

Litecoin

Lesson 17

Participants should recognize that when we learn about the digital economy, we simultaneously learn how to create opportunities. We might fight one of those opportunities with Litecoin (LTC), sometimes referred to as the silver to Bitcoin's gold.

In 2011, Charlie Lee created Litecoin as a peer-to-peer cryptocurrency. Reports show that his primary aim was to create a lighter version of Bitcoin, offering faster transaction times and lower fees, making it more suitable for daily transactions and micro-transactions.

This lesson delves into the origins, purpose, and technological innovations of Litecoin. The lesson will also offer ideas on how Prison Professors could potentially use Litecoin leverage initiatives that support people transitioning from prison to society.

The Origins of Litecoin

Charlie Lee, a former Google engineer, introduced Litecoin to the world in 2011 with the intention of improving upon Bitcoin's design. Litecoin was one of the first altcoins, created using a copy of the Bitcoin protocol but with modifications to increase transaction speed and decrease block generation

time. Litecoin's creation marked an important milestone in the evolution of cryptocurrencies, demonstrating that the blockchain technology underlying Bitcoin could be adapted and improved.

Key Features of Litecoin

- » **Faster Transaction Times:** Litecoin's network aims to process a block every 2.5 minutes, compared to Bitcoin's 10 minutes, allowing for quicker transaction confirmations.
- » **Increased Maximum Supply**:** There will only ever be 84 million Litecoins, four times the total supply of Bitcoin, making it more accessible for smaller transactions.
- » **Script in Proof-of-Work:** Litecoin uses the Script algorithm in its proof-of-work (PoW) process, which is more memory-intensive than the SHA-256 algorithm used by Bitcoin. This was originally intended to allow more people to mine Litecoin on consumer-grade hardware.

Litecoin's Utility in the Digital Economy

Litecoin's design makes it an efficient medium for transacting value, especially for smaller, day-to-day purchases or online transactions where speed and lower fees are important. Its widespread adoption and acceptance on various platforms also demonstrate its utility as a stable and reliable cryptocurrency within the digital economy.

Practical Application: Reintegration Support with Litecoin

Our team at Prison Professors envisions a scenario where we could leverage Litecoin's fast and cost-effective transaction capabilities to support people who are transitioning from prison. We always want people to work toward earning freedom, which is why we urge participants to share their stories.

Below we offer a conceptual use-case example integrating Litecoin with a system to recognize self-education efforts for people in prisons.

Use-Case: Educational Milestone Tokens (EMT) on Litecoin

Objective: To create a system where people in prison could earn Educational Milestone Tokens (EMT) for completing books and publishing book reports, using Litecoin's blockchain to track and incentivize educational efforts.

How It Works:

1. **Token Creation:** Use Litecoin's smart contract capabilities to create an EMT that represents proof of educational achievements. Each EMT is awarded upon the completion of a book and the submission of a corresponding book report that we would publish on a person's profile at Prison Professors Talent.
2. **Smart Contracts for Verification:** Develop smart contracts on Litecoin's blockchain that automatically verify the completion of a book report submitted through a secure, digital platform accessible within correctional facilities, or on our website. Once verified, the smart contract issues EMTs to the individual's digital wallet.
3. **Donation Tied to Educational Efforts:** Encourage donations in Litecoin to a dedicated fund that supports reintegration efforts. The amount of Litecoin each individual can claim from the fund is directly proportional to the EMTs they've earned, incentivizing continuous self-education.
4. **Redemption of EMTs:** Allow individuals to redeem EMTs for various reintegration support options, such as educational courses, vocational training, or seed money for entrepreneurial ventures post-release. The smart contract converts EMTs into an equivalent amount of Litecoin, which is then disbursed to service providers on behalf of the individual.
5. **Transparent Tracking and Reporting:** Implement a public ledger on Litecoin's blockchain to transparently track the issuance of EMTs, donations received, and funds disbursed. This ensures accountability and allows donors to see the direct impact of their contributions on individuals' educational progress.
6. **Partnership with Educational and Reintegration Services:** Collaborate with educational institutions and reintegration service providers to accept EMTs (converted to Litecoin) as payment for their services, ensuring a wide range of opportunities for individuals to apply their EMTs towards meaningful reintegration efforts.

