

Name _____

Demystifying the Magic: Understanding Blockchain and Cryptocurrencies

Open-Ended Response Answer Key

1. (Sample answer) Decentralization in Blockchain technology and cryptocurrencies offers advantages such as enhanced security, transparency, and resistance to censorship. However, it also poses challenges in terms of scalability, regulation, and potential misuse for illicit activities.
2. (Sample answer) Blockchain technology can improve the transparency of supply chain management by allowing participants to trace the origin and journey of products, providing real-time updates, and ensuring the authenticity of products. This can help reduce fraud and enhance consumer trust.
3. (Sample answer) Cryptocurrencies can be more efficient and cost-effective for international money transfers, especially in regions where traditional banking services are limited or expensive. They offer faster transactions and lower fees, making them a viable alternative for remittances.
4. (Sample answer) Integrating Blockchain technology into voting systems can enhance security and transparency by creating a tamper-resistant ledger of votes. It can also enable secure online voting, streamline the verification process, and increase voter participation. However, it may require addressing challenges related to identity verification and accessibility.

