources still), but.. current price. People seem to ignore the fact that there's 100 billion XRP and only 21 million BTC (actually not even yet). So parity is not when $1\text{XRP} = 1\text{BTC}$ but when $5000\text{XRP} = 1\text{BTC}$. And as I'm writing it, best bid is 24,000XRP per BTC, which could suggest it gained 1/6th of bitcoin price (popularity and usefullness). So early adopters may possibly be disappointed after 50 billions are actually given away. But that of course is just my personal speculation.

Variance is a bitch!

markm
Legendary


Activity: 2884

 **Re: Ripple: Why XRPs are superior to Bitcoins**
[March 02, 2013, 01:32:07 PM](#)

#33

Starting with account and trust-line reserves that are relatively high compared to the cost of a transaction could help people to retain a bunch of XRP even in the

Merit: 1075



face of offers to buy them from them with bitcoins.

The lower these reserves the more of their free XRP people would be likely to sell. As it is now even if they only set up one account trusting only one gateway for one currency type, they nonetheless will have quite a lot of XRP left so at some point when reserves get lower - which they will have to do if Ripple succeeds - they will again have enough XRP to do lots of transactions.

Starting with lower reserves would likely have just caused people to part with more of their initial free allocation of XRP.

-MarkM-

Browser-launched Crossfire client now online (select CrossCiv server for Galactic Milieu)
Free website hosting with PHP, MySQL etc: <http://hosting.knotwork.com/>

misterbigg

(OP)

Legendary



Activity: 1064

Merit: 1001



Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 04:20:09 PM

#34

The "ideal" distribution mechanism is where every human being on the planet is uniquely identified and has a Ripple account created with exactly the reserve requirement. This way every living person can participate in Ripple (maximum audience) and no one will be able to sell XRP's (since they don't have any above the reserve). This gives OpenCoin maximum control over the exchange rate of XRP. They can set the price of opening a new account with total precision.

Beepbop

Full Member



Activity: 126

Merit: 100



Re: Ripple: Why XRP's are superior to Bitcoins

March 02, 2013, 06:02:05 PM

#35

If they could biometrically identify every account holder, they wouldn't need a reserve at all I think. I think the Reserve exists because they want to avoid one person holding hundreds of accounts and sending money between them to generate false trust records and overload the system.

Even with a reserve, it would make sense to give out a few freebie transactions so that new users were able to use the service. "First 10 rolls free" or something like that. But, you might ask, won't that just entice non-users to sell off all their XRP to those who want to use Ripple? Well, that would require the non-users to join and actually release the funds from their account, which means even if they might have started out intending to just sell off their XRP to the highest bidder or some conman who will fleece them with just 10% of market rates, they'll have signed up and know what Ripple is.

Some fraction of the XRP in the market would have been free ones, thus slightly reducing the market price of XRP sold by the founders, but this is simply a cost of marketing.

Indeed, giving new users something for free (if you're a Bitcoin fanatic think of it as a proof of work for signing up at all), is a pretty good marketing strategy if you can prevent it from being abused.

Biometric or other proof that you are one particular person is hard though, and

even if it's done just one way with a hash, it would destroy anonymity in some circumstances.

misterbigg

(OP)

Legendary



Activity: 1064

Merit: 1001



Re: Ripple: Why XRPs are superior to Bitcoins

March 04, 2013, 01:34:47 AM

#36

Quote from: Beepbop on March 02, 2013, 06:02:05 PM

Even with a reserve, it would make sense to give out a few freebie transactions so that new users were able to use the service. "First 10 rolls free" or something like that. But, you might ask, won't that just entice non-users to sell off all their XRP to those who want to use Ripple? Well, that would require the non-users to join and actually release the funds from their account

Actually, that's not possible. OpenCoin will probably hand out smaller and smaller amounts of XRP until they are giving out just barely enough to cover the reserve requirement (300 XRP currently, I believe). When someone gets these free XRPs they can't send them out of the account since they have no surplus above the reserve.

Quote

Biometric or other proof that you are one particular person is hard though, and even if it's done just one way with a hash, it would destroy anonymity in some circumstances.

Yeah, it was simply a thought experiment. I'm not suggesting that the biometric system is the way that it will be done, I'm just saying that in the best of all possible worlds if OpenCoin can figure out a way to give each unique individual exactly the reserve requirement worth of XRP that is the most optimum way to hand out the "freebies." It keeps XRPs as scarce as possible while still allowing the user base to grow as high as it needs to grow to meet demand.

DPony13

Full Member



Activity: 126

Merit: 100



Re: Ripple: Why XRPs are superior to Bitcoins

March 04, 2013, 01:39:25 AM

#37

I'm trying the giveaway for a second time,

if it works, then it seriously will be over powered xD

EndTheFed123, if you had just taken the money it wouldn't have ended like this 😞
BTW this hasn't been the real DPony13 since he "came back", I just hacked this account, SirLolicon is the real DPony13 I think.

alexkravets

Full Member



Activity: 209

Merit: 100



Re: Ripple: Why XRPs are superior to Bitcoins

March 05, 2013, 01:40:57 AM

#38

Far far into the future, can XRPs become a world reserve currency ?

Seems like whatever currency is the unit of denomination of the deepest and most liquid capital markets ends up becoming the world reserve currency

<http://tribune.com.pk/story/499408/ pernicious-influence-the-world-reserve-currency--root-of-all-evil/>



Can XRP trading against all the other IOUs inside ripple (national fiat, Bitcoin, etc) make it the most deep and liquid "meta-currency" ?

