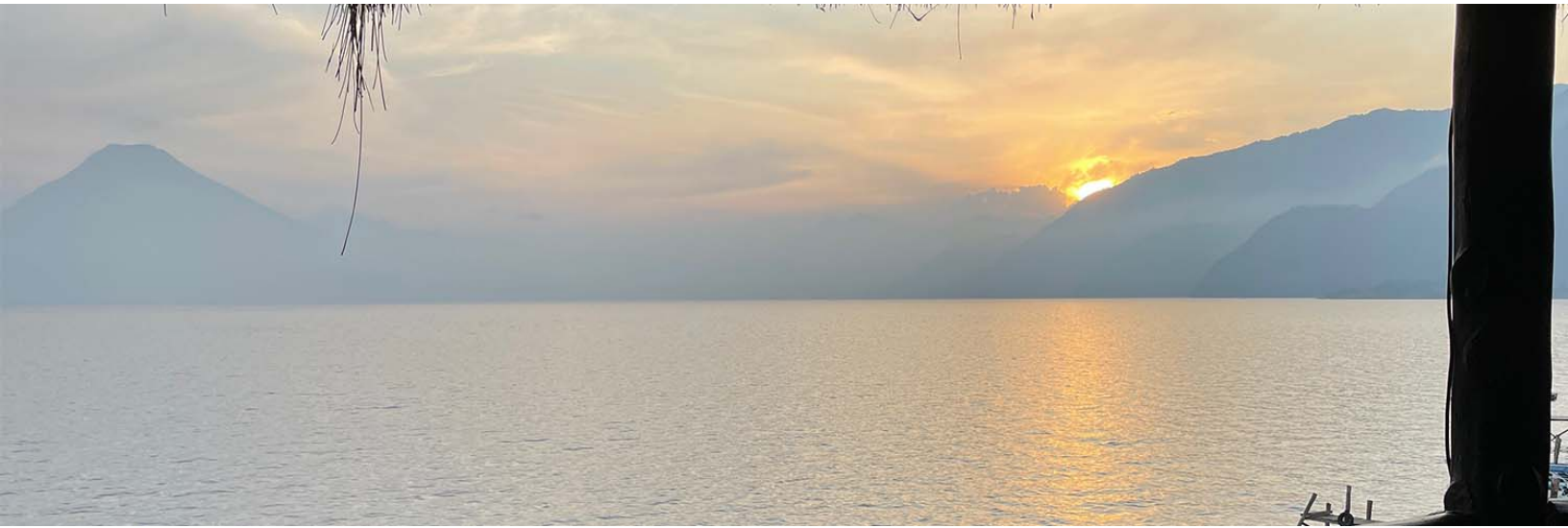


Lago Bitcoin

white paper



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Lago Bitcoin's implementation of the concepts and principles based on the example of Bitcoin Beach

Basis Underlying Bitcoin Beach-Like Efforts (BUBBLEs)

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Abstract

BUBBLEs describe the concepts and principles that Bitcoin Beach-like efforts should embrace. The original Bitcoin Beach in El Zonte achieved notable success with its approach to educating and empowering its community in conjunction with building a lasting circular Bitcoin economy. These BUBBLEs are based on lessons learned from the leaders of that effort. ¹

Table of Contents

Prologue	BUBBLE-01:
Definitions	BUBBLE-02:
Motivations	BUBBLE-03:
Team	BUBBLE-04:
Traction	BUBBLE-05:
Technology	BUBBLE-06:
Funding	BUBBLE-07:
Marketing	

¹ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

We hope this document provides guidance to others pursuing similar efforts around the globe. The format used here is inspired by the one used by Lightning BOLTs. Lightning itself has been a tremendously powerful tool in enabling circular economies throughout the world, so we send everyone who helped make Lightning payments possible a heaping helping of gratitude.²

² Ibid

Prologue

By Patrick C. Melder, MD
Pleb in charge, Lago Bitcoin/Bitcoin Lake
November 2022

While I learned about and first purchased bitcoin in 2018, it wasn't until late 2020/early 2021 that I went down the preverbal "rabbit hole." For me it was a natural progression in trying to understand the crazy year that 2020 was and will remain in the history books from COVID lockdowns to what was shaping up to be a potential crack in the longest surviving democracy in the world as election results further splintered the US population.

My faith in God provided "hope for the future" despite what I saw unfolding on the world stage. In trying to make sense of it all, I ran across contrary opinions from what the main stream media was pushing and some how found my way to Bitcoin Twitter (BT) - not understanding that Twitter was actually segmented like that! If you are reading this, you understand that one thing led to another.

Bitcoin started to emerge, for me, as a sense of "hope" to make sense of what was wrong with the metaphysical world. My faith provided the answers to the spiritual corruption. The interplay between the metaphysical and spiritual world from a Christian worldview is largely the work of my first book: "The Christian Case for Bitcoin."

As I learned more about the "asset" that I had purchased and dollar cost averaged into over the previous several years, I began seeing strangely similar principles between my Christian faith and the principles encoded into Bitcoin. This led to starting a podcast to explore these interactions: "Mission Bitcoin." And writing two books.

In the process of doing this, I started formulating *my opinion* about how Bitcoin could be used in what traditionally would be Christian missions. Something I had participated in for nearly twenty years. Having travelled to places from India, Indonesia, Ukraine, and finally to Guatemala it becomes apparent that 1) poverty looks pretty similar no matter where you go. There are degrees of despair, but it looks pretty much the same: shanties, blue tarps, corrugated tin roofs, children and animals running around. Despite a person's economic situation in life, we all want a better life for our children. And many times "outsiders" want to help with that goal; however, 2) it is extremely difficult to produce economic opportunity without creating dependency. This ultimately creates a worse situation than what you first encounter. This can happen in Christian missions or secular humanitarian work.

As I learned about Bitcoin and meshed that with my worldview, experiences and my particular work in Panajachel, Guatemala with my family from 2012-2018, I thought that Bitcoin could be that tool to help transform the community. Further, as I learned more and more about the technology behind Bitcoin, I was astounded by what "Bitcoin fixes!" This is when I started formulating a plan and a vision of what I wanted to do with Bitcoin. I was formulating these ideas before I had heard of Bitcoin Beach. But it was all very nebulous. It wasn't until after Bitcoin 2021 that I fully learned about Bitcoin Beach and the impact it was having.

From that moment on, I tried to learn as much as I could about the project. I had several guests on my podcast including "Chimbera" to learn about this project. I started putting my thoughts down on "paper" and started publishing "the plan" on [Medium](#) (see addendum). As I was doing

this I started actively engaging on BT with the goal of creating a community around what I was doing. The thought at the time was, "Wow! I wish I could have been involved or helped Bitcoin Beach achieve what they did!" If I felt like that, then I knew there were other Bitcoiners that probably felt the same way and would want to be involved on the ground floor of a grass roots movement.

My first article about Bitcoin Lake was published in September of 2021. The plan was to launch the "program" at the beginning of the Guatemalan school year which begins in January (like El Salvador). In preparation for this, I attended the Adopting Bitcoin Conference in San Salvador in November of 2021. It is one thing to be excited about Bitcoin and the lightning network but to see it in action was amazing. Initially my plan hadn't accounted for using the lightning network, barely knowing what it was or how to use it. But attending the conference was electric. I could literally feel the energy there. As any good Bitcoiner and future community leader should do, I made the pilgrimage to El Zonte to see Bitcoin Beach.

