

Crypto donors pay \$1 mn in fees for failed US Constitution bid

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Security guards stand next to the first printing of the United States Constitution during an auction at Sotheby's auction house in New York.

The cryptocurrency donors who banded together for a failed try to buy a rare copy of the US Constitution have had insult added to their injury in

the form of over \$1 million in fees, data showed Wednesday.

Over 17,400 donors joined in the headline-making effort to purchase the document at auction in New York, but people have been seeking refunds this week after losing out to a billionaire's \$43 million bid.

The crowd-funding endeavor used the digital money ether, which extracts a charge for each transaction—so donors had to pay both to pitch in and to get their money back.

Crypto prices are volatile, but as of Friday's value the donors had collectively lost some 199.5 ether or about \$850,000 to donate and another 38.4 ether or roughly \$163,000 on refunds, according to Dune Analytics tracking.

The charges, which are due to the decentralized nature of the digital money, show the challenges to using crypto for routine financial transactions.

Ether calls the costs a "gas" fee, and they pay for executing the computer transactions that are essential to moving the digital money, its platform said.

The sale from Sotheby's last week drew lots of attention, with the auction house saying the item was one of only 13 known surviving copies of the US charter, signed on September 17, 1787 at Philadelphia's Independence Hall by America's founding fathers including George Washington.

Hefty fees

Despite the outcome, the cryptocurrency consortium ConstitutionDAO that sought the rare document sounded a positive note on the effort.

"We made history and showed the entire world that a group of internet friends can... face a seemingly insurmountable goal and achieve incredible results on an impossible timeline," it wrote on Twitter as the group disbanded.

But because many donors kicked in the equivalent of about \$200, they took a heavy hit on gas fees that vary according to demand and are charged at a flat rate.

"Guys I love this project but you gotta figure something else out. Having people spend that much gas to reclaim makes no sense," tweeted @nateliason.

Others were also bittersweet about the result.

"It speaks volumes that a billionaire won the US Constitution as opposed to the 17,437 people who rallied together to try and secure this monument to freedom," tweeted @museumofcrypto. "Regardless, well-played @ConstitutionDAO."

Kenneth Griffin, CEO of the hedge fund Citadel in Chicago, set a [world record](#) for a historical document at auction Thursday when he purchased the 1787 text, according to Sotheby's.

Griffin will lend his copy of the Constitution for free to the Crystal Bridges museum in Bentonville, Arkansas, which will display it without charging visitors, Sotheby's said.

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