Time will tell ... but this outcome cannot be ruled out a priori for XRP, but it CAN be ruled out for Bitcoin. Bitcoin's p2p network limitations and slow confirmations inhibit the velocity of its secure flows, therefore in the long run it should not be able to replace USD as the "the intermediary" currency the way XRP can.

Cheers

Alex Kravets <http://twitter.com/alexkravets>

Monster Tent

Full Member



Activity: 238
Merit: 100



Re: Ripple: Why XRP are superior to Bitcoins

March 05, 2013, 02:17:28 AM

#39

Quote from: alexkravets on March 05, 2013, 01:40:57 AM

Far far into the future, can XRP become a world reserve currency ?

Seems like whatever currency is the unit of denomination of the deepest and most liquid capital markets ends up becoming the world reserve currency

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Cheers

The world banks already have a ripple like system for transferring money around. Its called Fedwire.

<http://en.wikipedia.org/wiki/Fedwire>

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jtimon

Legendary



Activity: 1372
Merit: 1000



Re: Ripple: Why XRP are superior to Bitcoins

March 05, 2013, 04:38:11 PM

#40

Quote from: Beepbop on March 02, 2013, 06:02:05 PM

If they could biometrically identify every account holder, they wouldn't need a reserve at all I think. I think the Reserve exists because they want to avoid one person holding hundreds of accounts and sending money between them to generate false trust records and overload the system.

Reserves requirements exist because accounts, trust-lines and offers occupy space in the ledger (which all validators need to store).

Quote from: alexkravets on March 05, 2013, 01:40:57 AM

Far far into the future, can XRPs become a world reserve currency ?

We need a free monetary market, not a world "reserve" currency.

Quote from: alexkravets on March 05, 2013, 01:40:57 AM

Time will tell ... but this outcome cannot be ruled out a priory for XRPs, but it CAN be ruled out for Bitcoin. Bitcoin's p2p network limitations and slow confirmations inhibit the velocity of its secure flows, therefore in the long run it should not be able to replace USD as the "the intermediary" currency the way XRPs can.

Many people claim that soon gold will be the world "reserve" again, taking the usd out of its current privileged position.

It will NOT be because gold is transferred faster than usd.

2 different forms of free-money: Freicoin (free of basic interest because it's **perishable**), Mutual credit (no interest because it's **abundant**)

misterbigg
(OP)

Legendary
👤👤👤👤👤

Activity: 1064
Merit: 1001



 **Re: Ripple: Why XRPs are superior to Bitcoins**

March 05, 2013, 04:44:21 PM

#41

Quote from: jtimon on March 05, 2013, 04:38:11 PM

We need a free monetary market, not a world "reserve" currency.

There will always be a reserve currency, either one that is enforced by fiat or one that arises naturally from the free market, because having a common denomination is very convenient for settling a current account balance.

Quote from: alexkravets on March 05, 2013, 01:40:57 AM

Time will tell ... but this outcome cannot be ruled out a priory for XRPs, but it CAN be ruled out for Bitcoin. Bitcoin's p2p network limitations and slow confirmations inhibit the velocity of its secure flows, therefore in the long run it should not be able to replace USD as the "the intermediary" currency the way XRPs can.

I disagree completely. Current account balances are not marked to market and settled every second, usually its on the order of every quarter or every month.

psybits
Legendary

👤👤👤👤👤

Activity: 1386
Merit: 1000



 **Re: Ripple: Why XRPs are superior to Bitcoins**

March 05, 2013, 04:56:29 PM

#42

Thanks for posting this. Illuminating 😊

I'm still not sure how the info you provided proves that Ripple is superior to Bitcoin, but I liked the info, so cheers.

jtimon
Legendary

👤👤👤👤👤

 **Re: Ripple: Why XRPs are superior to Bitcoins**

March 05, 2013, 04:58:59 PM

#43

Quote from: misterbigg on March 05, 2013, 04:44:21 PM

Activity: 1372
Merit: 1000



Quote from: jtimon on March 05, 2013, 04:38:11 PM

We need a free monetary market, not a world "reserve" currency.

There will always be a reserve currency, either one that is enforced by fiat or one that arises naturally from the free market, because having a common denomination is very convenient for settling a current account balance.

If you need a common denomination then why not just have a common denomination without a common currency?

I'm talking about indexes units similar to Lietaer's Terra, Riegel's Valun, 1970usd, GBP99...

Here we're discussing this (again): <https://groups.google.com/d/topic/rippleusers/flndti011ys/discussion>

You account in Valuns, you settle in whatever currency you agreed (you always know how to translate from valun to that currency).

2 different forms of free-money: Freicoin (free of basic interest because it's **perishable**), Mutual credit (no interest because it's **abundant**)

misterbigg
(OP)
Legendary

Activity: 1064
Merit: 1001



Re: Ripple: Why XRPs are superior to Bitcoins

March 05, 2013, 05:23:30 PM

#44

Quote from: jtimon on March 05, 2013, 04:58:59 PM

You account in Valuns, you settle in whatever currency you agreed (you always know how to translate from valun to that currency).



LOL...do you realize what you're saying? "whatever currency you agreed" **is** the reserve currency!

When two countries agree to settle their current account balances in gold, then gold is the reserve currency. Today, the US dollar is the reserve currency for most countries (thanks to our aircraft carriers and military). Bitcoin would make a great reserve currency, superior to gold in many ways since it can be transmitted effortlessly.