I sat on a bus with a bunch of other enthusiastic Bitcoiners and met some truly wonderful and unique people. I interviewed one for my podcast - check it out! I'll admit when I got to Bitcoin Beach I wasn't impressed. Mike, Roman (Chimbera), Jorge, and the rest of the team did a wonderful job of organizing it, but I was underwhelmed. El Zonte was *small*. I packed for the occasion, though. I brought a towel and change of clothes because I was determined to get up on a surf board - a life long dream. And I did! I spent some sats. I bought some water, and some beers later on. And I paid for my surfing lesson in bitcoin. But even my young, Dutch surfing instructor wasn't convinced about the merits of Bitcoin. That surprised me.

But the lightning experience was cool but not, "wow!" The energy of everyone there was great but I walked all around with my stuffed back pack trying to get a feel for the place. It's what you would think of a lazy surf town. It was a lazy surf town. Don't get me wrong, it was a great experience but these were early days of lightning implementation. Even a year later it's amazing the advances that have come.

As I walked up to Hope House, I saw Mike Peterson. I had recognized him from the interviews and podcasts I had seen and heard. I walked up to him and introduced myself and asked if I could interview him for my podcast. He was very polite but I could tell he was probably thinking "Who is this guy? Can't he see I'm hosting an event here!" After helping some other Bitcoiners, he was gracious and granted me about 30 minutes for an interview in a nicely air-conditioned podcast booth built within Hope House.

As I fiddled around with all of my stuff to do the podcast, I was trying to tell him that I wanted to start a Bitcoin project in Guatemala, that I'm a doctor, and I could sense he was just waiting for this to be over. We did the interview which was great and we chatted a little and he asked what kind of doctor I was and I said an Ear, Nose & Throat surgeon. He then started asking me about his ears... a little ice breaker. We parted ways but I had accomplished my goal of interviewing "the man."

I spent the rest of the afternoon tracking down Chimbera. He knew I was coming since I had interviewed him several months prior on the podcast and I let him know I would be coming down. He was also very busy, but gracious with his time as well.

I left Bitcoin Beach and the Adopting Bitcoin Summit inspired and confident that I could do the same in Guatemala.

In what follows, I describe what we have done. Our work is based on Bitcoin Beach, but different. I will explain why. I will also point out critical aspects described in the original

BUBBLES³ white paper that **must be adhered** to for *your* project to be successful. Also, my faith informs my actions but Lago Bitcoin is not a Christian evangelical effort. No matter your faith or beliefs, come and experience what we have done in this beautiful part of the world. Guatemala is known as the land of “eternal spring.” I can promise you that if you come, you will come back again, or will dream of the day you can.

Since we began our work, Mike has become a source of continued inspiration for me, and a colleague. He is a wonderful man. After I demonstrated I wasn’t some “rando,” Mike and Bitcoin Beach have been very supportive of our work. And I have grown fond of Chimbera calling me “Dr. Patrick.”

Final thoughts:

The work we have done in Guatemala could not have been done without the vision and ground breaking work Mike and his team have accomplished in El Zonte. Like Mike, I am grateful for the man on the street: Eliazar. You will learn more about him, but without his effort, my team of fellow co-founders, Bitcoin Beach (*et al*), and the other Bitcoiners that have come to Lago Bitcoin from all around the world, we would not be where we are - grateful.

There will only ever be one “Bitcoin Beach” - the genesis block of bitcoin communities. And there will be fewer and fewer opportunities to experience the novelty of the “lightning effect.” Please come before “newbies” become extinct.

Blessings!
VAMOS!

³ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

BUBBLE-01: Definitions

We define a Bitcoin Beach-Like Effort (BBLE) to be a real-life endeavor to create a circular Bitcoin economy in a particular geographic region. By real-life, we mean the endeavor should take place in meatspace: in a real physical community with real people. Digital circular Bitcoin economies are important too, but BUBBLE guidelines are intended to be applied to real-life communities. By circular bitcoin economy, we mean a marketplace of goods and services in which merchants and consumers use bitcoin as the medium of exchange. By bitcoin, we mean bitcoin-only, not “crypto.” It is critical that a BBLE remain focused on adopting and understanding bitcoin. There are no formal restrictions on the attributes of the geographic region. The region can be anywhere, be of any size, and consist of people from any demographic.⁴

Commentary

The application of this in our community is such that when “people,” “services,” or “companies” want to be involved you must be aware of conflicts of interest. These conflicts come in the form of conviction about Bitcoin or in the form of *quid pro quo*. For instance, “wow, it would be great to have their support. I know they sell or exchange crypto, but it’ll be ok, because we will focus on Bitcoin.” No it’s not “OK.” Don’t provide any opportunity for your community members to be exposed to anything but Bitcoin no matter the allure of funds or support.

For Lago Bitcoin, it is easy to say “no” to the crypto enthusiast. Any Bitcoin “maxi” understands the problem with crypto - it’s a digital form of fiat. Bitcoin is different. We’ve had crypto enthusiast come and want to be part of what we are doing because it’s cool. But we can’t sacrifice our need for help from just anyone. The message and the promise of Bitcoin must be pure and must look different than anything else. If it looks like what is already out there but digital, what’s the point? So no matter the temptation to have people come and help, a BUBBLE project must be “Bitcoin” only.

We had a young gentleman come who was a crypto enthusiast. He was very nice and literally stumbled upon our work. He was in Panajachel on his

⁴ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

way to another little town along the lake. He wanted to help with our project. I did a little research on his social media accounts and it was evident that he was not a Bitcoin maxi. He was into NFTs (non-fungible tokens) and other crypto. I decided to interview him and ask him about his beliefs about Bitcoin and other cryptocurrencies. At the end of the interview I said I didn't think he could help with our project and I explained why. Afterwards he told Eliazar (our "Chimbera"), "Wow, I've never met a Bitcoin maxi before." He was surprised and disappointed he couldn't help. And honestly, in those early days, it would have been nice to have someone else help. But our mission had to remain focused on Bitcoin without the possibility that the community would learn about another cryptocurrency and become confused.

Further, if your project gains traction (and an effective one will) what follows is publicity. With publicity comes awareness. With awareness comes opportunity. For us the opportunity was attracting more Bitcoiners to come and experience what we were doing. But we also had more than one "person, service, or business" come and want to be a part of what we were doing. Obviously this means that the traction and attraction we were gaining was more than they were originally getting for whatever they were peddling. I give tremendous credit to my co-founders and other maxis keeping me from "temptation." When you are on a shoe-string budget and dependent upon donations, someone coming to offer something to promote their product becomes tempting. But this inherently creates a conflict of interest. If you do this, you will lose trust. A BUBBLE community must be free of conflict. You must be an honest champion for Bitcoin. When you look into the eye of a small business owner in a developing country, you must understand what is at stake: their business, life savings, or inheritance they want to pass down to their children. As a Bitcoiner, we know that conflicts of interest are inherent in the fiat system. We must not propagate the same ethos of fiat in our BBLEs.

Orange pillaging your friends or local businesses is not a BBLE. While important, being involved in community transformation with a purpose is a BBLE.

