

MICHAEL HARDY PHOTO JUL 9, 2019 3:32 PM

The Cryptocurrency Rush Transforming Old Swiss Gold Mines

In 2016, Alpine Tech started a digital currency mining operation in Gondo, on the Italian border. Photographer Claudio Cerasoli documented their efforts.



CLAUDIO CERASOLI

THE SMALL VILLAGE of Gondo, high in the Alps on the Simplon Pass between Switzerland and Italy, traces its origins to the 17th-century gold mines of Kaspar Stockalper. It was a boom town, but when the mines closed in the late 1800s, the town went into a long decline; today it has around 50 full-time residents. But a few years ago Gondo began to attract a new kind of prospector—cryptocurrency miners attracted by the mountain town's cool temperatures and cheap hydroelectric power.

The first miners to arrive were a group of young Swiss businessmen whose company, Alpine Tech, built a windowless bunker fitted out with 900 graphics cards (GPUs) to "mine" cryptocurrencies including bitcoin and ethereum. These and other digital currencies require massive computational power to verify blockchain transactions, so they reward people who provide that power with newly minted coins. Although still based in Gondo, Alpine Tech now operates mining facilities across Europe.

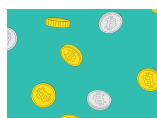
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Last year, Italian photographer Claudio Cerasoli made a series of visits to Gondo to document Alpine Tech's operations, as well as the remnants of the town's old gold mines. "From the beginning, I was fascinated by the similar terminology used in cryptocurrency and gold mining," Cerasoli says. "In both cases, despite the sophisticated technologies involved, there are small-scale, artisanal techniques to discover."

The Alpine Tech team invited Cerasoli to photograph the racks of graphics cards in their underground concrete bunker, which is cooled by a dozen plastic tubes that pump 30,000 cubic meters of chilled air into the space every hour. Mining cryptocurrency is extremely energy intensive; an online tool built by University of Cambridge researchers estimates that the annual worldwide energy consumption of bitcoin alone equals that of Switzerland—the country that, coincidentally, has become something of a cryptocurrency hotbed.

For his series *The Gold of Gondo*, Cerasoli juxtaposes photographs of blockchain computing with images of abandoned gold mines, prompting viewers to wonder what, in a hundred years, will remain of Alpine Tech's bitcoin boom. "Both gold miners in the past and these modern miners are motivated by the desire to discover a new world," Cerasoli says. "And they both had to create innovative ways to achieve their purpose."

For now, at least, the cryptocurrency gold rush is on.

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