There is a strong argument that XRPs would be superior even to Bitcoins as a reserve currency.



misterbigg
(OP)
Legendary
👑👑👑👑👑

Activity: 1064
Merit: 1001



Re: Ripple: Why XRPs are superior to Bitcoins

April 17, 2013, 05:45:41 PM

#45

Bringing this back up since there is renewed interest / criticism in Ripple.

TimJBenham
Sr. Member
👑👑👑👑

Activity: 280
Merit: 250



Re: Ripple: Why XRPs are superior to Bitcoins

April 22, 2013, 02:51:23 PM

#46

Quote from: misterbigg on March 05, 2013, 05:23:30 PM

There is a strong argument that XRPs would be superior even to Bitcoins as a reserve currency.

What argument is that? with its reserves controlled by four guys it would be worse than the USD. What restraints would there be on OC engaging in predatory behavior?

You are a warlord in the outskirts of the known world struggling to establish a kingdom in the wild lands.

digicoi
Legendary
👑👑👑👑👑

Activity: 1106
Merit: 1000



Re: Ripple: Why XRPs are superior to Bitcoins

April 30, 2013, 05:53:50 PM

#47

Until Ripple open sources it 🙄

JoelKatz
Legendary
👑👑👑👑👑

Activity: 1596
Merit: 1012



Democracy is vulnerable to a 51% attack.



Re: Ripple: Why XRPs are superior to Bitcoins

May 01, 2013, 08:24:51 AM

#48

Quote from: TimJBenham on April 22, 2013, 02:51:23 PM

What argument is that? with its reserves controlled by four guys it would be worse than the USD. What restraints would there be on OC engaging in predatory behavior?

Can you clarify what you mean by "predatory behavior", perhaps with an example or two?

I am an employee of Ripple. Follow me on Twitter @JoelKatz
1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHGn



bitcoinik
Newbie

Activity: 19
Merit: 0



Re: Ripple: Why XRPs are superior to Bitcoins

May 11, 2013, 10:02:10 PM

#49

What do you think about Litecoin? Will Ripple support Litecoin at some point?

JoelKatz
Legendary

Activity: 1596
Merit: 1012



Democracy is
vulnerable to a
51% attack.



Re: Ripple: Why XRPs are superior to Bitcoins

May 11, 2013, 10:44:03 PM

#50

Ripple supports Litecoin as it supports any currency. Gateways can issue and redeem Litecoin balances (Dividend Rippler and The Rock Trading already do this) and exchanges work between Litecoin and any other currency. Payments can be made with Litecoin balances or in amounts denominated in Litecoins.

As for what I think about Litecoin, I think it has two tiny advantages over Bitcoin (less time to first confirmation and higher possible transaction volume) and numerous significant disadvantages over Bitcoin (much less secure mining, much lower confirmation value, low chance for significant adoption). So I think its only chance is as an inferior alternative to Bitcoin, possibly valuable in case Bitcoin fails somehow. For example, during the Bitcoin blockchain split, Litecoins were still usable.

I am an employee of Ripple. Follow me on Twitter @JoelKatz
1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FReXVJSJJamV9ccgyWvQfratUHgN

TimJBenham
Sr. Member

Activity: 280
Merit: 250



Re: Ripple: Why XRPs are superior to Bitcoins

May 12, 2013, 12:20:25 PM

#51

Quote from: JoelKatz on May 01, 2013, 08:24:51 AM

Quote from: TimJBenham on April 22, 2013, 02:51:23 PM

What argument is that? with its reserves controlled by four guys it would be worse than the USD. What restraints would there be on OC engaging in predatory behavior?

Can you clarify what you mean by "predatory behavior", perhaps with an example or two?

In this case creating a market expectation that XRP would be managed to retain a certain value then dumping them on the market would be seen as predatory. In the context of free banking it corresponds to the deliberate debasement of the bank's currency, or the issue of redeemable notes that it lacks the capacity to redeem.

You are a warlord in the outskirts of the known world struggling to establish a kingdom in the wild lands.

mmeijeri
Hero Member

Activity: 714
Merit: 500

Martijn Meijering



Re: Ripple: Why XRPs are superior to Bitcoins

May 12, 2013, 12:23:03 PM

#52

Quote from: TimJBenham on May 12, 2013, 12:20:25 PM

In this case creating a market expectation that XRP would be managed to retain a certain value then dumping them on the market would be seen as predatory.

But everybody knows how much XRP is hanging over the market.

**Quote**

In the context of free banking it corresponds to the deliberate debasement of the bank's currency, or the issue of redeemable notes that it lacks the capacity to redeem.

That will not be possible once the source is released and the system becomes truly distributed as opposed to merely potentially distributed.

ROI is not a verb, the term you're looking for is 'to break even'.

JoelKatz
Legendary

Activity: 1596
Merit: 1012



Democracy is vulnerable to a 51% attack.

**Re: Ripple: Why XRPs are superior to Bitcoins**

May 12, 2013, 03:55:34 PM

#53

Quote from: TimJBenham on May 12, 2013, 12:20:25 PM

In this case creating a market expectation that XRP would be managed to retain a certain value then dumping them on the market would be seen as predatory. In the context of free banking it corresponds to the deliberate debasement of the bank's currency, or the issue of redeemable notes that it lacks the capacity to redeem.

I think we've been pretty clear that we are not making any promises to manage XRP as a currency with any particular target value. The XRP that OpenCoin holds will be given away as OpenCoin thinks is appropriate to drive adoption or sold as OpenCoin thinks is appropriate for its financial needs and interests. We absolutely make no promises or representations about the value of XRP to the world in general.

