

THE ELUSIVE ILLUSION OF BITCOIN SCARCITY

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v1.0.0

Published by konsensus.net 

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About this Piece

Niko Laamanen · Jul 23, 2023

An article published by konsensus.net.

Chapter 1

The Elusive Illusion of Bitcoin Scarcity

Welcome, dear readers, to a whimsical and slightly unconventional exploration of the fascinating world of bitcoin. In this light-hearted column, we'll coddIWomple through the enigmatic notion of scarcity surrounding everyone's favorite and second favorite digital money, bitcoin.

The Custodian Conundrum: Opting In or Out?

Ah, bitcoin, the captivating marvel that enthralls enthusiasts and skeptics alike. Some argue that utilizing custodian services undermines the value of the base protocol. But fear not, my friends, for in the world of bitcoin, you can always choose to opt in or out as you please. It's a playground of personal responsibility and autonomy.

You see, most people are inclined to shun personal responsibility in favor of the convenience of custodial solutions. This leads to the existence of bitcoin IOUs and other paper-based bitcoin shenanigans. And you know what? That's completely fine. After all, we're each entitled to our own preferences. As for me, I'll proudly embrace personal responsibility and hold my own keys while reserving the right for anyone else to do the opposite or any combination thereof.

In "The Know" Advantage: Accumulating Real Satoshis

Here's an intriguing twist, my fellow adventurers. The majority's reluctance to accept personal responsibility may actually have a positive effect on those who do. Why, you ask? Well, those within "the know" have the remarkable luxury of accumulating vast sums of real satoshis for their cold storage at discounted prices. It's like finding a hidden treasure chest while others remain blissfully unaware.

Should we let this happen? Should we let people willingly embark on a path of self-inflicted financial harm? Absolutely. As a freedom maximalist, I firmly believe in defending each individual's right to make their own choices, even if they result in losing everything. It's a fundamental aspect of personal freedom.

The Musical Chairs of Hope

Let me be clear: My heart weeps for those seeking quick wins in the perilous game of Musical Chairs of Hope. When the music of paper bitcoin printers ceases, most players will discover that not only are there not enough chairs for everyone to sit, most of the chairs were nothing but an illusion, to begin with. It is a rude yet necessary awakening to many.





Then again, even if you are aware of the best practices of bitcoin self custody, you, too, are prone to speculation. Yes, you are. Everything is a game of profits, and everyone is a player. Let's take a moment to reflect on the nature of the bitcoin price game. You may speculate and lustroously await the moment when bitcoin "ten-exes." But here's a deal, my dear readers: the rise of bitcoin will likely be driven by hyper-inflating fiat currency rather than an immediate mass adoption of bitcoin itself. So, relax and let go of the fear of missing out.

It's a compelling idea to sit on your sat-stack and live off the infinite appreciation of your savings, having not to work for your upkeep. Alas, this is a pipe dream. Even if you could accumulate a large enough stack, somehow hold on to it, AND experience bitcoin "ten- or hundred-exing," I'm sorry to tell you, friend, that is one hell of a gamble.

Act as if bitcoin is sure to fail, not as it's sure to succeed, and see yourself to some use for your fellow men.

Building Knowledge and Taking Responsibility

In the interest of taking responsibility, I'm building an extensive library of information in various forms. Through books, podcasts, articles, and educational classes, I strive to empower those willing to learn and carry personal responsibility. My humble contribution is to ensure that knowledge is readily available to all.

So, instead of anxiously worrying about the fleeting opportunity to stack cheap sats, redirect your energy and focus on building something useful for your fellow human beings. That, my friends, is how you truly prosper, regardless of what happens to the bitcoin price. And even if I'm proven wrong, and the majority does







embrace self-custody while bitcoin moons, you'll still be in a favorable position, having accumulated reputation and skill capital that makes you indispensable to others. After all, being able to trade your expertise into infinitely deflationary money is always a wise choice. Just remember to extend your time horizon beyond a single generation. In the long run, we cannot but win.

The Power of Reputation and Skill Capital

Extending your time horizon to cover multiple generations, you embrace a perspective beyond your immediate desires. In other words, you lower your time preference, discounting today in favor of tomorrow.



Accumulating infinitely deflationary money is undeniably enticing, but it's equally important to recognize the value of honing our skills and knowledge. The more useful you become to your fellow humans, your potential for long-term success increases.

Hyperbitcoinization: A Distant Dream

Amidst the euphoria of the bitcoin community, we must face a sobering reality. Hyperbitcoinization, the day when bitcoin reigns supreme, may not be a spectacle we witness during our lifetimes. While dreams of an overnight bitcoin revolution dance in our hearts, it's crucial to recognize that progress takes time. Remember, Rome wasn't built in a day, and bitcoin won't instantly conquer the world.



Embrace the Freedom and Build for the Future

Scarcity is a powerful, yet not an omnipotent property of bitcoin. While custodian solutions may prevail for the majority, the freedom to opt for self-custody remains a beacon for those who value autonomy and personal responsibility. That certainly is a win in my book. If we have won, truly, perhaps it's time to stop worrying about how others want to use bitcoin. Perhaps other people are capable adults and not retarded children needing care from the wiser of us.

Bitcoin offers a unique alternative where financial systems are often opaque and centralized. It's a playground where the rules are defined by cryptographic algorithms and control over one's funds rests firmly in the hands of the individual. Bitcoin represents a symbol of empowerment, encouraging us to question the status quo and forge our own path. But remember that throughout history, most humans did not want to lead but follow. Now, let's build something worthy of those followers.

The custodian conundrum, the discounted present, and hyperbitcoinization are all great topics of a hearty circle-jerk. But in truth, all we can ever hope to change is our own minds.

Disclaimer: The content of this column is meant to entertain and provoke thought. It does not constitute financial advice. Always do your own research before making any investment decisions.

Source

Originally published at konsensus.net/article/the-elusive-illusion-of-bitcoin-scarcity