

Bitcoin is just a gamble. That's it. There is no...

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I have, for a long time, been deeply cynical about Bitcoin. There are good reasons to be so.

The first is the so-called production process. Not only is it profoundly environmentally undesirable, what really worries me is that no one actually knows who gets the literal accounting credit (or profit) from the process. We know a supposed asset is created. But who by? And at what profit? The unanswerability of that question is, for me, deeply troubling.

Then there is the fact that this is not a currency at all. That's not just because of its limited exchange ability, but simply because it is not a promise to pay, which is all that gives any true currency its value.

Third, there has been its obvious speculative quality. It is not a measure of value. Its value is speculated. The paradox is apparent: it cannot be both at once and so has none of the traits of currency.

All that has always added up to such 'currencies' appearing to be little more than Ponzi schemes to me. So long as the fool and their money have been willing to be parted Bitcoin has worked. The moment any economic substance has come near the arrangement value has been hard to find.

Yesterday another element of that suggested value - the apparent indifference of the Chinese government towards Bitcoin production - departed the scene and the value fell by 30%. That Tesla has also decided after a brief dalliance with Bitcoin to now refuse payment in it only added to the woes.

I was asked recently to summarise what I thought of Bitcoin and similar 'assets'. My summary is that I think they are valueless opportunities for exploitation of the unwary because of the opacity that surrounds the whole process of the production and those who benefit from it and as such I believe that they have no role in the real economy. If people want to speculate in them that is their choice, but the number of

people doing that does not indicate that there is value in that process, anymore than other forms of speculation do not create value. Bitcoin is just a gamble, at best, and has never looked to be a very good one.

And as far the chance that such a 'currency' will replace government backed only - dream on, is m suggestion.