I am an employee of Ripple. Follow me on Twitter @JoelKatz

1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHGn

CIYAM
Legendary

Activity: 1890
Merit: 1028



Ian Knowles -
CIYAM Lead
Developer

**Re: Ripple: Why XRPs are superior to Bitcoins**

May 12, 2013, 04:21:57 PM

#54

I think that the speculation in XRP might actually be the biggest *problem* for Ripple.

Right now the Open Coiners can "sell" their self-printed currency for 1 BTC per 10K (and they have billions of them).

Once Ripple actually is *working* then IF the XRP are used as what we were all told their purpose is (i.e. postage stamps) then they will be worth very little (i.e. expect a *huge crash*).

This will hurt many of the speculators (who for sure have been rather silly to gamble on it) but I wonder if the backlash will actually *kill* the project (i.e. is this gamble going to actually pay off?).

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GPG Public Key | [1ciyam3htJit1feGa26p2wQ4aw6KFTejU](#)

Andrew Vorobyov
Hero Member

Activity: 558
Merit: 500

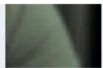
**Re: Ripple: New facts**

May 12, 2013, 05:57:10 PM

#55

Quote from: misterbigg on March 02, 2013, 04:38:26 AM

Even worse are the fanbois and apologists who swore up and down that "XRPs are just like stamps and they are only used to pay for transactions." Anyone who keeps tooting this horn deserves a forum ignore.



Hush down...



"XRPs are just like stamps and they are only used to pay for transactions."

If some company can think it can monetize it - let it be... But they can fail, there can be other companies who would like to do it for free or smaller amounts of money...

+ don't forget - original ripple idea did not have any XRPs at all

PS. XRP will gain value by being reserve currency until enough people will say "we need alt-Ripple with cheap XRPs"

mmeijeri
Hero Member
★★★★★

Activity: 714
Merit: 500

Martijn Meijering



Re: Ripple: Why XRPs are superior to Bitcoins

May 12, 2013, 06:03:30 PM

#56

Quote from: JoelKatz on May 12, 2013, 03:55:34 PM

I think we've been pretty clear that we are not making any promises to manage XRP as a currency with any particular target value.

How about merely reducing volatility?

Quote

The XRP that OpenCoin holds will be given away as OpenCoin thinks is appropriate to drive adoption or sold as OpenCoin thinks is appropriate for its financial needs and interests. We absolutely make no promises or representations about the value of XRP to the world in general.

But you do intend XRP to become a real currency, not just some sort of stamp, don't you?

ROI is not a verb, the term you're looking for is 'to break even'.

CIYAM
Legendary
★★★★★

Activity: 1890
Merit: 1028



Ian Knowles -
CIYAM Lead
Developer



Re: Ripple: Why XRPs are superior to Bitcoins

May 12, 2013, 06:07:10 PM

#57

Quote from: mmeijeri on May 12, 2013, 06:03:30 PM

But you do intend XRP to become a real currency, not just as some sort of stamps, don't you?

I think it is mostly just a very clever experiment in social engineering - they stated that XRP are "postage stamps" yet people are now buying them for large amounts of BTC and when they finally open source and show they are "postage stamps" after all they will have made millions in selling them plus not being able to be shown as liars.

Although I can't respect it I can certainly take my hat off to the cleverness of it.

With CIYAM anyone can create 100% generated C++ web applications in literally minutes.

GPG Public Key | [1ciyam3htJit1feGa26p2wQ4aw6KFTejU](#)

JoelKatz
Legendary
★★★★★



Re: Ripple: Why XRPs are superior to Bitcoins

May 12, 2013, 06:35:58 PM

#58

Activity: 1596
Merit: 1012



Democracy is
vulnerable to a
51% attack.



Quote from: mmeijeri on May 12, 2013, 06:03:30 PM

But you do intend XRP to become a real currency, not just some sort of stamp, don't you?

As a corporation, we are legally obligated to maximize shareholder value. With our current business model, that means acting to increase the value and liquidity of XRP. We believe this will happen if the Ripple network is widely adopted as a payment system. We are pursuing multiple avenues at once. One would expect increased demand to increase price.

I am an employee of Ripple. Follow me on Twitter @JoelKatz
1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHgN

TimJBenham

Sr. Member



Activity: 280
Merit: 250



Re: Ripple: Why XRP's are superior to Bitcoins

May 13, 2013, 02:30:55 PM

#59

Quote from: mmeijeri on May 12, 2013, 12:23:03 PM

But everybody knows how much XRP is hanging over the market.

Everyone knows that the Fed could mint a quintillion dollars tomorrow if it wanted to, yet the USD roughly maintains its value.

You are a warlord in the outskirts of the known world struggling to establish a kingdom in the wild lands.

Mitzplik

Member



Activity: 102
Merit: 10



Re: Ripple: Why XRP's are superior to Bitcoins

December 29, 2013, 03:02:37 PM

#60

Quote from: TimJBenham on May 13, 2013, 02:30:55 PM

Quote from: mmeijeri on May 12, 2013, 12:23:03 PM

But everybody knows how much XRP is hanging over the market.

Everyone knows that the Fed could mint a quintillion dollars tomorrow if it wanted to, yet the USD roughly maintains its value.

