



Gizmodo [Fake News] Character Assassination: The Things It got Wrong About Bitcoin

James F

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There are some media outlets out there that just haven't learned from the international, viral pandemic that is 'fake news.' We are, of course, referring to Matt Novak, one of the writers reporting on behalf of Gizmodo, who spent an inordinate amount of time writing what amounts to an assassination piece titled – '[Bitcoin Surges 15 Percent Overnight](#) Because Nobody Learned Their Lesson After the Last Crash.'

It's just a shame that there was more time spent digitizing bile and less time in front of a research team or editor, as it is not only rife with an overwhelming amount of vitriol targeted against [Bitcoin](#) and, by extension, cryptocurrencies. He spends time condemning its lack of intrinsic value (despite the painfully obvious reality), and its negative impact on the environment (an assertion since disproven).

So what is it that makes this piece more character assassination and sophistry than an actual news report? It not only has its fair share of factual errors and holes in the story, but it's also incredibly misleading, doing an enormous disservice, and doing little to help the credibility of the kind of 'journalism' coming out of Gizmodo, which boasts a readership of hundreds of thousands.

Bottom line – Gizmodo is supposed to be an objective news outlet, with its eyes on giving a professional news service about the [technology industry](#). So what good is it doing letting one of their journalists go on a completely opinionated and factually incorrect rant? None.

Do better.

“To be Clear – Bitcoin is absolutely worthless by any real measure. It's fake money that's about as practical to use in the real world as Monopoly Bills. Bitcoin is backed by nothing and requires tremendous amounts of energy to mine using computers. As it becomes more difficult to mine, it saps more and more energy, causing millions of tons of carbon dioxide to be pumped into the atmosphere and accelerating climate change. Bitcoin is little more than a speculator's death cult at this point.”

In the words of Twitter user Graham Angus (@graham_angus) “Gizmodo,” by extension thanks to its promotion of this article “really hates Bitcoin.” In spite of the previously mentioned facts about this literary whining dressed up as 'news'.

So here are some facts to take away from this that will shred this individuals credibility, and demonstrate that his grip of knowledge regarding Bitcoin is far more tenuous and ludicrous than anything.

Firstly – This is an OPINION Piece, not News in an Adult Sense.

Let's get this one thing clear – journalists do research, they don't speculate unless they have the intellectual remit with which to do so. The fact that this story got filed as a news story demonstrates a fundamental failure both on the part of the writer, but also that of the editorial team that permitted this to be filed as News.

The truth is that this should be placed in, and subsequently subject to the memory of all those pieces in the 'Opinion' or 'op-ed' subcategories.

So from the elements that come off as more 'nit-picking' than anything else. Let's get onto the fundamental errors that exist.

Secondly – Bitcoin is Absolutely NOT “Worthless by any Real Measure”

So what is it that makes this statement untrue? For starters, it actually has a monetary figure behind it – nearly \$5,000 as a matter of fact. And the fact that Bitcoin has pairings with all major sovereign currencies across the world demonstrates that this statement is this person's misguided thinking.

We are seeing with each passing day, the fundamental value of Bitcoin and, by extension blockchain, increase exponentially. Why else would we be discussing with growing regularity 'institutional investment' entering the world of crypto trading? Why is it that Over The Counter services are becoming more commonplace? What are companies like Starbucks, Microsoft among many others courting cryptocurrency and Bitcoin?

Because it has fundamental value. It doesn't take a technology expert or veteran investor to see that.

But let's go ahead and put that to one side for the moment, we can play with semantics about the fact that stocks, fiat currencies, and even gold have no intrinsic value; they are valuable by the rule of Hobbes' Leviathan – we the people perceive them as having a value to us and the world, therefore MAKING them valuable.

Speaking of value, the fact that a writer and news platform has legitimized this opinion, seems to be detracting from the sites own 'value.' Where opinions flop, you can always learn to code, I suppose.

Next up – It is not 'Fake Money'

Again, this writer may very well have just slipped into a coma circa 2009/10, because he's missed out on the [multiple] announcements from countries, which have since made Bitcoin completely legal for using in transactions as well as buying, selling, trading, and just holding as an investment.

While there have been some companies that have since ended support for Bitcoin on their platforms, others, like OverStock, Microsoft and Kik allow you to pay for particular services using Bitcoin. You even have regions like Wyoming that are steadily opening the door to its use in a commercial sense, In Ohio, Geneva, among others – you can pay your taxes with it.

There have been property owners, estate agents and independent businesses that ALSO allow you to buy a house, rent a property and buy a car by using Bitcoin and Ethereum – If you spent time doing the research.

This is a little bit depressing to consider that someone writing for Gizmodo would already know this; seeing as though this is the very same site that reported on some of this news.

You're supposed to be better than this. You're a news site that has been around for a while.

TL;DR – Bitcoin is as real a kind of currency as there can be – do your research.

