

Bitcoin 'mining pool' promises to stay small

July 17 2014, by Peter Svensson

The largest group of bitcoin miners, which maintains and processes transactions in the digital currency, is promising to avoid majority control of the currency as a temporary measure to maintain the payment system's credibility.

Mining pool GHash.IO, which is controlled by a British company, CEX.IO Ltd., said Tuesday that it would not amass more than 40 percent of the [processing power](#) of the bitcoin system. Earlier this summer, it briefly exceeded 50 percent.

Miners operate the computers that keep track of bitcoin transactions. As a reward, they receive newly minted coins. A miner that controls more than 50 percent of bitcoin processing could control the flow of transactions, freeze people out of the network and keep all future bitcoins for itself.

© 2014 The Associated Press. All rights reserved.

Citation: Bitcoin 'mining pool' promises to stay small (2014, July 17) retrieved 24 April 2024 from <https://phys.org/news/2014-07-bitcoin-pool-small.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--