The numeric value, but not the purchasing power.

mmeijeri

Hero Member



Activity: 714
Merit: 500

Martijn Meijering



Re: Ripple: Why XRP's are superior to Bitcoins

December 29, 2013, 03:34:41 PM

#61

Quote from: misterbigg on March 02, 2013, 03:38:40 AM

Do the benefits that the Ripple system bring to participants outweigh the enrichment of the authors through the self-issuance of the entire block of in-system currency units?

I don't think there's anything to outweigh there. People trying to make a buck is good old fashioned capitalism at work. They've created something valuable and deserve a shot at making money from it. I think the real question is whether it is anyone else's interest to start using Ripple instead of forking it and starting with a new genesis ledger based on the Bitcoin UTXO set at some fixed point in time, modifying the code to allow some sort of proof-of-burn transition from Bitcoin, or implementing something similar on top of Bitcoin.

ROI is not a verb, the term you're looking for is 'to break even'.

mmeijeri

Hero Member



Activity: 714
Merit: 500

Martijn Meijering



Re: Ripple: New facts

December 29, 2013, 04:24:16 PM

#62

Quote from: moocowpong1 on March 02, 2013, 03:56:44 AM

It's theoretically possible that Ripple will take off without XRP taking off at all, in which case OpenCoin would get very little payoff. XRP might also take off in a big way. It's very hard to say.

I don't think that is likely, as XRP is the only currency in the Ripple system that has no counterparty risk. This makes it ideal as a bridge currency. Any time anyone does transparent currency conversion inside Ripple, perhaps to buy or sell cryptocurrency against fiat, perhaps to make foreign fiat payments, they will most likely be using XRP in the background. That should create enormous demand for XRP in case Ripple gets used widely. And widespread use of Ripple for fiat payments is not dependent on the value of XRP. I think it is one of several master strokes in the Ripple design.

ROI is not a verb, the term you're looking for is 'to break even'.

Ebrelus

Full Member



Activity: 186
Merit: 100



Re: Ripple: Why XRPs are superior to Bitcoins

December 29, 2013, 04:43:04 PM

#63

All about it was already said here:

<http://ripplescam.org/>

Ripple will fall when real crisis will start or even faster when people get to know what it really is. Because of mainstream/banksters help handicap this scamcoin got high valuation but people have no knowledge about how this system work, how closed and centralised it is and how easily can be controlled by government and how fast can bring losses for users while original owners have majority ownership being risk-free at least temporarily.

Bitcoin has ripple-headache right now what is a real massive attack on all freedom, humanitarian ideas and principles standing behind it. But soon ripple will have similar headache because of what it is and true bitcoin alternatives which are coming. Scam stays scam in the end and people start to open eyes.

mmeijeri

Hero Member



Activity: 714
Merit: 500

Martijn Meijering



Re: Ripple: Why XRPs are superior to Bitcoins

December 29, 2013, 04:50:54 PM

#64

That is TradeFortress's anti-Ripple propaganda site. It's about as trustworthy as anything else he has ever said.

ROI is not a verb, the term you're looking for is 'to break even'.

Mitzplik

Member



Activity: 102



Re: Ripple: Why XRPs are superior to Bitcoins

December 29, 2013, 05:01:56 PM

#65

Quote from: Ebrelus on December 29, 2013, 04:43:04 PM

All about it was already said here:

Merit: 10


<http://ripplescam.org/>

Ripple will fall when real crisis will start or even faster when people get to know what it really is.

Because of mainstream/banksters help handicap this scamcoin got high valuation but people have no knowledge about how this system work, how closed and centralised it is and how easily can be controlled by government and how fast can bring losses for users while original owners have majority ownership being risk-free at least temporarily.

Bitcoin has ripple-headache right now what is a real massive attack on all freedom, humanitarian ideas and principles standing behind it. But soon ripple will have similar headache because of what it is and true bitcoin alternatives which are coming. Scam stays scam in the end and people start to open eyes.

This is the kind of passionate speech that keeps humanity blind.

"How closed and centralised" without pointing how is no argument here.

Ripple is a distributed network where ledger validators majority are servers controled by Ripple Labs, just because there are no validators enough to balance the equation. When Satoshi started to mine BTC how many validators were operating? How much of the hashing power was concentrated? Who is Satoshi? Do he run a mining pool? He owns at least 10% of all BTC. Ripple Labs will lose the network's control when new free validators begin to vote for other validators, its a matter of time. Otherwise, the protocol would fail and so would their company as well. So, harming network's diversity would harm Ripple Labs fatally.

Ripplescam is a biased grey propaganda, the data is not up to date.

hypostatization

Sr. Member



Activity: 350

Merit: 250


 **Re: Ripple: Why XRPs are superior to Bitcoins**

December 29, 2013, 05:03:00 PM

#66

I wish more people had exposure to this lower level discussion of the Ripple network and consensus:

<https://news.ycombinator.com/item?id=6867324>

At the exchange level, what Ripple can accomplish is amazing. I hope to see it, or at least the ideas behind it, gain traction.

If you trade alts on an exchange---you are already using IOUs. A lot of people do not realize this. You are embracing a closed centralized IOU system. Decentralization is sacrificed. Anyone who has found themselves unable to withdraw understands exactly why this is a problem that must be solved. Ripple opens the closed IOU networks---and empowers both investors and daily users in turn.

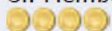
Payments massively benefit from Ripple, with users being able to pay for goods using *any* currency. Individual vendor support for the currencies you hold becomes a thing of the past. USD support can mean Bitcoin support---or LTC, QRK, WDC, XPM, PPC or even DOGE. If currencies were languages, Ripple becomes a real time universal translator as the network grows.

