

IBTC Fork

(Overview – Past, Present, Future)

Money is what makes the world go. Nobody could ever refuse hard cash, then why all the fuss over Bitcoins. Primarily because people haven't exactly understood what bitcoins are or how they work and what you could do with them. Through this video, we aim to allay all such fears and make you fall in love with bitcoins.

Let's begin with the very basics:

1. Bitcoins are simple, they have no complexity.

They are the equivalent of cash that's transferred from any one person to another, but electronically. While cash is exchanged by hand through a face-to-face transaction, bitcoins can be paid up to anyone in any corner of the world, through the medium of internet. It's that simple. A man named Satoshi Nakamoto came up with this concept in 2009 and ever since then the world got its first ever truly digital cash currency.

2. Bitcoins are decentralized and controlled by no one.

Over the ages, man evolved various forms of currencies, the simplest and oldest, being barter. But the problem with barter is, I may not always want what you have to offer neither may I always have what you might want or the amount you might want in return.

Then came coins, notes and even cards which became cash as we know it today. But these currencies are all centrally minted, issued and put into circulation. They can be withdrawn at any time or even pumped into the market by the central issuing authority. The only thing that's changed in thousands of years of human existence is the nature of the central authority. Earlier it used to be kings and queens and now it is governments and banks that

control the amount and flow of money that's in circulation at any given point in time.

That's where Bitcoins come in and are different from all the forms of currencies that mankind has ever known. For starters, bitcoins are decentralized. No one really owns or controls them. They cannot be pulled back or additionally issued by anyone as they are not maintained by any governing or issuing authority. This is what makes the bitcoin truly liberated and free from any sort of human control or intervention. There are only 21 Million Bitcoin in totality, hence, no more can be issued.

So how then are records of transactions maintained? Through a simple, digitally maintained ledger system called Blockchain Technology. This is devoid of any human control, neither can it be hacked by even all the world's best supercomputers put together. So, your money remains safe and inflation proof, forever.

3. Bitcoin has promoted a new world order.

If bitcoins are indeed that great, why are all national governments against it so vehemently? Answer's simple: any currency is a debt instrument issued by the central banks of that nation. The government operates on a what goes around - comes around principle, thereby ensuring that a large amount of the money in circulation, finds its way back to them in the form of Direct or Indirect taxes and Inflation.

Since, a currency like Bitcoin is truly decentralized and not controlled by any governing body, most national governments feel threatened by its existence, rampant usage and the popularity it is steadily gaining. With bitcoins there are no hidden agendas, what you pay for is what you get, barring a miniscule transaction fee. All this with your identity and privacy absolutely protected, which doesn't go down well with the government and the high & mighty who are used to infringing with impunity and lining their pockets stealthily.

4. Like any religion, Bitcoins too are fueled by trust and faith.

In order to survive and thrive, any religion needs the pillars of faith and trust from its band of loyal devotees. So also, is the case with Bitcoins.

While it is the world's safest electronically guarded currency, with its tamper and hackproof Blockchain Technology, its use and marketability depend largely on the faith and trust bestowed in its superiority by its strong and ever-growing community of users. It's like the hardware and software of bitcoins have seamlessly merged together to form a whole new culture, religion and a new citizenship beyond natural and limiting geographical boundaries.

Be it Africa, Canada, India, Japan or Brazil, people are now opening up to the true idea of fiscal autonomy and true liberation with their cryptographic wallets. They now hold the key to their own freedom without being monitored by a hovering watchdog. They can now rest easy knowing that their money and privacy are being securely guarded by real-time auditing built into the Bitcoin network. All this put together makes the idea of control and centralization, rather obsolete.