BUBBLE-02: Motivations

A BBLE must endeavor to solve one or more core social needs in its target geographic area. Merely promoting Bitcoin adoption on Bitcoin's own merits is not sufficient. Here's why:

- It's more effective. Most people think their current money works well for them, even if it's bad money. Trying to explain Bitcoin in terms of Bitcoin (complex monetary dynamics, evil banking, and nerdy peer-to-peer technology) is not likely to work. On the other hand, giving people a cause they can relate to, such as a better future for their kids or not having to worry about cash being stolen from under their mattress, can make Bitcoin more approachable.*
- It's more sustainable. While Bitcoin is a powerful tool, it's not a panacea. In addition to hard money, a flourishing civilization also needs strong families, healthy food, quality education, a robust energy grid, and so much more. Over time, a region that adopts bitcoin but still lacks fundamental necessities will not be able to sustain itself.*

Guiding Questions

- 1. What are the most pressing challenges facing your community?*
- 2. What is holding back your community from achieving better outcomes right now? Is it individual mindset, economic, political, or something else?*
- 3. How could these challenges be addressed without bitcoin? How would including bitcoin affect your approach and projected outcomes?*
- 4. How do you think your impact will endure over 1 year? 5 years? 10 years? 25 years? 100 years?*
- 5. What would happen if your vision for your community failed to gain traction?⁵*

⁵ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

Commentary

As we survey the prominent BBLEs at present, Bitcoin Beach, Bitcoin Ekasi, Lago Bitcoin, Bitcoin Beach Brazil, there is a prominent social aspect to the work of each of these BBLEs. Thus, “giving people a cause they can relate to, such as a better future for their kids or not having to worry about cash being stolen from under their mattress, making Bitcoin more approachable is crucial to any BBLE.

While orange pilling people and businesses is “good,” addressing community needs while orange pilling is “best.” From our experience at Lago Bitcoin, vendors, merchants and the people of the town are definitely more interested in what we were doing *because* of our work at Centro Educative Josue (CEJ). CEJ is the same school that my family and I taught at every summer for our art camps from 2012 - 2018. We had developed trust relationships with Nancy Cifuentes (the owner) and the teachers of the school. Having an anchor in the community and already developed trust relationships was critical to our start up and following success.

With these relationships established, we were introduced to the mayor and other community leaders. In doing this, we started to learn about more needs in the community, how the community works, and what issues we might be facing as we moved forward. Our meeting with the mayor was not to get “approval” for what we were doing, but rather as a heads up as to what we were doing. It turns out the mayor has been a very large help to our effort. So while it is not needed, if you have access to political leadership and/or community leaders, you should try to include them early on in your BBLE. Fortunately, we received zero pushback from the mayor about our Bitcoin effort.

What we did not expect is in one of our very first meetings with some people of the community, we mentioned the word “mining.” Alarm bells started going off because of visions of stripping the land and causing even more pollution. It was just normal “Bitcoin speak.” We failed to take into account what wording like that would mean. After that, we made a concerted effort to reach out to the indigenous community leaders to explain what we were doing so we didn’t get any political blowback from this very important community.

Because of this, as we are starting to expand our work in Guatemala, we are shifting our wording from bitcoin mining/miners to bitcoin validating/validators.

Regarding *“What is holding back your community from achieving better outcomes right now? Is it individual mindset, economic, political, or something else?”* It’s important to note that all of the current BBLEs were started by leaders who were already working or had worked (in our case) in the community. Bitcoin is just a tool. It would be unreasonable and likely lead to major frustration if you start a BBLE and magically expect Bitcoin to “fix it” unless you already understand the needs of the community and/or have already worked with other “tools” to “fix” the problem.

Obviously, we believe that Bitcoin does “fix it” and has downstream implications that really are incredible as compared to other “tools.”

As far as the durability of your vision and the “stickiness” of it, I think it is important that your vision include empowering those who are closest to the issues and the community. Also, it’s important to understand that there will be needs in the community you are not expecting. Being the outsider with “money,” people will come to you for assistance. This is something you should realize and be sensitive to without a “zero tolerance” policy. But as mentioned in the prologue, you don’t want to create dependence. Whether this is an intentional set aside for such needs or the adaptability to adjust when needs like this may arise is not material.

Mike Peterson was invaluable in an early “problem” we encountered with trying to paint a tuc tuc (3 wheeled motorized taxi). Bitcoin orange. Like any municipality, there are rules, regulations, fees and taxes. There happens to be a certain color that these tuc tucs need to be painted. We were really getting frustrated with the red tape so I called Mike and explained what was going on. In my brilliant, problem solving brain I decided we could just purchase a tuc tuc paint it ourselves and give free rides around the community. Mike wisely pointed out that in doing that, we would be denying a local driver the opportunity to earn that ride. Be sensitive about “getting it done.”

The sooner you can equip and empower servant leaders in the community, if they don’t already exist, is critical. They need to own and share the vision.

In our case, Eliazar Ajquijay became this servant leader and now “owns” the vision. It has helped that the vision has unfolded as planned and originally shared with Eliazar. It started with him simply asking, “What is Bitcoin?” and that attracted me to him. Bitcoin offered him an opportunity to learn something new. Conveniently, it also offered him a job as well. But slowly, as he learned more and grew confident in his ability, he started to own Lago Bitcoin’s vision. Another co-founder and I sent him to El Zonte for a week to learn about Bitcoin, and Bitcoin Beach - he came back a changed man.

Mentoring and coaching must be a part of your duties as the organizer or leader of the BBLE. I was continually telling Eliazar, “You are the Bitcoin expert here in Panajachel.” And quite frankly, he would quickly become one of the few Bitcoin experts in the whole of Guatemala. As mentioned in the next BUBBLE, education and status are not important. Motivation and drive are important. Eliazar is inquisitive, motivated, driven and is an optimist. And he is an extreme extrovert. What leader would not want a person like that in their initiative? Bitcoin has given him hope for his future.

As far as Panajachel specifically and implementing the vision of Lago Bitcoin, the town of Panajachel is a town of about 18,000 people and is situated on the north eastern shore of Lake Atitlan. It is the launching point for tourists to visit other parts of the lake. So it’s heavily dependent on tourism. We started Lago Bitcoin at the end of COVID lockdowns. Tourism took a major hit. Our hope is that as we create a Bitcoin circular economy, and as we attract Bitcoiners, a different kind of tourism will develop. At this time, Bitcoiners who are spending their bitcoin are generally more wealthy and likely to travel and spend even at times like a pandemic, climate emergency or any future state manufactured “crisis.”

Part of the challenge, quite frankly, is that we are next door to El Salvador. It has helped us on the ground because about 60-70% of the people we talk with have heard of Bitcoin because of what is going on next door. But, El Salvador and Bitcoin Beach “suck all the oxygen” out of the air. We will discuss this later as we talk about marketing.

The pillars of our work are:

1) Education

This education is multifactorial and includes teaching about Bitcoin as a money and as a technology, English lessons and soon 3D

printer technology. All of this in an effort to provide a new opportunity for these children. In fact these children are getting an education in one of the hottest technologies on the planet. Many children in western countries aren't even getting this type of education not to mention children in Guatemala City.

Similar to the educational situation in El Zonte and the many, many smaller communities throughout Guatemala and central America, education is rudimentary and does not provide any real avenue for future success. Most education is rote memorization. Unless children graduate and go to university, most will attend a trade school and learn book keeping, typing or basic secretarial and administrative work. Children that do make it to university, will face poor prospects for professional work.

