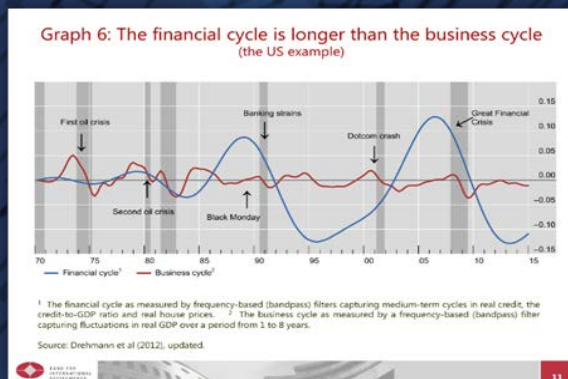


BITCOIN 2025

Unlearning Fake Economics... To Understand Bitcoin

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

This 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



Our anthropocentric perception of the world makes it easy to sell us that humans are not ruled by the complex dynamics underlying the give and take interactions prevalent among all other living creatures.

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**) by applying **Hyman Minsky's theories** to detrended US historical data published by the BIS from **an unrelated angle**. As the positive feedback loop forms the chart, you check for interdependence and solve by coupling the first-order ODEs of their IRR functions, **as in any predator-prey system**. The curves 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 naive, 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 systems.

How Bitcoin becomes the Global Reserve Currency

In game theory, the Nash equilibrium occurs when no player can improve their outcome by changing strategies while others keep theirs unchanged.

After the U.S. imposed sanctions on Russia's Central Bank Reserves this February, for the first time in history and the EU followed suit, a state of disarray among the world largest exporters of commodities and finished goods set in that has yet to be resolved.

This has led to an intense reevaluation by global exporters, as they seek for ways to reduce their reliance on the USD, such as revitalizing talks among BRICS nations or working to create a New Development Bank. These efforts reflect a broader push towards de-dollarization and highlight a potential shift in global financial dynamics to reach a new state of autonomy for exporters in their trade practices, specially to make it unfeasible to render their foreign income hostage to arbitrary sanctions from importers.

One could argue that ever since the sanctions, the global economy began pursuing a New Trade-Currency Nash Equilibrium, where no country can benefit from arbitrarily changing its trade strategy or currency payment terms. A job that at present can only be fulfilled by Bitcoin, the world's most liquid, globally traded commodity. Being fully decentralized and not controlled by any single government makes Bitcoin the ideal trade currency for exporters to achieve the highest level of payment-settlement symmetry for their goods. Also, in the context of long-term trade contracts, Bitcoin would explicitly protect exporters from the risk of getting paid in rapidly debasing national currencies.

From then on, Bitcoin's uncensorable and **100% transferable utility** function would make it impossible for the US or any other nation to stop the new adopter from exporting its production versus payment in what economist John Nash called "**Ideal Money**." The only type that is intrinsically free of "inflationary decadence," as the legendary mathematician, who may be the true architect of Bitcoin, described it in 2011.

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, inventor of the Internet . From **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."