

Bitcoin: Too Good to Hoard

At one point during last night's bitcoin [debate](#) between [Jeffrey Tucker](#) and [Andrew Schiff](#), Andrew asked the audience: "How many of you have bought something with bitcoin?" Half the audience raised their hands. He then asked: "And how many of you regret it, given that bitcoin is worth 100 times what it used to be?" Almost all hands went back down.

There's something about bitcoin that traditional economists and finance people keep missing. Having spent their academic and professional lives theorizing about "rational" economic actors, they can't get over the fact that bitcoin's purchasing power changes a lot from month to month, sometimes hour to hour. Why would anyone use it under those conditions when they can just use something stable like dollars?

What they're missing is that bitcoiners **expect** the price to be volatile, and view that as a necessary and obvious price-discovery step in the rapid-adoption phase of a fascinating new technology. We see the potential, we understand how ground-breaking it is, and we want to use it **now**. We know it'll either be worth a lot more or a lot less in the future, but we're jump-starting the next phase of money here, and we're not gonna wait for "stability" to make use of it.

But don't take my word for it. How about the guy who bought 10,000 BTC pizzas less than four years ago? Writing a week ago, [he said](#):

"...I was pretty happy to trade 10,000 coins for pizza. I mean people can say I'm stupid, but it was a great deal at the time."

He actually did this several times, eventually spending over 80,000 BTC (worth \$50 million today) on pizzas:

"The pizza thing was a lot more popular than I thought so I made good on as many trades as I could. Other than a little bit of single digit change, I spent everything I mined."

Transactions	
No. Transactions	3320
Total Received	81,432.09 BTC
Final Balance	0 BTC

Bitcoin is simply better money. It's a pleasure to use. When I made my first bitcoin transaction, it struck me full-force that "THIS is how money should work." Frictionless, secure, private, instant, decentralized. Using dollars online has none of those properties, and using bitcoin makes it obvious just how much of a problem that is.