To Nancy's credit, her school scores really well in national testing, but the children will not have any significant opportunities after schooling. School starts at 0730/0800am and goes through noon. It's essentially a half day education compared to what most children in western countries experience. Of note, both Nancy's children attended the school, one is now on her way to becoming a doctor and the other on his way to studying psychology.

2) Creating a Bitcoin circular economy

The definition of a "circular economy" ultimately is to create an economy in which bitcoin is introduced, spent, and saved in a circular fashion without a "cash out." For us, however, the circular economy is the *ideal*. In practice, especially at the beginning, you are introducing a new technology with a lot of uncertainty. And as bitcoin price action would ultimately drop by over 60%, the *ideal* would not be achievable.

3) Bitcoin Mining

We introduced this goal for several reasons. First, in my study of Bitcoin I was intrigued by the literal panacea of "fixes" that Bitcoin promised. I wanted Lago Bitcoin to be a project that really demonstrated how Bitcoin worked beyond the monetary aspects of it. Second, I knew in order to garner attention, we needed to be doing something different than Bitcoin Beach, especially since we are next door. Third, as I studied Bitcoin mining and the dynamics of energy production, load balancing, use of stranded energy, etc. I

realized that Bitcoin could really fix a major problem around the Lake: pollution. As in most developing countries, waste management is not a priority. Atitlan sits at about 1500 meters (5000 ft) above sea level. The surrounding mountains can reach another 900 meters (3000 ft) above sea level. All of the waste from the surrounding communities finds its way into the watershed and eventually into the lake. The local population is very concerned about the lake and the environment, but no one has been able to solve the problem of the polluted lake. Despite its pollution, it remains one of the most beautiful lakes in the world, but there will come a point at which it becomes lifeless. Algae blooms have occurred which severely dampen tourism. Our goal is to use the waste around the lake to produce energy for Bitcoin mining. However, the original plan did not account for this. The original plan was to use “legacy green” (wind and solar), but the capital expenditure to make that happen was completely unrealistic. After being on the ground and assessing the needs of the community, the use of waste and Bitcoin mining become a clear path for us. Ultimately, the Bitcoin mining will allow us to inject bitcoin into the community. The mining will be the dynamo that keeps injecting bitcoin into the community.

Takeaways

While we didn't have active work in the community prior to the implementation of our plan, we had worked in the community in past and understood the needs, even the problem of the polluted lake and the environmental impact poor waste management has on the local environment. We brought Bitcoin in as a new tool for problems we knew already existed and had experienced in the past.

The commonality of all the BBLEs is ongoing/past work in the community, trust relationships and acting as honest agents for Bitcoin without conflict.

BUBBLE-03: Team

Generally, traditional factors like professional background and education matter less than a person's relationships with their community. Having community leaders with deep knowledge and connection to their community makes it more likely that Bitcoin-related efforts effectively address real community needs. Outsiders coming in to impose initiatives they think are most needed are unlikely to bring about long-term impact (with or without Bitcoin). Changing the money one bases their life on is a massive leap of faith, which is itself made of many smaller leaps of faith: adopting new mindsets, using new apps, doing new things, meeting new people, learning new things, etc. It is crucial that these leaps be encouraged by highly-trusted people.

Guiding Questions

- 1. How much experience do community leaders have helping the community they seek to impact?*
- 2. How strong is the bond of trust between community members and community leaders?*
- 3. How well do community leaders understand the challenges facing their community?*
- 4. Are community leaders well-positioned to address those challenges?*
- 5. Are there other people or other organizations who could help?*
- 6. Has anyone in the same region tried a similar initiative in the past?*
- 7. What are your personal goals in launching such an initiative? Do you think they align with those of others on your team?*
- 8. How can you ensure that the whole project isn't reliant on one person? What can you actively do to distribute knowledge and responsibilities to others?⁶*

⁶ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

Commentary

The make up of the team is critical to the success of a BBLE. Given how Lago Bitcoin was started, I think it is important to recognize that while we weren't actively involved in the community, we had trust relationships, we understood the needs of the community, we were not prescriptive in our approach thus we were humble in coming in as the "outsiders."

As previously mentioned, the publicity of Bitcoin adoption in neighboring El Salvador significantly helped our launch because of the awareness of bitcoin. Above all else, having a leader who does not micromanage or take all the credit for the work being done at Lago Bitcoin is critical.

For our work, choosing a team began with publishing the plan on Medium, actively engaging on BT and being on a podcast. Over the 3 months from initial plan publication to launching the project, several Bitcoiners contacted me wanting to help with the project. And as we started the project, several others were added to form the original founding team, including Nancy. On a go forward basis, we knew that Nancy would be the only presence down here and the "Bitcoiners" would be coming down every couple of months to "keep the ball rolling."

The backbone of this project was (and remains) education of the children at CEJ. In fact, early on as adoption was proceeding rather slowly, we were satisfied with just educating "one" child to understand what Bitcoin was. We were committed to introducing this into the community via children in a similar fashion as Bitcoin Beach. In fact, we really had no intention of onboarding businesses in the manner we did until Eliazar expressed interest in helping.

Taking a cue from Bitcoin Beach, educating children was our community "project." Through Nancy's connections we also tried to invite as many people to early evening classes about Bitcoin. These evening classes were focused on adults in the community - parents of the children from the school and/or business owners. We had limited success with this. Our largest group that would come to these events was at most six. In a city of 18,000 people, that was going to take a long time to orange pill everyone.

Even getting to a tipping point of educating adults would require a lot of energy at that rate.

The challenges and questions above in the Bitcoin Beach BBLEs white paper are square on. Specifically, and acutely for us, we were introducing a new technology, money, app, etc. And we didn't realize what individual internet usage habits would be. While most of the people we talk with in Panajachel have access to a smart phone, many don't have cellular data plans for using the internet. Instead, most try to find wi-fi hot spots to access the internet. We had not accounted for this and when we were asking people to first download a lightning wallet, they couldn't because they didn't have cellular data and we met in common areas or outside without access to wifi. Surprisingly, though, we had a range of ages and all were interested in the technological aspects of Bitcoin. *But the absolute key to orange pilling someone in our community was focusing on the savings technology of bitcoin, the generational wealth opportunity, and the inability to confiscate this new type of money - Be Your Own Bank!*

While in a developed country conveying Bitcoins' superiority over other savings and investments may be tough, it's easier with a population that places what little money they have in a very low interest rate bank account, purchasing excess inventory (commodities), or literally placing it under the mattress. We found that asking people to raise their hands if they could invest in a company like Google, Facebook, Apple would they was a way to show them that through Bitcoin they had access to a "high growth" stock. This time, though, we could guarantee (with time), that bitcoin's price would go up.

Once we determined that we were on the "slow growth" plan, we decided to start orange pilling local merchants and businesses. Before describing this process, an aspect of trust we were able to establish immediately is the fact that Patrick was an "expert" in Bitcoin. We could point to the fact that he had written two books and hosted a podcast and had been on other podcasts. The reason this was an important tool is because many "gringos" come into this area of Guatemala and based on the scam of the day take advantage of a lot of people. Having credibility as an expert, and a physician, for that matter, helped us break down some walls.

Amazingly, Patrick does not speak Spanish. So all of this work was done via translation. When Eliazar joined the team, this obviously helped with

that problem but since Eliazar joined the team virtually knowing nothing about Bitcoin, there was a definite time of continued work of Patrick doing a data dump for Eliazar to translate. A further element of trust that we had to develop is that while Eliazar worked in Panajachel, he doesn't actually live there. He lives in another village about 10-15 minutes away which may not seem like a long distance but Pana is small enough that if you live and work there, people are bound to recognize you, even if they don't know you. This changed when we brought Eliazar on, because he would spend every day in Pana and soon became recognizable. He's a very affable, fun loving guy, so once he established himself in the community, he became a fixture.