Benefits:

- » Incentivizes Education: By tying tangible benefits to educational achievements, incarcerated individuals are motivated to engage in self-education, improving their prospects post-release.
- » Transparent and Secure: Utilizing Litecoin's blockchain ensures that all transactions and token issuances are secure and transparent, building trust among participants, donors, and service providers.
- » Supports Reintegration: Converts educational efforts into practical support for reintegration, directly linking self-improvement during incarceration to opportunities for a successful transition back into society.

Implementation Challenges: Any time we're striving to introduce an innovative way of thinking—such as measuring justice through a person's efforts to reconcile rather than by the turning of calendar pages, we should expect resistance and challenge. That's why we need to think about the other side—people who do not want people in prison to have opportunities to earn freedom. A token economy can help us bring meaningful reforms and overcome objections. First, we must address:

- » Accessibility: Ensuring access to the necessary technology for incarcerated individuals to participate in the program.
- » Verification: Developing a robust system to assess the completion and quality of book reports accurately and fairly.
- » Partnership Development: Establishing partnerships with stakeholders and service providers willing to accept cryptocurrency as payment for educational and reintegration services.

This conceptual use-case demonstrates the potential for Litecoin. With evolving smart contract functionalities, Prison Professors could use Litecoin to support innovative programs that incentivize excellence, recognizing each person's efforts toward personal growth, development, and reconciliation.

In the next lesson, we'll learn about another altcoin, Monero.

Investment:

On Friday, February 23, 2024, at 3:44 pm Pacific time, the price of Bitcoin continued trading in a range when I looked on Coinbase: \$50,827.00

- » Total investment in BTC at end of day, February 19, 2024: \$192,202.76.
- » Total holdings: 4 BTC
- » Total value: \$203,308
- » Gain or Loss: \$11,105.24

The value of my holdings surpassed the total amount that I had paid by \$11,125.24 since I began investing in cryptocurrency, on January 31, 2024.

Separately, I purchased 1 ETH. It was valued at \$2,954.74 and Coinbase charged me a fee of \$66.48. My total investment: \$3,021.22. Value of ETH at end of day: \$2,927.63.

- » Value of Link today: \$18.01
- » Value of ADA today: \$0.5859
- » Value of ATOM today: \$9.99
- » Value of DOGE today: \$.0827
- » Value of Litecoin today: \$68.75

Disclaimer:

For full transparency, I am not an investment advisor. Our nonprofit, Prison Professors, offers these lessons for the singular purpose of helping people learn more about the digital economy. I provide information on my personal investments to show that even a person who served 26 years can participate in the digital economy. I am an investor and a speculator, understanding the risks. No one should invest in any asset class without a strategy and a plan, as shown through our introductory course: Preparing for Success after Prison. Always develop an understanding of investment risks—especially with cryptocurrency.

Critical Thinking Questions:

1. How does Litecoin's design contribute to its utility as a medium of exchange for everyday transactions?

2. In what ways could Litecoin's transaction speed and lower fees impact the effectiveness of micro-donation platforms for reintegration efforts?
3. How can the transparency and security offered by the Litecoin blockchain enhance trust and accountability in charitable initiatives?*

Advocacy Initiative

Prison Professors is dedicated to exploring innovative ways to use cryptocurrencies to support prison and sentence reform. By understanding and leveraging the unique features of cryptocurrencies like Litecoin, we can suggest pathways for change and empowerment. Join us in this journey, and share your thoughts on how Litecoin and other digital currencies can be used to create positive social impact.

To the extent that you're willing to participate in our advocacy efforts, please share your story and responses through the manner that works best for you:

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- » Lesson 17: Litecoin (LTC)
- » Lesson 18: Monero