5. Bitcoin is an evolving religion.

Bitcoin was written in code, more as an experiment done by early pioneers of distributed computing, cryptographers, privacy experts, computer scientists, cypher-punks and open source warriors. Initially, it was more of an experiment than anything else, and its founding coders themselves had no idea about its future value. In fact, if its value were known, Lazlo wouldn't have generously given away 10000 BTC for just 02 pizzas in 2010. That was then, today after just a decade, the way bitcoins have evolved has surprised its inventors too. It has been trading, for the past three years at its near optimal capacity. The only thing holding it back is its backbone, the blockchain technology that can handle only 07 transactions per second. That is its major scalability issue.

a. The cost of a bitcoin transaction.

There is another problem to Bitcoin scalability and that is the actual cost of transaction. In the last one year, the average cost of one bitcoin transaction has fluctuated between \$36 and \$80. Currently, this cost is subsidized by the miners who run the network, in order to get bitcoin rewards every ten minutes, but this shall not remain so for long. Rewards every ten minutes have kept decreasing steadily from 50 to 25, then 25 to 12.5 and then 12.5 to 6.25 BTC. This means, we can safely presume that there will come a time when the cost per transaction may be even higher than \$100 rendering Bitcoin usage a far reach from the common man.

Another problem is, today the Bitcoin market is valued nearly to the tune of \$180 billion hence, nobody really wishes to tamper with it and endanger affecting its worth. Some solutions proposed to enhance transaction speed involve the use of Lightning Network (LN) and Side-Chains that can magnify transaction speeds to 100,000TPS. However, pressing those into service would mean impacting the most core value Bitcoins are founded on; decentralisation. Therefore, as far as on-chain transactions are concerned, transaction speed continues to remain an unresolved Achilles' heel.

b. There is massive inequality in Bitcoin allocation.

Like most forms of wealth, the distribution of Bitcoins among the world's population remains skewed, too. As per www.bitinfocharts.com, the wealth distribution of bitcoins among top 10/100/1,000/10,000 addresses is 5.21% / 14.78% / 35.14% / 57.58% respectively. 30% of these Bitcoins have not seen any transactions in a very

long time, which could mean either of the two: their owners are long gone or the owners have lost their private keys. Such coins are considered dead and known as Zombie coins. Since bitcoin wallet management was a new thing for many, they could not safeguard their wealth because of the inadequate literacy.

In spite of this there are still tens of millions of bitcoin wallets but on average the amount in them would be less than 0.01 BTC. With such a low number of coins, moving them would be nearly impossible, as transaction costs would far exceed the value of the coins themselves. These coins could either depend on Level II solutions or remain unused or until they're surrendered.

c. Geographical Density of BTC users is rather dismal.

Although bitcoins are universal and geographic location agnostic, one would rarely ever find the need to pay off another person not in close proximity to him. Even then ascertaining geographical density of Bitcoin users is near impossible, neither individually or even as a community of users. In order for numbers of Bitcoin users especially in India, to even matter fractionally, there must be at least 100 million Indians anywhere within the country, at any given point of time, within the country.

d. Bitcoins are a religion without mass appeal.

Every religion prospers because of the zeal, vigor and enthusiasm of its followers. This is no different for BTC as well. The irony is that until the freedom and autonomy offered by BTC, isn't embraced by the millions of people who choose to believe in its worth, Bitcoin shall remain a pseudo-religion without huge communities of followers. Bitcoin's success in India, therefore, is rather moot.

6. Creating an Indian sect of the religion called Bitcoin.

Just like every religion shelters within its vast umbrella many sects and sub-sects of beliefs and followers, so also does the Bitcoin. Now, having understood the unique set of problems that plague Bitcoin in India, the only way ahead for the Bitcoin ecosystem is to develop and establish the Indian Bitcoin or **IBTC**. All it takes is a strong resolve and the source code of the Bitcoin core to evolve to cater to India specific needs.

By: EX IIT Students (Project Developers)

We are choosing to remain anonymous, as we are following the footsteps of Satoshi and believe that the core objective of the project is far more important than any individual or group.

IBTC is a humble initiative dedicated to people of India and larger bitcoin community globally.