Regarding the actual community needs, understanding what the needs are, etc. as mentioned above, we had access to crucial community leaders who knew their community and "bought in" to what we were doing.

There were two factors that helped with this. #1 one of the teachers at the school was from the indigenous community (Mayan decent vs. European/ Spanish decent - yes racism exists in Guatemala based on skin color). Further, he was actively involved in the environmental movement around the lake. This is not an environmental movement that you might see in developing countries based on ESG (Environmental Social Governance) mandates. These are community leaders and members that genuinely care about their environment - the one they depend upon for their livelihoods. #2 because of the Melder family's previous work, the teacher knew that this current work was genuine.

Because of his "buy in" he was effectively a voice for us in the community. Further, we established a quick relationship with the mayor. This was not planned as part of the original plan, but when the opportunity presented itself, we hopped on getting "political cover" for what we were doing.

We also made a concerted effort to actually involve indigenous leaders in this project from the beginning because of past promises made by outsiders (gringos and fellow Guatemalans from Guatemala City). Many people come and sell the "latest thing or latest investment" only to take advantage of the community.

The key takeaway here about the community and community leaders is that if your project does not have community leaders involved in the actual

project, it would be wise to find who these leaders are and include them in the process. This was not on the “checklist” of things for us to accomplish but it was apparent during our initial work in the community that we should find out who these leaders were and involve them in the process.

Further, in a place like Guatemala or El Salvador, if you are truly an outsider from a developing country, trying to accomplish something can be extremely frustrating. And you must be willing to acknowledge “your way is not necessarily the best way.” Things move much more slowly in Guatemala than they move in the US or in other western developed countries.

As we round out this section we should specifically discuss the questions above:

What are your personal goals in launching such an initiative? Do you think they align with those of others on your team?

How can you ensure that the whole project isn’t reliant on one person? What can you actively do to distribute knowledge and responsibilities to others?

The personal goals of the founder (Patrick Melder) were shared by all original co-founders. This was the basis for forming the original team. And we kept it pretty simple. Where this starts becoming a problem is when other people find out about the project and want to come and help. No matter how well intentioned people are, they must abide by your vision and goals as we described above about crypto enthusiasts.

The last question is crucial especially given our geographic separation from the project. Early on Bill Whittaker became a key member of the founding team and the “working team.” Bill exemplifies a typical Bitcoin maximalist with conviction. On his own initiative, Bill made an early trip down to Lago Bitcoin and essentially “owned” the mining operation. He invited others to come, and they came. We also had @FABU69420 who came with his girlfriend from Switzerland via Colombia to “work on the project.” As Eliazar learned more and more about Bitcoin and saw the amazing network of people that were coming to his little town in Guatemala, he began to develop deeper and deeper conviction about the project.

We understood from the beginning that something like a “network” effect of true believers had to happen in order for this project to survive because traveling back and forth every couple of months was not a plan for success. As it turned out family issues prevented Patrick from visiting for nearly 6 months. But with distant mentoring of Eliazar and with other committed Bitcoiners coming to help with Lago Bitcoin, the distributed knowledge, passion and love for the project developed.

We were also very fortunate to have some Guatemalans from Guatemala City become early advocates and promoters of the project (Cesar T Sanchez and Mario Lopez).

While we did not start our project with all of these questions answered, the “code” for these questions was truly part of our personal ethos. When we saw the opportunity to “answer the question,” we answered it correctly.

BUBBLE-04: Traction

A BBLE needs a solid plan to achieve traction, especially in the beginning. At a minimum, there should be: a singular focus, a thoughtful approach to education, and appropriate assistance initiatives to help people get comfortable with their new tools. In the end, even the best plans don't play out perfectly, so project leaders should be ready to adapt when reality veers from the plan.

Guiding Ideas

Focus

What is one initiative the project will focus on? It's easy to get over-ambitious and come up with multiple, but there should be one top-priority initiative to guide early resources.

- ◆ What is the one defining initiative of the project, to start? What makes it more important than everything else?
- ◆ What kind of impact will it have? How many people will it impact?
- ◆ Who will lead it?
- ◆ What's the budget? How can funding be obtained?

Education

- ◆ Regardless of who your project targets and how it goes about promoting bitcoin adoption, at some point, you will need to educate people about bitcoin and how to use it.
- ◆ Who does it makes sense to target first for your educational efforts? What role do they play in your top-priority project?
- ◆ Why would people use Bitcoin? Are there any circumstance-specific benefits Bitcoin provides?

- ◆ What is the value-add for the people you're targeting? How is Bitcoin significantly better than what these people are currently using?
- ◆ How will you be interacting with people to onboard them? In-person meetings, how often, etc? What's the simplest possible way you can show people bitcoin, to start? Remember you can always layer more advanced concepts over time.
- ◆ Is there any way you can spark a wave of momentum to multiply your efforts? Examples: teaching kids so they teach their parents, onboarding merchants to attract other merchants, etc.
- ◆ How will you address common concerns? Volatility? Legality? Lack of state control? Custody?

Assistance

No matter how good your education efforts are, people will be nervous at first, and they will probably need some special short-term assistance as they get comfortable with bitcoin.

- ◆ How can users reach you when they need help and you're not there to help them?
- ◆ Is there any way to provide early users a way to exchange earned bitcoin for local fiat currency? Perhaps through an ATM or other methods? It may seem counterintuitive, but Hope House found that having more readily available options to convert bitcoin to fiat makes people more likely to hold bitcoin (instead of converting it at the first chance they get).
- ◆ Could cash-back programs improve confidence for your first users? Either as a way to cushion volatility, or as an incentive for businesses to accept bitcoin?⁷

⁷ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

Commentary

The ultimate benefit of this guide, the Galoy Money “Bitcoin Banking for Communities”⁸ and the Bitcoin Beach BUBBLE white paper is to serve as a guide. Our experience, geography and team are different from Bitcoin Beach, but in learning about Bitcoin Beach and Lago Bitcoin, the astute reader will sew a thread through common themes. As we will describe, we didn’t have many of the tools that Bitcoin Beach had in El Zonte. Because of this we needed to modify our approach. The original white paper by Galoy Money was incredibly helpful and as we develop a compendium of community experiences, they should be studied.

Focus

As we have previously discussed, teaching the children at CEJ was and is central to our effort in Panajachel. For long term sustainability of the project, we need to ensure that the *tool* of Bitcoin allows us to teach, low time preference, savings, delayed gratification, self-sovereignty, etc. are incorporated into the community from now until the future. The best way to do this, obviously, is to educate children. Admittedly, no one on the team is a gifted teacher. For this we lean on Nancy to provide the opportunity for us to teach about this new technology. As a small school in Panajachel, this is a big “feather” in the cap of CEJ. Bringing this type of teaching which no other school has is quite an accomplishment.

For the time being, we don’t have a physical structure like Hope House in El Zonte, so the school is the center of our activity. Because the school day ends around 12:30 every day, this makes CEJ perfect for hosting other Bitcoiners to come and see the work and see a physical “place.”