XRP being superior to Bitcoin is a dead argument; the same goes for the opposite perspective. Ripple---as a network and currency (XRP)---solves different problems of centralization than Bitcoin and most other alts. Each offers its own unique value. They are complementary systems. Winner-takes-all is the wrong mentality. Each has its own future.

xrptalk.org :: setup a wallet + trade all currencies :: gateway reviews @ coinist.co :: deposit to buy xrp @ snapswap [now supporting PayPal withdrawals + instant ACH transfer deposits]
CrossCoin Ventures startup accelerator - offering XRP funding up to \$50,000 USD equivalent

hypostatization

Sr. Member



Activity: 350
Merit: 250

**Re: Ripple: Why XRPs are superior to Bitcoins**

December 29, 2013, 05:10:34 PM

#67

Quote from: Ebreus on December 29, 2013, 04:43:04 PM

All about it was already said here:
<http://ripplescam.org/>

At best, that site has become a dishonest joke. It is outdated and inaccurate.

Ripple source code:

<https://github.com/ripple>

Check out the ongoing work on Contracts: <https://ripple.com/wiki/Contracts>

If you are interested in the technical future, Ripple Labs recently hired a co-founder of nodejitsu: <https://www.nodejitsu.com/>

They are backed by Google Ventures (who also backs a Bitcoin exchange startup)---among other serious investors.

It has a more impressive dedicated team than most coins, from Dev through Business Development: <https://www.ripplelabs.com/>

Nothing about Ripple points to a scam.

xrptalk.org :: setup a wallet + trade all currencies :: gateway reviews @ coinist.co :: deposit to buy xrp @ snapswap [now supporting PayPal withdrawals + instant ACH transfer deposits]
CrossCoin Ventures startup accelerator - offering XRP funding up to \$50,000 USD equivalent

mmeijeri

Hero Member



Activity: 714
Merit: 500

Martijn Meijering

**Re: Ripple: Why XRPs are superior to Bitcoins**

December 29, 2013, 06:23:40 PM

#68

Quote from: hypostatization on December 29, 2013, 05:03:00 PM

I wish more people had exposure to this lower level discussion of the Ripple network and consensus:

<https://news.ycombinator.com/item?id=6867324>

I was confused by this. I thought the consensus mechanism was only based on the nodes on your UNL, all of whom may have different UNLs themselves.

ROI is not a verb, the term you're looking for is 'to break even'.

JoelKatz

Legendary



Activity: 1596
Merit: 1012

**Re: Ripple: Why XRPs are superior to Bitcoins**

December 29, 2013, 09:13:23 PM

#69

Quote from: mmeijeri on December 29, 2013, 06:23:40 PM

I was confused by this. I thought the consensus mechanism was only based on the nodes on your UNL, all of whom may have different UNLs themselves.

From the point of view of one server, all that matters is what the nodes on its UNL



say.

Democracy is vulnerable to a 51% attack.



I am an employee of Ripple. Follow me on Twitter @JoelKatz
1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHgN

Mitzplik
Member



Activity: 102
Merit: 10



Re: Ripple: Why XRPs are superior to Bitcoins

December 29, 2013, 09:18:52 PM

#70

This topic title should be changed, i agree that its not a matter of superiority, but to understand the differences and evaluate ripple protocol without passion



misterbigg
(OP)
Legendary



Activity: 1064
Merit: 1001



Re: Ripple: Why XRPs are superior to Bitcoins

February 05, 2014, 03:53:37 AM

#71

Quote from: Mitzplik on December 29, 2013, 09:18:52 PM

This topic title should be changed, i agree that its not a matter of superiority, but to understand the differences and evaluate ripple protocol without passion



I agree with this statement.



tokeweed
Legendary



Activity: 3374
Merit: 1228



Re: Ripple: Why XRPs are superior to Bitcoins

June 14, 2014, 01:30:41 PM

#72

Quote from: CIYAM on May 12, 2013, 04:21:57 PM

I think that the speculation in XRP might actually be the biggest *problem* for Ripple.

Right now the Open Coiners can "sell" their self-printed currency for 1 BTC per 10K (and they have billions of them).

Once Ripple actually is *working* then IF the XRP are used as what we were all told their purpose is (i.e. postage stamps) then they will be worth very little (i.e. expect a *huge crash*).

This will hurt many of the speculators (who for sure have been rather silly to gamble on it) but I wonder if the backlash will actually *kill* the project (i.e. is this gamble going to actually pay off?).



Life, Love and
Laughter...

yes that's true. but that remains to be seen.

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SPORTSBOOK

tokeweed

Legendary



Activity: 3374

Merit: 1228

Life, Love and
Laughter...**Re: Ripple: Why XRP's are superior to Bitcoins**

June 14, 2014, 01:33:00 PM

#73

Quote from: CIYAM on May 12, 2013, 06:07:10 PM

Quote from: mmeijeri on May 12, 2013, 06:03:30 PM

But you do intend XRP to become a real currency, not just as some sort of stamps, don't you?

I think it is mostly just a very clever experiment in social engineering - they stated that XRP are "postage stamps" yet people are now buying them for large amounts of BTC and when they finally open source and show they are "postage stamps" after all they will have made millions in selling them plus not being able to be shown as liars.

Although I can't respect it I can certainly take my hat off to the cleverness of it.

cynical. but you have the right to your own opinion, and everyone can respect that.

