

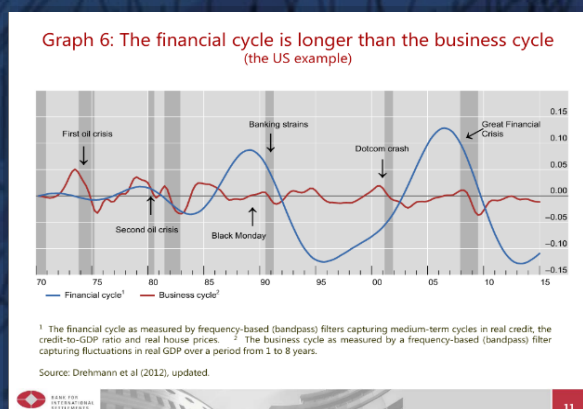
# BITCOIN 2025

## Unlearning Fake Economics... To Understand Bitcoin

### System Dynamics reveals the predatory nature of human-ruled financial systems, concealed by Keynesian Economics

The first lesson we learn from studying science is that our brain is not set to make intuitive sense of what forces rule physical processes. Add to that, our human-centric perception of the world, and it turns easy to sell to us, that humans are not ruled by the complex dynamics underlying the interactions among all living creatures on earth. Yet, nearly a century of developing nonlinear quantitative modeling strategies to conduct scientifically rigorous analysis on countless types of ecosystems, suggest that as with all living systems, an accurate analysis of human economics requires the use of quantitative dynamic models. For instance, the only mathematically precise way to model the dynamics that decide the ultimate collapse of interdependent, but unstable feedback systems, such as ensue for National Debt vs Income. An outcome that I personally confirmed, beyond any doubt (**Predator-Prey Economics**), upon applying **Hyman Minsky's theories** to detrended US historical data, published by the BIS from an **unrelated angle**. As the positive feedback loop is all over the chart, you assume interdependence and solve by coupling the first-order ODEs of their IRR functions, as in any predator-prey system. The curves will trace the unstable system dynamics that have been collapsing the financial vs business cycles since sovereign debt exists. Conversely, the arithmetic nature of the Keynesian model imposed by central planning -via academia- since the 1940s, force social scientists to model macroeconomics using grossly inaccurate, mathematically naïve, static assumptions built to **expressly hide the above dynamics**. Meantime, nation states, academia, and the media, keep deluding new generations into applying an unscientific pretense to model the complex dynamics that govern every interaction in human social systems.

The chart's extraordinary fit to Minsky's Long Cycle model suggests that on August 15th, 1971, the world's Advanced Economies unleashed a destructive feedback system that is now approaching its final stage. Reaching this conclusion, however, requires using a methodology we reserve for the analysis of non-human ecosystems. For when it comes to human economic interactions, rather than nonlinear math, we apply politically motivated doctrines, posing as science. Oswaldo Lairet



### How Bitcoin becomes the Global Reserve Currency

The Nash equilibrium solution applies when none, among two or more adversarial players can increase their expected payout by changing their strategy, if simultaneously, all players keep using the same strategy they have played so far.

In the case of fiat (unbacked) currencies, each player's action plan is based on the strategic nature of the strengths/weaknesses that explain their respective ranking versus the group and each of its members. Dominant currency players have historically relied on their higher-than-average access to domestic/foreign energy resources and their monetary power to incentivize or coerce others into sustaining their ascendancy. Lower ranking dominance is based on each nation's geographic, military, geopolitical, or strategic alliances with the most dominant players, or their key trade-partners.

El Salvador, for instance, has been the object of veiled and disclosed threats from the USA, BOE, IMF, etc. and endlessly attacked by their mainstream media agents. Their true objective, however, is to stop other nations from adopting Bitcoin as legal tender.

The multilaterals are acutely aware that should any of the world's pivotal energy players, such as those holding the world's largest reserves, start exporting energy against payment in Bitcoin, the event would trigger the reset of the Dollar's Currency Nash Equilibrium.

The unavoidable path of displacement would start with US political adversaries taking all steps necessary to secretly or visibly replace whatever sources of financing, technical assistance, or development support, the US might deny the new adopter. From then on, Bitcoin's unmatched, uncensorable, and unstoppable **100% transferable utility** function would make it impossible for the US or any other nation to stop the new adopter from exporting its energy versus payment in what Nash called "**Ideal Money**." The only type of money that, as he described, in 2011, is like a "true gold standard" and intrinsically free of "inflationary decadence."

### Fully empowering every simple node at the expense of the center, made Bitcoin a Nuclear-Proof Utility

"Is it now time to start thinking about a new and possibly non-existent public utility, a common user digital data plant designed specifically for the transmission of digital data among a large set of subscribers?" Paul Baran, **On Distributed Communication Networks**, September 1962

The industrial revolution created a world of centralization and organized hierarchy, best defined by the pattern, Baran shows on page 5's top-left, in the article above: A single, central dot from which all other strands depend.

But the defining patterns Baran's 1962 memo proposed and got eventually implemented in 1969, when the digital age finally emerged, is a combination of the two other patterns on the page. His visionary configuration gave birth to the only communications system that can survive nuclear war. A system that, just like our brain's neurons, flattens all established hierarchies and places the power and responsibility at the nodal level... In order to survive!

A network that focused on what Baran called "user-to-user rather than... center-to-center operations." A system that would eventually allow Internet users to bypass the administrative censorship that nation states had, until then, imposed on communications. A network that, after SHA-256, ECDSA and other sophisticated encryption algorithms were created, made it possible to establish a fully independent (NONSYSTEMIC) monetary system, in the total absence of a central dot. In its place, a mesh of multiple nodes keeps evolving a global web of domestic networks that make the sum of its parts, not only adept to post-nuclear survival, but Indestructible. Bitcoin is the story about the death of the center and the development of monetary, technological, commercial, educational, and political life in a growing web of empowered individuals, networked to provide their direct, creative, effective and productive input in the creation of the world they want to live in. A world that, as Neo, foretold ten years before Satoshi revved up Bitcoin's engine: "I'm going to show them... a world without rules and controls, without borders or boundaries. A world where anything is possible. Where we go from there is a choice, I leave to you."

Should we succeed in helping every new generation, understand finance, we could trigger a radical change of the guard, in the global monetary system, for the first time in 300 years