We have discussed leadership previously. While Patrick “leads” the project and provides the overall vision, we have a distributed leadership dynamic in which other “stake-owners,” if you will, contribute leadership at appropriate times. This can be a challenge at times but the common goal and vision we have creates stability.

Whenever starting a project like this, one of the most important questions that needs to be addressed is funding. As mentioned before, a BBLE is not

⁸ <https://galoy.io/bitcoin-banking-for-communities-lessons-learned-from-el-zonte/>

just orange pilling people, there is a cause, and a desired outcome we want to see in the community and that takes money.

One of the reasons to include Bitcoin mining into our BBLE was precisely for long-term funding capabilities. This was the last part of our vision to be implemented. And it is progressing more slowly than planned. Lago Bitcoin does not have any sole benefactor who has endowed the project. All of our work is self funded to date. And Bitcoin Beach has been extremely generous in providing funds for our BBLE. While the support of the Bitcoin community has been great, we've started our project in a Bitcoin bear market. Building at this time is a challenge, but ultimately finding success during this time bodes well for the anticipated bull market to follow.

Practically speaking, though, sources of funding can only come through awareness of the project. We will discuss marketing in a latter section, but it is critical that the leader(s) connect within the Bitcoin community for sources of funding.

Education

It would be naive to think you can introduce a new technology, a new money, and new applications without the need to educate. We can't just provide information without addressing questions or concerns. We can't educate without understanding the needs of those we are educating. For us educating takes various forms based on the audience.

For our children, we present basic didactic lessons. We are teaching a wide range of ages all at once in the class from 12-18. Some children have a better aptitude and motivation for learning. And likely in any culture, there are kids that are "too cool" to learn about a nerdy subject like Bitcoin. So our educational experience is different than that of Bitcoin Beach.

For vendors and merchants education takes on a whole different character and *urgency*. First, educating a merchant is usually one on one with the business owner. And this is key. Many shops and *tiendas* we visit are not owned by the person behind the counter. We've encountered many instances of launching into the "Bitcoin pitch" only to find out 5-10 minutes into the conversation that the person you are talking with is not the decision maker. Obviously upon experiencing that a couple of times we quickly adapted to ask the person behind the counter what their relationship was

with the business. Many times, you have to go through an intermediary like a manager who then has to go talk with the owner. Sometimes it would take multiple attempts to onboard a merchant. In the beginning, this was very tough and challenging. We literally walked dozens and dozens of miles and talked to many, many people before we started seeing traction. One technique we employed to demonstrate good faith was purchasing an item in the store with the local currency (Quetzal or simply Q) and purchasing it with Bitcoin. Obviously, we chose low cost items. The point was not to “purchase.” The point was to demonstrate good faith and how easily the lightning network worked. Time and time again as we got better at understanding a vendors receptivity, we would move rather quickly from talking *about* Bitcoin to showing *how* it worked. We found on numerous occasions if interest was waning, we would simply ask them to download the BBW so we could give them bitcoin. We could do this in a matter of minutes. Without fail, eyes got big when they saw the lightning network in action and that usually allowed us to push the door further open to complete the orange pill process.

For our efforts, we coached Eliazar on the difference between cold, warm, and hot leads like any sales professional understands. This helped us focus our energy on those more likely to adopt Bitcoin. Further, our goal in onboarding shops was two fold: first, we wanted shops where the children could go and spend sats to purchase ice cream, candy, etc.; second, with the ultimate goal of attracting Bitcoin tourists, we focused on shops that would cater to “gringos.” While we do have other shops we have onboarded like a thrift store, most of the shops we have onboarded are places where gringos will most likely go to spend sats.

One of the coolest aspects to our educational effort was having Bitcoiners from around the world sending sats to purchase ice cream and pizzas for the children. It educates the children, the shop vendor, and even other Bitcoiners.

In our community the need to teach about the cost savings and speed of remittances via lightning is less important but we do use it as a selling point depending on the situation.

For many merchants (especially local craftsmen/women) providing them an electronic payment method they’ve never had access to before is really compelling. “Be your own bank” was **always** an eye opener.

Probably the single most important factor that helped us gain traction was “advertising” and “signage.”

Mike Peterson really helped guide our thinking in this. It took us a while to develop the correct branding approach but once we did and started deploying signage, people started calling Eliazar to learn about Bitcoin. We also got a local *tuc tuc* painted with Bitcoin branding. And as of this writing have about six businesses around the lake (most in Pana) with Bitcoin branding on their walls. It is very common in central America to see brands pay for advertising on walls of merchants. We will soon have a boat (water taxi) painted which will travel to all of the towns around the lake.

Uniquely, through our association with Cesar Sanchez and Mario Lopez our effort around the lake is also promoted on a weekly radio program in Guatemala City (Bitcoin Economics on FM 100). This program launched in the summer of 2022. As a radio program and not a podcast, any average Guatemalan can learn about Bitcoin.

To the extent you can plan for signage and advertising, you should. And think about low hanging fruit that doesn’t require a lot of capital. In one instance, one of our businesses was willing to put a QR code on every pizza box. While eating pizza, you can learn about Bitcoin and earn free sats! We also printed out the open source “Bitcoin for Businesses” after translating it into Spanish and hand it out to any prospective business owner.⁹

Assistance

*No matter how good your education efforts are, people will be nervous at first, and they will probably need some special short-term assistance as they get comfortable with bitcoin.*¹⁰

The two major objections we faced beyond the typical FUD of Bitcoin being a scam or Ponzi scheme was its volatility and the ability to cash out into the local currency.

⁹ https://drive.google.com/drive/folders/1XY6DfdrPsNY0Z4s4nxS21Al8DpQPE_6I?usp=share_link

¹⁰ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

Again, given the rapid development in the lightning space, the volatility would become a non-issue with Galoy's stable sats¹¹ deployment in the Bitcoin Beach Wallet. However, at this time in Bitcoin's evolution, volatility *must always be addressed*. During our deployment, Bitcoin's price dropped over 60%. Every single person we would orange pill would come back (several times) to get reassurance from Eliazar about the long term outlook of Bitcoin. Eliazar would have to constantly remind and re-educate about volatility. One way that we found effective to mitigate this is to share that at the beginning the new users/merchants would not do that much business in bitcoin. So we would ask them to treat any new bitcoin sales as "savings." Some of our merchants/restaurant owners would end up doing a lot of business in bitcoin. For them, having a cash out method was crucial for credibility. We always stressed not putting rent money or inventory money into bitcoin because of the volatility.

With respect to cashing out, we did not have access to an ATM. Getting the necessary permissions for an ATM in Guatemala is difficult. And then determining the correct location is another issue. One of our co-founders decided he would provide the liquidity for exchange and Eliazar effectively became a walking ATM. Initially we were charging a small fee for the exchange, but ultimately it became a free service. One of our co-founders ate the cost of the money transfer and exchange. FABU also created a Telegram channel for peer-to-peer exchange of Q/Bitcoin.

¹¹ <https://galoy.io/announcing-stablesats-bringing-usd-to-the-lightning-network/>

BUBBLE-05: Technology

Bitcoin is an open protocol, so people can use whichever apps they want—and savvy users certainly can. But a BBLE should have a go-to technology stack to recommend for consumers and merchants to get maximum benefit with minimum hassle. Easier and quicker onboarding makes Bitcoin more approachable to more people, and it can help to form a stronger basis for layering more advanced concepts in the future.

