



Dogecoin Soars 29% After Elon Musk Tweets!

Description

Dogecoin just jumped 29% in the span of a few hours. And guess who was behind it?

That's right: Elon Musk.

Earlier today, Musk took to **Twitter** to say that **Tesla** might begin taking merch orders in DOGE. By “merch,” Musk was referring to the clothing and accessories sold on Tesla's site — not the cars themselves. Earlier this year, Musk began taking car orders in **Bitcoin** but found it impractical due to environmental concerns. This move to take merch orders in DOGE would be Tesla's first foray into crypto payments since Bitcoin payments were axed.

Why Musk likes Doge

Today wasn't the first time that Elon Musk [pumped DOGE on Twitter](#). His tweets earlier in the year were thought to have ignited the initial rally of April/May, which increased the price of DOGE by several thousand percentage points. Prior to Musk's pumping, DOGE was thought of as a joke coin that nobody would ever actually use as a currency. After Musk and Mark Cuban started tweeting about it, that began to change.

Musk has often said that DOGE is the “little guy's” cryptocurrency. Unlike with Bitcoin, you don't need tens of thousands of dollars to buy one unit of Dogecoin. Bitcoin does break down into smaller units called Satoshis, but Musk says they are harder to transact with than full Dogecoins. Musk claims that he realized this after noticing that Tesla workers were using Dogecoin instead of Bitcoin due to its lower price and ease of use.

Should mining companies get in on this?

Elon Musk is the world's richest person. Recently, he was named *Time Magazine's* Person of the Year. He has 70 million Twitter followers, and his followers often buy the assets he talks about. Obviously, this is a person of great influence.

This leads naturally to the question, should crypto mining companies start mining more Dogecoin?

Companies like **HIVE Blockchain** ([TSXV:HIVE](#))(NASDAQ:HVBV) have made a lot of money mining Bitcoin and **Ether**. In its most recent quarter, HIVE had \$52.6 million in revenue and [\\$123 million in crypto assets](#). That's some admirable success. But perhaps if HIVE got into mining DOGE, it would do even better.

It only takes 0.12 KWH of electricity to mine one Dogecoin, and it takes 707 KWH to mine a Bitcoin. It appears, then, that Dogecoin mining is easier on the environment than Bitcoin mining is. More to the point, it's a lot cheaper. At the current rate of electricity consumption, HIVE could mine countless DOGE every single day. And since Dogecoin has a much lower market cap than Bitcoin, it has more room to run.

If Musk remains a Dogecoin partisan, then the coin could really take off. And perhaps miners that got in early would profit from its rise.

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