



# **BITCOIN**

## **THE MONEY REVOLUTION**

### **A Private Currency For a Free Society**

Anonymous digital cash. The people's money. True private banking. Real financial privacy. World's first crypto-currency. The ultimate offshore bank account. True global money. Peer-to-peer transactions. No company control. No government control. No central bank. No inflation. No corruption. No manipulation. Instant account opening. No ID or name required. Available to anyone from any country. No background credit checks. No references required. A debt-free money for free people. A monetary game-changer. Digital asset protection. Solid Inflation hedge. Encrypted security. Easy to use. Open source development. Instant transactions from your computer or smart phone. Download apps for iOS and Android devices. Capital appreciation assured. Private income opportunities. Buy and sell privately. Virtual reserve currency. Private Investment potential. Easy merchant account setup. No charge-backs. Instant payments. Business-friendly. Global commerce. No Fees.

**By David MacGregor**

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## The Evolution of Money

Money is nothing more than a means of exchange. In pre-monetary societies there was **barter** - the direct exchange of goods and services between people. Barter gave way to various forms of commodity money - objects that most people wanted and were willing to exchange for their goods and services. And as a result, all sorts of things have functioned as money during its long history, including salt and tobacco.

Money evolved over time and gravitated to the most suitable form, **silver** and **gold**. These two commodities naturally arose in the marketplace as ideal forms of money because they had the required attributes - that it must be durable, divisible, convenient, consistent, have perceived value, limited supply, and be widely accepted.

Later in the evolution of money people deposited their gold and silver in banks, in exchange for paper receipts which were negotiable - meaning they could be used as money. This paper money was acceptable because it was in effect backed by gold or silver.

Even later in monetary evolution, bankers noticed that not everyone wanted their gold and silver back at the same time, and realised they could make **loans** in excess of the gold and silver on deposit, and earn **interest** on them. And so fractional reserve banking was born.

The most recent stage of monetary evolution was when governments granted central banks the authority to issue paper money, or legal tender, with no gold or silver backing at all. This type of money is often termed **fiat** money, or money by decree.

Of course, even this form of paper money works as a means of exchange, provided people accept and trust it. Trouble is, the nature of fiat paper money is such that it can easily be manipulated and devalued by those issuing it, simply by expanding the supply. This mechanism has provided governments with a virtually unlimited supply of money with which to bribe their way into power, stay in power, and generally act irresponsibly.

Before the invention of limitless fiat money, a King was severely constrained as to his options. For example, if he wanted to go to war with another country he would need enough gold on hand. Soldiers had to be paid and armaments purchased, and if the treasury was empty, then war was not an option. But in latter days, the new "kings" - democratic governments - have been able to borrow whatever they like, for whatever purposes they deem necessary.

Trouble is, this uncontrolled money creation and abuse has brought us to where we are today - indebted to the point of no return. You see, all money enters the economy as a **debt**, so constant borrowing and monetary expansion can only lead to more and more debt.

Our debt-based money system has finally run its course, and is no longer capable of meeting the legitimate needs of people, if it ever did. Fact is, we are literally being destroyed by debt.

## The Game Changer

What most people don't understand is the monetary system is incapable of correcting itself. We have accumulated debt upon debt, until we are being buried under mountains of it. This is exactly what is happening now in Europe, where national debts cannot be paid off and the only apparent option is a constant diet of **austerity** along with debt refinancing. And what is happening there is only a foretaste of what will happen across the developed world.

This whole economic mess has been caused by one irrefutable fact, that we have been hoodwinked into allowing a particular class of people - bankers, in cahoots with politicians - to issue our money as **debt**. This debt-money is created out of nothing and lent into existence at interest. What better way to build a fortune and control the world?

The founder of the famous Rothschild banking dynasty, *Mayer Amschel Rothschild*, knew what he was talking about when he said: "Give me control of a nation's money and I care not who makes its laws." That says it all really.

To reverse this cycle of debt, economic depression, poverty and enslavement, it is necessary to come to grips with the primary cause - the very debt-based money system we have all grown up with, and accept without question. But the times are changing. People are waking up, and the internet is enabling the rapid transmission of knowledge and information.

Add to this the fact people are suffering, economies are imploding, unemployment is rising, wealth is being destroyed - and you have a social reality that is ripe for fundamental change - revolution even. And the one thing that could literally change everything, would be to challenge the money system itself and discover a way out of the debt trap and consequent enslavement to our money masters.

There are essentially two types of people in this world: those who simply want to be left alone to manage their own affairs and get along with people as best they can, and those who want to **control** others and boss them about.

What most people don't realise is that control over **money** is the perfect means of control over **people**, especially when the money system itself has been designed to that end. So it's necessary to understand that to really be free, we need to be free of the debt-based money system that oppresses us.