Critically, a simpler upfront approach can ease the support burden for community leads. Furthermore, a thoughtfully-chosen stack can increase the upfront value proposition for consumers and merchants, making it more likely that people actually use it.

Guiding Questions

- *What are the top priorities for your target users? What balance of convenience, custody, privacy, control, and functionality makes sense for them? Which tools and setups provide this balance?*
- *What functionality is strictly necessary? How can you simplify your recommended stack (and how you describe it to people) as much as possible?*
- *Will your community run exclusively on Lightning, or will it also accommodate on-chain payments?*
- *Are you planning to have any on-premises Bitcoin infrastructure, such as a Bitcoin node or Lightning node? Will they serve a functional purpose, or will they be intended for education?*
- *Are you planning to maintain any funds in community custody, such as multisignature on-chain wallets or community-managed Lightning channels?*
- *What is your ‘activation’ process? How will you introduce people to the tools you recommend? Remarks Bitcoin Beach’s top priorities regarding technology were convenience for consumers and merchants. After not having a great experience with an on-chain wallet and a custodial Lightning wallet, the team started working with Galoy Inc to pilot what became known as the Bitcoin Beach wallet. Galoy was just starting out and looking for a real-world application of its open-core Bitcoin banking offering, and Bitcoin Beach offered a ready-to-go base of consumers and merchants for usage and feedback. Over time, Galoy integrated Bitcoin*

Beach's feedback to offer some notable features in the Bitcoin Beach wallet:

- An easy onboarding experience: a short friendly tutorial to help new users learn about Bitcoin, no need to worry about saving seed words, and no need to worry about Lightning channel management.*
- Handles for all users, so that people could simply send money to people (intuitive) instead of having to deal with funny-looking invoices or addresses that change every time (confusing).*
- A map showing all the merchants in El Zonte that accepted bitcoin.*
- Ability for users to enter amount and push payments directly to merchants without merchants needing to create an invoice. There are certainly custody and privacy trade-offs of such an approach*

An 'activation' process could look something like this:

- Suggest person to download a specific wallet app*
- Explain bitcoin, satoshis, etc while the app is downloading*
- Help the user set up the wallet and send the user a few satoshis to demonstrate*
- Suggest trusted resources for updates on community efforts, bitcoin-only education, and price tracking*
- Address volatility concerns (e.g. instill a long-term mindset)*
- Warn against exchanging bitcoin with strangers and/or trading other coins*
- Suggest basic security measures (e.g. phone pin, wallet recoverability)*
- Caution against storing large amounts in phone wallet*
- Introduce more advanced users to self-custody methods for saving¹²*

¹² https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

Commentary

The approach of Bitcoin Beach ultimately is the approach we took on the technology as described previously. Their onboarding process is very similar to our onboarding process. And the security/fraud issues are paramount to address.

Having been to El Zonte and seeing the type of community and merchants there we can say that for our merchants, who on average have larger shops and a larger volume of business, it is important to always understand when talking with a new merchant that you are in their “office.” It is their business. They will have no compelling reason to listen to you, especially if they have customers in their shop or restaurant that need their attention. On many occasions we would be in a store talking with the owner and a customer would walk in. We would coach Eliazar not to interrupt the business and always be cognizant that the shop owner may not pay attention to you if he’s concerned about the customer. You have to be a good-will ambassador, if you will, of Bitcoin. Don’t give a shop owner a reason not to listen to you. If you aren’t concerned about his/her business, they are not likely to be concerned about what you are “selling.”

During our initial survey of the community about 6 weeks before our “launch,” we had not decided on a lightning wallet yet to implement. Without going into much detail, because the lightning network has developed so quickly in a short amount of time and the associated apps have increased significantly, we started with the wallet of Satoshi as a demonstration wallet. There’s no KYC, it’s easy to understand so a user can get up and running pretty quickly.

However, as we expanded our orange pilling to business owners, we started encountering a lot of challenges and “irritations.” For instance, talking with one vendor and then another down the same street there is no way to actually show the one vendor that the other vendor was accepting bitcoin. We wanted to have a way to show other potential users that there were others around them accepting bitcoin to create a snowball effect. Some wallets did not have the local Guatemalan currency (the Quetzal) which was an irritation. Some wallets worked on a certain lightning standard and others worked on a different standard (non-techy lingo).

Ultimately we chose the Bitcoin Beach Wallet because it had a map feature and a user name feature. At the time of implementation, it did not have the Guatemalan Quetzal (“Q”). Because it was developed primarily for the Salvadoran market, it was USD and Bitcoin only. But we felt that strategically it would be better to show all of the growing number of businesses on a map to convince each new vendor of “slowly then suddenly.” And since most business owners run a successful business, most could do the currency conversion from Q to USD and *vice versa*.

Also, the map feature and the user name function also potentially allows one user on one side of the town (or world) to pay another without the need to generate a QR code or invoice. We used this multiple times to show the potential for a take out business to become more efficient if money could be sent efficiently in that manner.

Ultimately, we wanted everyone in the community to “speak the same language” as it related to a lightning wallet. So with few exceptions, we always onboarded with the Bitcoin Beach Wallet (BBW). Over the initial months of implementation, many of the “irritations” were resolved by BBW or us (@FABU69420). FABU created a Point of Sale system for the BBW that converts all currencies into BTC/sats.¹³

Regarding other technology like nodes and miners, etc. We included these for educational purposes at CEJ. They are not needed for our general business onboarding purposes. We have also discussed the role of miners in our BBLE.

The one issue as a team we felt morally compelled to address is self-custody and multi-signature security. And true to the experience at Bitcoin Beach, these are not issues you need to address. They can be addressed with time and more advanced users. And at this time, we don’t have good answers for these type of “maxi” issues. The solution FEDI¹⁴ is trying to implement with FEDImint is promising and we will be watching this with excitement.

Finally, while we are all “Bitcoin Maximalists” we can’t always expect to implement all maximalist ideology i.e. self-custody, etc. We are 100%

¹³ <https://pagar.bitcoinlake.io/>

¹⁴ <https://www.fedi.xyz/>

Bitcoin all the time, but we have to be sensitive to the educational, technological sophistication and general wealth status of the communities we are working in. If a local Guatemalan's entire life savings is no more than \$100 in BTC. It is difficult to suggest a cold storage device that costs as much. The other option would be something like a paper wallet, but then you have to be concerned about where they store something like that. In a developed country, we might have a small safe, but that will not be available in a place like Panajachel, Guatemala.

BUBBLE-06: Funding

Any effort to build a circular Bitcoin economy is going to require (at a minimum) lots of time and lots of labor, so it will also require external funding. BBLEs should determine a budget for their efforts and where to source funding.

Guiding Questions

- ◆ *What does the budget for your project look like? How much money do you need, how often, and for what purposes?*
- ◆ *Where can you source this money?*
- ◆ *Is there anything you can do to make your project more financially sustainable over time?*

Remarks The Bitcoin Beach project had very humble beginnings, but with a lot of hard work (and some luck/providence) it was able to attract a visionary donor with low time-preference as well as influential bitcoiners willing to share its story. It built a highly cohesive & collaborative team, which made it an easier sell for donors (compared to, for example, one guy doing everything himself); it was open-minded about the kind of help it sought (money in addition to in-kind contributions like talent and time); and it didn't make hunting for money its top priority (instead, relentless progress on the mission naturally attracted resources). But greater financial sustainability can be indirect, too. Bitcoin Beach intentionally promoted tourism to El Zonte in order to attract more people to the town, drive local business, drive Bitcoin adoption, and get attention in world media. In the process, some people were convinced to contribute money and time to the project.¹⁵

¹⁵ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

Commentary

The experience of Bitcoin Beach above is instructive, unique and not likely to be repeated. It took years of work in El Zonte before there was a Bitcoin beach. A Bitcoiner planted the seed with a large donation. Then Galoy Money arrived to help develop a lightening wallet. Finally, a visionary leader in president Bukele catapults Bitcoin Beach into the history books. As Mike says, it took a lot of hard work, luck, and Providence.