Up Now – Bitcoin is not 'Backed by Nothing'

What is it that Goebbels said? If you tell a lie enough times, it becomes true? Well, I hate to break it to you, but that statement, much like the allegation that Bitcoin is 'Backed by Nothing' are categorically wrong.

Much like any cryptocurrency / Blockchain, each is backed by an extensive array of mining nodes, all of which collaborate ceaselessly in order to provide a highly secure financial infrastructure that can operate in such a way as to render cross-border solutions from banks redundant and, with enough time, will become far more efficient.

Just how effective and well-used is this framework? they confirmed over 2 million transactions in just one week, and with more people having access to the internet, this number will increase exponentially.

Let's jump into the semantics again as well. For anyone that isn't familiar, sovereign currencies from the [former] Franc, Pound Sterling and the US Dollar were backed by a single uniform standard of value – the Gold Standard.

Currencies like GBP and the USD had moved from cutting loose from this standard, and for the likes of these two currencies, they cut themselves from gold as of 1931 (UK) and 1971 (United States).

With this in mind, what are these currencies backed by? By a perceived and mutually accepted trading value between Forex traders across the world. Additionally, these currencies only get backing by an imposed value by organizations like the Bank of England and the US Federal Reserve.

So it turns out that there's no hard backing to the money that you're getting paid for this article, is there? Does that make it as legitimate as 'Monopoly Money'?

Bad Half Truth – "Requires a Tremendous Amount of Energy to Mine"

This statement was trotted out by researchers some time ago, and has become a catch-all condemnation from mainstream journalists for some time. And while there is a nugget of truth to this statement, it misses a number of key aspects that poke holes in its application.

Here's a question – Is Bitcoin the only one that is causing damage to the environment? No, if anything, the industries behind the production of fiat from notes to coins have been going on unabated for hundreds of years, and actually getting worse, and the worldwide system of finance that we have has all the potential to damage the environment in a way that Bitcoin can never do.

Also – the millions upon millions of financial transactions that have been conducted by Visa and Mastercard have a profound carbon footprint. Not only that, but these financial institutions have a pitch-black moral standing if we're looking and Dankse in recent memory.

But getting back to the matter of the environment, the Cato Institute beat us to the punch in denouncing the idea that bitcoin is the only environmental hazard:

“We can only conclude that reports of cryptocurrencies’ wreaking environmental havoc have been greatly exaggerated. An examination of transaction volumes shows that Bitcoin’s power use is not outside the league of intermediated payments systems.”

But when we're thinking of the amount of energy being used up by Gold and Silver processing, transportation, as well as Fiat production and energy consumption by financial institutions, it is not only worse, but is so overgrown that there is little to no chance of any of them being made more energy efficient or, in any way carbon neutral.

Bitcoin, and blockchain on the other hand, are attempting to curtail the energy expenditure that it's racking up, especially as the community deliberates changing the algorithm that results in more challenging hashes.

Not only that, blockchain solutions are being put to work for environmental reform, and encouraging a new age of environmental activism to take root.

So while Bitcoin does use up energy for mining, at least it's working harder to change and become more efficient. Can you say the same about the mainstream?

Another Bad Half Truth – ‘Google and Facebook Banned Advertisements for Cryptocurrency’

This WAS true. And notice how the emphasis is on ‘was’? Because while Facebook and Google did instigate this ban back in the first quarter of 2018. Each of these companies have since not only lifted these bans, but they're actually working towards the use of their own cryptocurrency and blockchain solutions.

And why is it that these companies implemented this ban in the first place? No, it's not because they are as ‘woke’ as the Gizmodo writer here. It's because they were trying to curtail the number of scams that were taking place. And with the professionalization of the crypto market, which is continually evolving, this is becoming less frequent.

What makes this worse? The crass (comical) irony that Gizmodo covered this story at the time. Where were the editors and fact checkers on this one?

Mainstream Media – Respect is Earned, Not Given: Do Better

What is ultimately sad is the fact that there are some serious concerns that are brought up by writers that present a more sceptical approach towards cryptocurrency. Climate change is the single biggest crisis to face our species, and there are some matters of energy consumption, cybersecurity and scams that are pressing issues that need to be addressed.

But what these subjects and crises require is a balanced opinion, a facts-driven conversation and logical, objective reporting. Unless you're taking your lessons in journalism, news reporting and social media advertising from Youtube personalities.

What Novak accomplish by writing this piece? He throws yet another libellous, factually incorrect message in a bottle into an ocean whose population is being killed off with that kind of bile-filled pollution.

Mainstream media – Do your job properly, Editors look over and fact check the information within an article provided to them, researchers provide insight into the topic and journalists provide a strong story with factual evidence and minimal speculation.

Opinions are opinions, and when it comes to the world of journalism, keep them to yourself. You should be better than this, this is a service that people RELY on to get them informed, not a platform for you to spout falsities from.