This is where *Bitcoin* comes in. It's the world's first digital, **debt-free** crypto-currency - a money system with no corporate head office, no bankers, no government shenanigans, no central bank, no boss, no branches, no restrictions - and no limits.

To understand the revolutionary nature of *Bitcoin*, it's necessary to look at what it is, how it can be used, and how you can literally free up your life by making use of it.

The first thing to understand about *Bitcoin* is that it comes into existence without debt. It is in fact a **debt-free** currency.

So how is it created and how does it come into circulation? This is done through a process called “mining”, where individuals all over the world can participate by hooking up their computers to the network which enables the *Bitcoin* system to process and verify all the transactions. By contributing this processing power, “miners” are rewarded with *Bitcoins*.

The second thing to understand is that there is a strictly **limited** supply, with no more than **21 million** *Bitcoins* (or BTC) in existence. And in case you’re wondering how this works, they are divisible to 8 decimal places, meaning you can have 1 BTC or 0.1, or 0.001, or 0.0001 BTC, and so on. As the *Bitcoin* economy grows, and because the supply is limited, the effective unit of account simply gets smaller to accommodate the increased economic activity.

*Bitcoin*, contrary to the inflationary fiat paper money we are used to, is by comparison deflationary. What does that mean? Think of it this way: as economic activity and wealth increases the actual price of stuff when quoted in BTC will decline. This is not something to worry about, but rather to celebrate. For just as we are used to high-tech items getting cheaper each year (just think how much computers used to cost!), it is entirely realistic to expect prices to drop across the board, provided economic progress continues.

The *Bitcoins* in your “wallet” will actually rise in value, and buy more stuff in the future. This has the effect of encouraging people to save (without the need for interest payments) because a year from now, *Bitcoins* will likely buy more than today. In other words, it encourages **capital** formation. And that’s a thought we’ll return to later in this report.

The third thing to understand is that *Bitcoin* runs on a peer-to-peer network of computers, which “collaborate” with each other to process and verify all transactions being conducted by the system. Unlike traditional banking, there are no clearing houses, no banks, no central authority - nothing in fact. The whole system is decentralised and distributed.

Opening an account does not require you to prove who you are, provide ID or a Social Security number, supply references, or disclose your financial information. You can immediately become part of the *Bitcoin* economy simply by making a **decision** to do so.

There are many different ways to get started, and these will be discussed in greater detail in the next part of this report. Suffice to say, it’s as simple as downloading the *Bitcoin* wallet - which resides on your computer or smartphone - purchasing some BTC and joining in the fun and freedom.

There is a wealth of information on *Bitcoin* out there, so I have no intention of repeating it verbatim here. Rather, I will use the rest of this report to point you in the right direction by providing links that will answer every possible question, and hopefully get you motivated.

## Getting Started With Bitcoin

For a quick overview of the concept, watch this short [video](#).

A good place to start is [Bitcoin.org](#) - where you can also download a range of BTC desktop wallets. Your wallet is where you store, send and receive *Bitcoins*, and operates like your own private bank account. You have a number of choices regarding the type of wallet you use, including *Bitcoin-QT*, *MultiBit*, *Armory*, *Electrum* and *Bitcoin Wallet*. You will find them all on the software download page at [Bitcoin.org](#)

*Bitcoin-QT* is the original software wallet as written by developer *Satoshi Nakamoto*. But be aware, it downloads the full [block chain](#) and can take hours to set up. So you may prefer using one of the simpler options when first getting started. These include both desktop wallets like *MultiBit* and *Electrum*, as well as web-based wallet services like [EasyWallet](#) and [Blockchain](#). I recommend *Blockchain* as a secure web-based service and *Electrum* as a quick and easy desktop wallet. Both of these are secure, well-tested, and will serve you well.

Once you have your wallet set up, your next move is to **fund** it by purchasing some *Bitcoins*. And you have many options for doing so. These range from buying them with cash from a local vendor, trading them for various alternatives, or using an exchange service to transfer funds in, then purchase your *Bitcoins* as required. This is what I did myself, using [Mt Gox](#) which is perhaps the best-known exchange service.

*Mt Gox* provides a marketplace and trading platform for the buying and selling of *Bitcoins*. You can fund your *Mt Gox* account in a number of different ways, and once funded you can purchase the number of *Bitcoins* you want. Once you have acquired them, you can choose to leave them in your *Mt Gox* account or transfer them to your desktop wallet (if you have one). Personally, I recommend using a desktop wallet and moving all your BTC to there, for additional security.

*Mt Gox* also offers **merchant** tools to enable any online business to accept *Bitcoins*. I do this myself for my *SovereignLife* membership service. In fact I go one step further and offer a **50% discount** on an unlimited [membership](#) if paid by *Bitcoin*. It's really easy to set up and you can create instant payment buttons which you simply add to your web page, as with other payment processors. It works perfectly. Think of it like *PayPal*, but without the hassle!

