

# BITCOIN MAGAZINE

## The Bitcoin Ecosystem's Communications Deficits

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If triumphalism drove adoption, Bitcoin use would already be widespread, and its price against other currencies would be stratospheric. But the existence of a genius protocol does not guarantee its success. For Bitcoin to thrive, there must be a great deal of social and economic change. To foster such change, the Bitcoin ecosystem needs better and more mature communications. It's a deficit that is costing the Bitcoin ecosystem in lost potential each day it persists.

Bitcoin and the blockchain are brilliant and fascinating technologies. But Bitcoin's social capital needs are manifold. To deliver on its promises of global financial inclusion, user-defined privacy, enhanced liberty and a stable money supply for all the world's people, the Bitcoin ecosystem needs a larger and more sophisticated community of software and protocol developers, greater assurance against mining centralization, and a thriving community of node operators. The embrace of the financial services community would speed adoption. Bitcoin needs the reality and perception of low volatility; it needs protocols and practices that assure privacy, flourishing marketplaces, a congenial regulatory environment and a positive reputation. (This list of social capital needs is drawn from this author's 2014 [study of impediments to Bitcoin's success](#).)

Efforts are going into developing Bitcoin's social capital. The [Open Bitcoin Privacy Project](#) is doing salutary work on the privacy piece. [Coin Center](#) is demystifying Bitcoin for regulators. But the dominant theme in Bitcoin-land remains the "block size debate," which will determine how Bitcoin adds capacity, [as it must](#). Perhaps it helps to frame the debate as [politics in a "non-political" money system](#) and [governance by competition](#). Whatever the case, there is an ongoing failure to communicate and persuade.

The drawn-out block size debate does not undermine Bitcoin's essential genius. It just means that community members are burning a lot of energy on one dimension of the Bitcoin ecosystem, energy that is not available for other dimensions. The result is delay in achieving widely agreed-upon goals. Bitcoin will fail to achieve both its social potential and its potential value against major currencies while community members use their energies this way.

It's one thing to say that communications should improve, quite another to say how to improve them. But in a 2011 study of government data transparency — which is harder to deliver than it sounds — I identified four key practices, two of which might be applied to the block size debate. Transparency improves if an authoritative source of information exists. Information sources should also be complete (a subset of "availability" in the government data study). Information flows and uptakes work better if everyone knows where to look, and comes to rely on being fully informed by looking there.

The communications of Bitcoin Core advocates do not follow this model. The creation of the [Bitcoincore.org](http://Bitcoincore.org) website and other communications have been good faith efforts, but there has yet to emerge a source where the point of view and plans represented by Core can be found and digested. Instead, nuggets of information distribute themselves like Easter eggs across various forums and listservs.

A non-technical expert should be able to look in on Bitcoin development and relatively easily learn what is happening: where we've come from and where we're going; the risk management philosophy that animates Core; and other essentials. This information should be available in non-jargon to people of ordinary sophistication and experience. In the absence of such communication, scaling debates and others will probably be more intense and longer lasting. Investment won't flow and involvement in Bitcoin won't grow as it could.

Value is a product of subjective belief. Communicating about Bitcoin will help foster growth in use and demand, raising the price of Bitcoin while serving human needs that are still dire in many parts of the world.

Core is a disconnected group of people who may differ even with each other about important priorities and details in their vision. A cost of that form of organization is paid in greater misunderstanding, more time spent on debate and slower progress. It's a cost that can be mitigated.

The communications problem is particularly acute, though, when the block size debate undercuts other dimensions of the Bitcoin ecosystem. When debaters exhibit personal animosity toward others, make churlish comments and foment derision for the other side, they are signaling to observers of Bitcoin in important segments of society that Bitcoin is not an attractive thing to be involved in. They undercut Bitcoin acceptance among potential adopters.

Particularly dismaying are the communications of a C-level executive at a prominent Chinese mining firm whose Twitter feed is often tart and disrespectful toward others. These public communications are available for anyone's perusal, of course, and they help fuel online chat that it is less than collegial and productive. His CEO cited to me no particular policy about company communications, saying that he prefers not to censor people and that he is not the "father" or "master" of his employees. Rather, this executive's communications are consistent with "an understanding" among them.

There is a belief among Bitcoin's "triumphal" community that miners can be relied on to behave well because of their interests in profits. Markets may be perfect in the aggregate, but individual actors are not, and some may not recognize that insolence might be bad for business. Just like Core, Bitcoin companies can improve their communications and message control for the benefit of the ecosystem and themselves.

A winnowing process is underway to determine who are the good businesspeople, technologists, pool operators and other Bitcoin ecosystem participants. The technologies that best scale Bitcoin will continue to be debated. The social capital Bitcoin needs will develop, including more and more mature communications. But it's a slow, human process, and the longer it takes, the slower Bitcoin's promises of global development, liberty, progress and profit will take to deliver.

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