No matter your planned or actual success, you will have to make a determination as to how much time is spent on raising money vs. doing the work of the project. Like Bitcoin Beach, raising money was not a focus as we started. Building something that other Bitcoiners *would want to come and visit* and share in was/is our goal. We've had several Bitcoiners come and basically commit themselves to the project. That time (time=money) is invaluable. Further, money doesn't imply commitment. When people spend their time on their own, that means they are emotionally connected and will likely share their experience. This in turn will lead other people to come.

We have not been at the work yet for a year, yet, but we are starting to see the effort pay off with Bitcoin tourists coming to see the project and spend their sats.

This year, after the Adopting Bitcoin Summit in El Salvador, we are arranging for a side trip to Lago Bitcoin. We've had over thirty Bitcoiners sign up to be a part of this side trip. If we get one or two people to "catch the vision" while they are here, we will continue to see a snow ball effect/ network effect as more and more people learn about these experiences. From day one, the goal was to create an environment in which a Bitcoiner could come and basically do anything a normal tourist could do, but do it on the Bitcoin Standard.

BUBBLE-07: Marketing

It is impossible to shape the world if nobody knows what you are doing. There are many amazing projects run by very smart people that will ultimately have little impact because they will fail to attract enough resources to scale and sustain themselves.

Bitcoin circular economies can make exciting stories if BBLE leaders keep these basics in mind.

Getting the Word Out Never stop publicizing. People need to hear about things multiple times before they will take notice. You may do something, tweet once or twice, and think everyone in the world will know what you did. The reality is that very few people will take notice of something unless they see it multiple times. So you should never stop getting your story out.

Choose a good project name. Your project name is very important. You should choose one that is easy to remember in English—the reality is that most press and other resources will come out of the English-speaking world, and a catchy name can make a big difference for a reporter or influencer. Try to find a name that is both common, unique, and has Bitcoin embedded in it. Bitcoin Beach worked because people hearing it for the first time often think “oh yeah that sounds familiar—I think I read something about that before”. It sounded like a phenomenon before it was one.

Make life easy for reporters. Give them a unique hook/headline and help them with logistics. They are often short on time and resources, so the more you make their job easier, the more likely they will be to come back to you with follow-up opportunities.

Get out there. Go to conferences. Get on podcasts. Always say yes. Reporters love knowing they can make one phone call and get a story done. Make sure you are a team player trying to help other initiatives without expecting anything in return. Being open-handed with resources and connections will reward you immensely. Be willing to give time to those who do not yet have large followings.

Be on Twitter. You will need to use different social networks in different ways. Twitter is crucial in the Bitcoin world, so you should start building a following there right away. You will find that other networks may be better

for reaching your local targets. In El Salvador, for example, most of the local audience is very active on Facebook.

Transparency Proper record-keeping (goal setting, prioritizing, and reporting) is important for project leads, stakeholders, media, and donors. Also, transparency is a core tenet in the world of Bitcoin. Information about open-source software and public blockchains is fully available to anyone who wants it. BBLEs should also strive for as high a level of transparency as possible. It keeps project leads organized & accountable, stakeholders and media informed, and donors engaged.

Guiding Questions

- ◆ *What kinds of information do you think is important for your project to communicate?*
- ◆ *What are your audiences?*
- ◆ *What are communication channels you can use? Social media, chat apps, website, blog, etc? How frequently? The channels your local audience uses may be very different from those the global community uses.*
- ◆ *What would a prospective donor want to know about your project in order to consider donating to it? Where do they hang out? How can you make sure your reporting reaches them?¹⁶*

¹⁶ https://uploads-ssl.webflow.com/5f46d2bb7cca38461c7b8e13/62e049dd5f62fb5c824f1e34_bitcoinbeach.pdf

Commentary

If there is anything that should be considered “prescriptive” or “you must do this!” it is the marketing principles laid out above.

We understood in order to pull off a project like this, it needed to involve a community (Panajachel) and should be shared by a community (Bitcoiners). We knew that, strangely enough, Twitter is where you need to be to connect with other Bitcoiners. We started our Twitter account and started publicizing our intentions before we launched the project. We were fortunate enough that very few other BBLEs existed/exist so in effect we developed our own network effect promoting each others work as we learned about them (Bitcoin Ekasi, Bitcoin Beach Brazil, etc.).

We have seen other projects emerge that fail to gain significant traction because they are not actively engaged on Bitcoin Twitter, or they don’t have a community aspect to their “orange pilling.” Learn about the latest memes, use them, engage with other Bitcoiners. We primarily use our account to tell the community about our work. We also tweet about larger macro economic and Bitcoin related information. We generally avoid tweets about politics or other subject matters that a global Twitter following would have a hard time understanding.

Our Bitcoin community building and project awareness was effective enough that even before we launched the project, we were doing podcast interviews and early on we were able to attract media attention.¹⁷ And generally speaking any media attention we get, even if not totally flattering, is acceptable.

As in El Salvador, in Guatemala most people using social media are on Facebook. In fact, many businesses use Facebook as their “web presence.” We did start a Facebook group for Lago Bitcoin, but it’s primarily for those who are already aware of what we are doing as a place for verified information. We have used it less and less as the project has grown and we have garnered other media attention in the country.

¹⁷ <https://elfaro.net/en/202203/centroamerica/26052/Bitcoin-Believers-Look-for-New-Paradise-at-Mayan-Lake.htm>

Regarding naming of the project and logo, any effective branding has to be memorable. Because of the location of our project, we wanted there to be a connection with the local indigenous (Mayan) culture. Like Bitcoin Beach Brazil¹⁸, we have an outward facing name to Bitcoiners (Bitcoin Lake), but within the community it is Lago Bitcoin. Further, our logo uses the Quetzal bird. It happens to be the national bird of Guatemala and is the name of the national currency.

Giving full access to those, as mentioned above, that don't have large followings is critical as well. And we have been very available for reporters to come and see what we are doing. We have nothing to hide and each reporter that has spent time with us has allowed us to suggest edits if there is misinformation or misquotes.

Bitcoin Beach Brazil has done a phenomenal job of creating transparency with their project. We accomplish a similar goal with the long form blogging on Medium. The Medium posts serve for accountability but also as a living record of what has been accomplished. When people are donating money, they should have some confidence besides short Tweets that their money is being used in the manner it was intended to be used.

¹⁸ <https://twitter.com/BitcoinBeachBR>

Addendum

- <https://medium.com/coinmonks/bitcoin-lake-the-plan-a4d783113793>
- <https://medium.com/coinmonks/bitcoin-lake-phase-one-128b54c85907>
- <https://medium.com/@67corvette/sustainable-bitcoin-mining-panajachel-guatemala-907802df9247>
- <https://medium.com/coinmonks/the-holy-grail-a-pot-of-gold-and-hidden-jewels-cfc54859c395>
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