Here's a few more options for purchasing *Bitcoins*:

[Local Bitcoins](#) [Trade Your Bitcoin](#) [Buy Bitcoins in Australia](#) [BitInstant](#) [BTC Near Me](#)

If you have questions regarding anything to do with *Bitcoin*, or are skeptical and have concerns, then a great place to get intelligent answers is [here](#).

## How To Spend Your Bitcoins

The good news is, there is a growing market of *Bitcoin*-accepting merchants - places you can spend your BTC. And certainly more can be expected in the future.

To get some idea as to what you can currently buy with *Bitcoins*, have a look at [Bitcoin Wiki](#) and [Spend Bitcoins](#). You can buy and sell stuff via auction at [Bitmit](#), buy gold and silver at [Coinabul](#), pay for a holiday at [Bitcoin Travel](#), get a computer or TV at the [Bitcoin Store](#), play poker at [Seals With Clubs](#), order some coffee at [BitBrew](#), or register a domain at [BitDomain](#). The possibilities are endless, and as the BTC market grows, so does the value of *Bitcoin*.

As more and more products and services are able to be purchased using *Bitcoins*, the more people will participate and increase demand for them. Like all good ideas, it's only a matter of time before more people catch on and push it to greater acceptance. And this fact raises another very interesting subject, and a unique opportunity.

## How to Make Money With Bitcoin by Doing Nothing

One of the things which makes *Bitcoin* unique is its **fixed** supply. This means as more *Bitcoins* come on to the market, and more people start using them, you have a supply and demand situation which can affect the price.

I've witnessed this myself. Back in May 2012, I purchased US\$1,000 worth of BTC at the current rate at the time, which was around US\$5 per BTC - meaning I received 200 BTC in exchange. As of writing this report in December 2012, the quoted price at [Mt Gox](#) was \$13.40. That means my original 200 BTC was worth US\$2,680 just six months later - a return of **168%** based on essentially the growth of the *Bitcoin* market.

If you're a trader, you can play the BTC market using the *Mt Gox* platform, and buy and sell *Bitcoins* at opportune times. No doubt many people are doing this, because there is a ready and growing market for *Bitcoins*.

Given the dynamics of this market, it is a reasonable assumption that the price of BTC will continue to rise in relation to the USD and other major currencies. Why? Because these paper (legacy) currencies are all suffering from over-supply, or in other words **devaluation**. So if you are looking for alternative ways to protect the value of money you already have, then purchasing *Bitcoins* is certainly one option, and one I am making use of myself.

Given the *Bitcoin* market is still in its infancy, it is reasonable to expect significant returns to early adopters, as supply and demand drive the BTC price up in future. And as many commentators have noted, *Bitcoins* have even out-performed gold in this regard.

## The Unique Bitcoin Advantage

You can create a *Bitcoin* wallet from anywhere in the world, right from your computer or smartphone. You don't need anyone's permission, or need to provide any information whatsoever - no name, no ID, and if downloading one of the available desktop wallets, not even your email address.

Think of it as the ultimate "offshore bank account", a place where you can hold funds **outside** the system. And there is a good reason to do this. For as I'm sure you know, the world is in an economic mess. Countries are going to the dogs, economically speaking, and debt is raising its ugly head, only to be perpetuated by even more debt and enslavement.

Truth is, there is no end in sight to the economic travails. So you really **do** have to take matters into your own hands, and *Bitcoin* provides a set of tools to achieve this.

Governments everywhere are on the lookout for more tax revenue, and also cracking down on existing ways of protecting what is rightfully yours. So what's a sane person to do? How are you supposed to protect the value of your savings when the currency is constantly being devalued? How are you supposed to prepare for your old age when the economic system is being turned on its head and nothing is certain - not even the money in your bank account?

Fortunately, you do have a **choice**. You can choose to ignore the warning signs and simply go on as if nothing of significance is happening, or you can do something constructive.

Given the prognosis on global economic affairs, I can say unequivocally that I do not trust the government to sort this out. Not a chance. And as a result, it is imperative to think, and think hard, about the best course of action you should take.

Of course holding gold or silver is also a good way to protect yourself against monetary destruction, and that's something I do myself. But with *Bitcoin* you have another strategy available to you. And the good news is, if you make the effort to understand it, and get to grips with how radical it really is, you'll then see the potential and be motivated to act on it.

More importantly, you'll likely see how *Bitcoin* - as a private crypto-currency - provides an alternative means of achieving your freedom goals. And not just for you, but for society as a whole, looking into the future. So don't be a wallflower. Grab this opportunity to be an early adopter, take control of your financial destiny, and use whatever tools are available to protect what is rightfully yours, for you and your family. You really do owe it to yourself.

Yours in freedom

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