

Privacy-preserving technologies are essential for the modern world. Much of human information is now stored and exchanged online, and vast swathes of that information are meant to be private.

Encryption allows users to keep their data private from applications. Messaging apps like [Signal](#) encrypt messages so only the sender and receiver are able to read them. A third party like a company, ISP, or malicious actor can't decrypt the encrypted content. This works well for most use cases, but often knowing the source and destination of a message is as valuable as knowing the content of a message.

Monitoring a computer network makes it possible to observe metadata like the source and destination of a message, its size, and the time it was sent. Virtual private networks (VPNs) address this problem by forwarding all traffic through a trusted third party. This makes communication more difficult to observe, but relies on the third party completely. [Tor](#) takes this concept a step further by creating an open network for anonymizing internet communication. An end user sends traffic through a random path in the Tor network, so single parties can't tell the true source or destination. However, Tor falls victim to traffic timing attacks, nation-state-level surveillance, and does not have native incentives.

That's why we're investing in [Nym](#), which solves internet privacy by creating the first [mixnet](#) with native incentives via a blockchain. Nym's mixnet is a decentralized network of routers where messages are bundled and routed through a series of consecutive layers, providing privacy. To use an offline analogy, think of each message on Nym's network as shoppers walking between stores in a mall. The Nym shoppers all look and dress identically, and visit multiple stores at random before reaching their final destination. As a result, an omniscient observer isn't able to tell one Nym shopper from another, and encryption prevents them from reading the content of each message.

We first met Harry Halpin and the Nym team back in 2018. His [personal passion](#) and deep expertise in privacy were immediately apparent. Harry has been a privacy advocate and true cypherpunk his whole life, working to make a more free and just world through cryptography with projects like [NEXTLEAP](#) and [Panoramix](#).

Harry is joined by an incredible team of experts and visionary entrepreneurs. Dave Hryczyn, Nym's CTO, previously helped scale blockchain consensus as the CEO and Co-founder of [Chainspace](#). Nym's Chief Scientist, Claudia Diaz, is one of the world's foremost researchers working on mixnets.

We believe privacy will be an essential characteristic of blockchains, even though most blockchains like Ethereum and Bitcoin are completely transparent today. Projects like Aleo, IronFish, and Aztec solve application-level privacy, but before Nym, network-level blockchain privacy had been an unsolved conundrum. By enabling private blockchains, Nym will open a new design space for builders to create previously impossible private web3 applications. Nym is a new generation of global privacy that, like Tor, uses relay nodes to provide privacy. Their aim is to be able to scale the network to serve as a privacy backbone for the entire internet and make it more efficient by rewarding the nodes that run it.

With their world-class team, technical insights, and grand vision, we're thrilled to partner with Nym to realize better privacy on the internet.

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Source: [Investing in Nym](#)