
BBC LEARNING ENGLISH

6 Minute English

Bitcoin's energy cost



This is not a word-for-word transcript

Neil

Hello. This is 6 Minute English from BBC Learning English. I'm Neil.

Sam

And I'm Sam.

Neil

Have you seen my lottery ticket, Sam? I seem to have lost it somewhere...

Sam

Is this another one of your get-rich-quick schemes, Neil? People invent all kinds of ways to make a lot of money quickly and with little effort. Well, if you really want to get rich quick, maybe you should copy technology tycoon Elon Musk. Recently he invested one and a half billion dollars in the cryptocurrency, bitcoin.

Neil

Bitcoin has made some people very rich, very quickly, but as we'll be hearing in this programme, it's not without its critics.

Sam

Creating bitcoins, a process known as mining, uses huge amounts of electricity and green campaigners are now questioning bitcoin's impact on global energy use.

Neil

But before we find out more, it's time for my quiz question. What year was bitcoin first released? Was it...?

- a) 2009
- b) 2015
- c) 2019

Sam

I'll go for b) 2015.

Neil

OK, we'll find out the answer later in the programme.

Sam

In this programme, we are going to talk about bitcoin. The use of the virtual currency... it's all very well for billionaires like Elon Musk, but what about the ordinary, average person – is bitcoin a good option for them?

Neil

Well, that's exactly what BBC World Service programme Tech Tent wanted to find out by interviewing people in the street. Here's what one bitcoin fan, Heather Delany, had to say:

Heather Delany

I invested in bitcoin a number of years ago... with the initial investment of only around five dollars it meant that my risk was essentially the cost of a cup of coffee and a pastry, and as somebody who's quite **risk-averse** when it comes to investment, it did allow me to **dip my toe** into bitcoin. Over time I was able to invest at various points as I really see bitcoin as more of a long-term investment and part of my overall **pension plan**.

Sam

Heather describes herself as **risk-averse** – she wants to avoid risks as much as possible.

Neil

By only investing five dollars, she was able to **dip a toe into** bitcoin - try doing something slowly and carefully to test whether she liked it.

Sam

Over time, Heather's bitcoin investment became part of her **pension plan** - a financial plan funded by your salary to save money for when you retire.

Neil

So, everything seems to be working out for Heather.

Sam

But the recent buzz around bitcoin has also highlighted another, less positive side of the story - bitcoin's environmental footprint.

Neil

Mining bitcoins, the complex process that creates new coins, uses a lot of electricity. Recent estimates show that bitcoin has now overtaken the entire annual electricity use of Argentina!

Sam

Michel Rauchs works at Cambridge University's Centre for Alternative Finance which monitors bitcoin's electrical consumption. Here he is in conversation with BBC World Service's, Tech Tent:

Michel Rauchs

Bitcoin consumes just a colossal amount of electricity and now whether that electricity expenditure is really worth the benefits, I think that really depends on how you value bitcoin itself... but just looking at the electricity consumption, I think we need to **put things** a bit **into perspective**... so, on the one hand if you compare it to a country like Argentina, it's just incredible, awe-inspiring... on the other hand, if you compare it to, for example, home appliances that are always on – **on standby** but not being used – in the US alone, that consumes twice as much electricity on a yearly basis as the entire bitcoin network.

Sam

Michel thinks that to assess bitcoin's energy use we must **put things into perspective** - find the true, objective value of something.

Neil

Comparing bitcoin's energy use to a huge country like Argentina sounds monstrous. But looked at another way, bitcoin only consumes half the electricity used by all US televisions and other home appliances left **on standby** – which means powered on and ready to work when needed.

Sam

So maybe the best get-rich-quick scheme is to save money on your electricity bills by turning off your TV, Neil.

Neil

Well, it's got to be easier than mining bitcoins – which reminds me....

Sam

...of your quiz question. You asked what year bitcoin was first released: 2009, 2015 or 2019. And I said b) 2015.

Neil

Which was the wrong answer, I'm afraid, Sam! It was first released in 2009.

Sam

So maybe we'd better keep buying lottery tickets. After all, it's a pretty good **get-rich-quick** scheme – a way to make a lot of money, quickly.

Neil

Let's recap the other vocabulary now. Someone who is **risk-averse** doesn't like taking risks.

Sam

If you **dip a toe into something**, you test it out slowly and carefully to see how it feels.

Neil

A **pension plan** is a way of saving money for your retirement.

Sam

Putting things into perspective means assessing the real importance of something, often by comparing it to something similar.

Neil

Like comparing the energy use of bitcoin with the energy used by electrical appliances left **on standby** – ready to be used.

Sam

And that's all we have time for.

Neil

Bye for now!

Sam

Bye bye!

VOCABULARY

get-rich-quick

describes a plan to make a lot of money in a short time, often with little effort or risk

risk-averse

unwilling to take risks or wanting to avoid risks as much as possible

dip a toe into (something)

try doing something slowly and carefully to test whether it will be successful and whether you will like it

pension plan

financial plan funded by contributions from your salary to save money for when you retire

put things into perspective

find the true, objective value or importance of something by comparing it to something similar

on standby

ready to work or be used when needed