**ROLLBIT**

CRYPTO'S MOST INNOVATIVE CASINO

**ROLLBOTS**

SPORTSBOOK

tokeweed

Legendary



Activity: 3374

Merit: 1228

Life, Love and
Laughter...**Re: Ripple: Why XRP's are superior to Bitcoins**

June 14, 2014, 01:36:44 PM

#74

Quote from: Ebreus on December 29, 2013, 04:43:04 PM

All about it was already said here:

<http://ripplescam.org/>

Ripple will fall when real crisis will start or even faster when people get to know what it really is.

Because of mainstream/banksters help handicap this scamcoin got high valuation but people have no knowledge about how this system work, how closed and centralised it is and how easily can be controlled by government and how fast can bring losses for users while original owners have majority ownership being risk-free at least temporarily.

Bitcoin has ripple-headache right now what is a real massive attack on all freedom, humanitarian ideas and principles standing behind it. But soon ripple will have similar headache because of what it is and true bitcoin alternatives which are coming. Scam stays scam in the end and people start to open eyes.

that site doesn't give much info. please try going to it and read for yourself.

**ROLLBIT**

CRYPTO'S MOST INNOVATIVE CASINO

**ROLLBOTS**

SPORTSBOOK

sublime5447

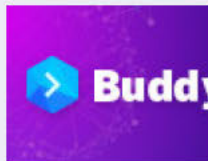
Legendary

**Re: How the Ripple payment network and XRP are different from Bitcoin**

June 14, 2014, 07:03:34 PM

#75

Activity: 966
Merit: 1000



I would use the fuck out of ripple for self issued credit, but ripples work on the scarcity model. If ripples where free and unlimited it work well for me.

Of course that destroys their business model. The ripple team thinks they will get paid by the valuation going up for ripple. How about getting paid by providing a valuable service?

JoelKatz
Legendary
👑👑👑👑👑

Activity: 1596
Merit: 1012



Democracy is vulnerable to a 51% attack.



Re: How the Ripple payment network and XRP are different from Bitcoin

June 15, 2014, 04:25:20 AM

#76

Quote from: [sublime5447](#) on June 14, 2014, 07:03:34 PM

I would use the fuck out of ripple for self issued credit, but ripples work on the scarcity model. If ripples where free and unlimited it work well for me.

XRP is the only asset on Ripple that works this way, and it has to because it's used to pay transaction fees and there's no known way to support unlimited transactions.

Quote

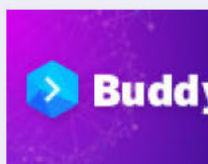
Of course that destroys their business model. The ripple team thinks they will get paid by the valuation going up for ripple. How about getting paid by providing a valuable service?

If we followed that model, we'd either have a lot less money to spend on development and integration or we'd have to charge for lots of things we can do for free using the model we've chosen. We set things up the way we did because that was what we believed was best. The market will decide whether we made good decisions or not. If we chose wrong, we will lose to those who make better choices. Worst case, the world gets a payment system that's even better than Ripple. I can live with that.

I am an employee of Ripple. Follow me on Twitter @JoelKatz
1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHgN

sublime5447
Legendary
👑👑👑👑👑

Activity: 966
Merit: 1000



Re: How the Ripple payment network and XRP are different from Bitcoin

June 15, 2014, 03:39:20 PM

#77

Quote from: [JoelKatz](#) on June 15, 2014, 04:25:20 AM

Quote from: [sublime5447](#) on June 14, 2014, 07:03:34 PM

I would use the fuck out of ripple for self issued credit, but ripples work on the scarcity model. If ripples where free and unlimited it work well for me.

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Quote

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better than Ripple. I can live with that.

Well I will wait on that better system then.. good luck.

Define a ripple, take the hard limit off, allow people to create them when they issue and asset, require that they be redeemable, fixed.

Mitzplik

Member



Activity: 102

Merit: 10



Re: How the Ripple payment network and XRP are different from Bitcoin

June 15, 2014, 11:15:55 PM

#78

Quote from: sublime5447 on June 15, 2014, 03:39:20 PM

Quote from: JoelKatz on June 15, 2014, 04:25:20 AM

Quote from: sublime5447 on June 14, 2014, 07:03:34 PM

I would use the fuck out of ripple for self issued credit, but ripples work on the scarcity model. If ripples where free and unlimited it work well for me.

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Quote

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Well I will wait on that better system then.. good luck.

Define a ripple, take the hard limit off, allow people to create them when they issue and asset, require that they be redeemable, fixed.

Actually, you can create such yourself in ripple as it is now.

jubalix

Legendary



Activity: 2450

Merit: 1022



Re: How the Ripple payment network and XRP are different from Bitcoin

June 16, 2014, 01:02:37 AM

#79

the problem with ripple is you have to make it onto the UNL list, to be part of the consensus.

You can't just join.

Who decides who get on the UNL list that is the question.

Admitted Practicing Lawyer::BTC/Crypto Specialist. B.Engineering/B.Laws

RafOIP

Newbie

**Re: How the Ripple payment network and XRP are different from Bitcoin**

June 16, 2014, 01:54:34 AM

#80

Activity: 9
Merit: 0**Quote from: jubalix on June 16, 2014, 01:02:37 AM**

the problem with ripple is you have to make it onto the UNL list, to be part of the consensus.

You can't just join.

Who decides who get on the UNL list that is the question.

If you are talking about being a validator server, you are right. If you are talking about using ripple network, you are wrong.

