

# Thoughts On Bitcoin...

Per a **2017** report: .../people-are-taking-out-mortgages-to-buy-bitcoin-as-price-soars

IMHO “crypto currency” is simply another fad. Many people invest, or get involved, in things like this based on absolute zero knowledge of what it is they are investing in. So what you have here is nothing more than a bunch of people thinking they’re investing in something... which is really nothing. Bitcoin isn’t a construction company, it’s not a Microsoft or Apple, it’s not a gold mine in Africa, it’s not an airline or oil field, it’s not even a house or a car, it’s NOTHING but an idea to suck money (your purchasing power) in and blow it, or wash it, back out; which is why folks who are into crime and money laundering love it, just like they used to love their bookie down the street and their drug pusher on the corner. Let’s get high on [Bitcoin](#)!

Q: So [what is Bitcoin](#) really? Well, what it really is... is a name (“Bitcoin”), that sounds like some kind of currency (“coin”); and it seems to be on a computer. But it’s really just a network driven ledger system dreamed up by some hacker. The ledger itself is [data, stored as bits and bytes](#), spread all over a huge number of computers ([a computer network](#)). No one part of the ledger ([probably](#)) is in any particular computer. The ledger itself is chained together, piece by piece, and spread all over the world. That’s why they call it “[block chaining](#)” (in the 1970’s you went to a college and took a programming class and learned about “linked lists”; “forward linked lists”, “reverse linked lists” and “double linked lists”... [look it up... chains](#)); likewise, a block of ledger data or ledger transaction data is stored on any given computer, not the entire ledger or ledger DB. Some of those blocks could simply be redundant copies of other blocks (thus a sort of backup system... maybe?). The links in the chain are simply pointers or network addresses ([links](#)) pointing to where the next block ([node](#)) in the chain can be found. And, if you break the link w/o correctly patching them... or remove some blocks incorrectly... the entire DB network could be destroyed or corrupted. One might ask... who will recover from that disaster once some other hackers from Russia or North Korea get involved and decide to do some malicious hacking of their own?? Hummm?

Q: How can you or anyone else think that a ledger has value? It doesn’t, except for the fact that some stupid people are going to pay someone else to move their real money... or currency, if you wish to talk about it that way... off of a standard banking ledger (such as a checking account or the cash in their wallet) onto the “Crypto Network Ledger”, which nobody really knows who is in charge of or how the accounting ([algorithm](#)) on it takes place... except perhaps the hacker [who](#) cooked up the original networking algorithm; and maybe a couple of his or her buddies.

The value(s) people are betting on (investing?) in the “crypto markets” is based on people’s willingness to get involved and make bets/trades: will this Bitcoin ledger suck in a lot of other people’s money (purchasing power) or not, will it rule the world one day or not, will entire economies crash as a result or not, will it compete with normal banks and the Fed or not, is it ferry dust or not?

So they get the fad going, divide the original units of measure (a bit coin) down into smaller and smaller units (fractions of coins) and other people get wind of it, and they all jump on the bandwagon, and the next thing you know Real Money (tracked via other “monetary units”) is transferred into somebody else’s pocket while a mysterious transaction ledger out there, on the Bitcoin cloud, keeps track [of it all](#); and then they figure out how to move the [bogus idea](#) (just like many prior Dot.com bubble IT company [ideas](#)) into the stock market, or some other futures market(s), and now the brokers and the financial advisors can start making [real money \(purchasing power\)](#) off of this game ([without investing their own skin in the same game](#)); which is just another Bernie Madoff type approach to soaking as many suckers as come along.

Eventually, the [unregulated](#) music will probably stop (probably after the X number... the max number... of bit coins are “mined” one of these days) and somebody will be left without chairs and their pants will be down. Same as happens with all of these goofball ideas and bubbles.

IMHO.

P.S. It’s probably better to be a coin broker or a coin miner than a coin buyer or seller or retail user.

For a **2024** updated opinion, which covers more details on said topic, check this one out...

[Thoughts On Crypto](#)