DistributedBUZ

Newbie

**Re: How the Ripple payment network and XRP are different from Bitcoin**

June 16, 2014, 02:08:04 AM

#81

Activity: 37
Merit: 0

Ripple requires trust
Bitcoin requires no trust

jubalix
Legendary**Re: How the Ripple payment network and XRP are different from Bitcoin**

June 16, 2014, 05:40:38 AM

#82

Activity: 2450
Merit: 1022**Quote from: RafOIP on June 16, 2014, 01:54:34 AM****Quote from: jubalix on June 16, 2014, 01:02:37 AM**

the problem with ripple is you have to make it onto the UNL list, to be part of the consensus.

You can't just join.

Who decides who get on the UNL list that is the question.

If you are talking about being a validator server, you are right. If you are talking about using ripple network, you are wrong.

I am talking about being a validator server.

Admitted Practicing Lawyer::BTC/Crypto Specialist. B.Engineering/B.Laws

<https://www.binance.com/?ref=10062065>

mmeijeri

Hero Member

**Re: How the Ripple payment network and XRP are different from Bitcoin**

June 16, 2014, 06:45:57 AM

#83

Activity: 714
Merit: 500

Martijn Meijering

Quote from: jubalix on June 16, 2014, 01:02:37 AM

the problem with ripple is you have to make it onto the UNL list, to be part of the consensus.

There's no such thing as *the* UNL, every node chooses its own UNL.

**Quote**

You can't just join.

More precisely, you can't force others to put you on their UNL, since they like you are free to choose their own.

ROI is not a verb, the term you're looking for is 'to break even'.

JoelKatz
Legendary

Activity: 1596
Merit: 1012



Democracy is
vulnerable to a
51% attack.



Re: How the Ripple payment network and XRP are different from Bitcoin

June 16, 2014, 04:27:21 PM

#84

Quote from: DistributedBUZZ on June 16, 2014, 02:08:04 AM

Ripple requires trust
Bitcoin requires no trust

Every system requires trust. The most obvious trust required with Bitcoin is that you trust that 51% of the mining power won't get together and agree to refuse to build on any blocks that include your transactions.

I am an employee of Ripple. Follow me on Twitter @JoelKatz
1Joe1Katzci1rFcsr9HH7SLuHVnDy2aihZ BM-NBM3FRExVJSJJamV9ccgyWvQfratUHgN

sublime5447
Legendary

Activity: 966
Merit: 1000



Re: How the Ripple payment network and XRP are different from Bitcoin

June 20, 2014, 02:18:45 PM

#85

Quote from: JoelKatz on June 16, 2014, 04:27:21 PM

Quote from: DistributedBUZZ on June 16, 2014, 02:08:04 AM

Ripple requires trust
Bitcoin requires no trust

Every system requires trust. The most obvious trust required with Bitcoin is that you trust that 51% of the mining power won't get together and agree to refuse to build on any blocks that include your transactions.



+1 every trade requires trust of some level without exception, but you can not trust the scarcity model it always leads to centralization and control.

<http://www.veooz.com/photos/rH7iMre.html>

Two Kinds of Money

1.The Scarcity Model: A single uniform quantity in limited supply made valuable by its own scarcity.

In other words, the value of this type of money depends on the supply of, and demand for, the money commodity itself. Conventional definitions of money define money only in terms of this model, a "medium of exchange". Examples are: cowries, gold and silver, fiat cash and coins, bank credit, and now, in the model's purest and most spectacularly speculative form, Bitcoin.

2. The Abundance Model. A promise of something specific from someone specific made valuable by its redemption in real production. The value of this type of money is defined by the promised redemption in goods and/or services. As such, this type of money is promises of an indefinite number of non-uniform commodities in indefinite supply and, unlike the limited quantity "coin" concept of money, the total quantity of these credits in circulation does not affect their value, because the value of a credit is defined by what its issuer will redeem it for in real goods and/or services. Examples are: business-to-business barter credits, customer rewards, travel points, discount coupons, mutual credit systems.

Mitzplik
Member



Re: How the Ripple payment network and XRP are different from Bitcoin

June 21, 2014, 04:20:30 AM

#86

Activity: 102
Merit: 10



Quote from: sublime5447 on June 20, 2014, 02:18:45 PM

Two Kinds of Money

1.The Scarcity Model: A single uniform quantity in limited supply made valuable by its own scarcity.

In other words, the value of this type of money depends on the supply of, and demand for, the money commodity itself. Conventional definitions of money define money only in terms of this model, a "medium of exchange". Examples are: cowries, gold and silver, fiat cash and coins, bank credit, and now, in the model's purest and most spectacularly speculative form, Bitcoin.

2. The Abundance Model. A promise of something specific from someone specific made valuable by its redemption in real production. The value of this type of money is defined by the promised redemption in goods and/or services. As such, this type of money is promises of an indefinite number of non-uniform commodities in indefinite supply and, unlike the limited quantity "coin" concept of money, the total quantity of these credits in circulation does not affect their value, because the value of a credit is defined by what its issuer will redeem it for in real goods and/or services. Examples are: business-to-business barter credits, customer rewards, travel points, discount coupons, mutual credit systems.

The second type you called abundance, but goods and services are scarce. This is why they are traded by scarcity-based commodities. You cant have 1 billion hours of quality devs as a redeemable promise.

Also, i disgaree that fiat money is under a scarcity model (look at QEs).

But in ripple both worlds are possible. People can create both kinds of tokens in there.

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