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## 8. Power, Property, and Freedom: Bitcoin Discourse

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**Abstract:**

*We will examine Bitcoin's power dynamics, property-like characteristics, and freedom-seeking possibilities in this post. The present study delves into the complex relationship between power, ownership, and individual liberty, as highlighted by the rise of the online trading platform Voltix Edge.*

*A world of decentralized governance and financial autonomy can be glimpsed in the power, property, and freedom encapsulated in the Bitcoin conversation. We add to a conversation that is influencing not just the financial but also the broader societal future as we work to understand the intricacies of Bitcoin. This paper will talk about. Discourse on Bitcoin: Power, Property, and Freedom.*

**Keywords:**

*Power, Property, Freedom, Bitcoin Discourse, Individual Liberties, Decentralized Governance, Financial Autonomy, Security, Legality*

**8.1 Introduction:**

All people have the right to freedom and property in the ever-changing digital age, but not everyone has the authority to determine who is allowed to have these things.

Furthermore, the concepts of freedom and power are incompatible because having power limits the freedom of another person or group of people. People have thus been battling for dominance since the beginning of time with the ultimate objective of obtaining freedom and property.

Bitcoin emerges as a significant embodiment of the desire for financial independence and privacy, not only as a cryptocurrency. Its origins are strongly rooted in the utopian late 20th-century Cypher punk movement, which promoted the use of encryption as a defense against the state's growing surveillance apparatus. These pioneers laid the conceptual basis for what would eventually become Bitcoin by believing that technology should be used to protect individual liberty. [1]

## **A. Bitcoin Discourse:**

The story behind Bitcoin is just as revolutionary as its technology. Fundamentally, Bitcoin was designed to be a substitute for traditional fiat money, heralding a new era of financial independence and autonomy from centralized institutions. Bitcoin's existence as a cryptocurrency is only one aspect of its discourse; other topics include its philosophical, economic, and political ramifications. A wide range of people participate in this discussion, including technologists, economists, libertarians, and regular people, each of whom brings a distinct perspective to the changing field of digital currencies.

## **B. The Power of Bitcoin:**

Bitcoin's decentralized structure is what gives it its power. With Bitcoin, there is no single entity in control, unlike traditional banking systems that are governed by central authority. Rather, it functions through a peer-to-peer network that enables users to conduct transactions with each other directly, negating the need for a middleman.

Comparing Bitcoin to conventional banking systems, its decentralized structure offers various benefits. First of all, it makes transactions more private and anonymous. It also lessens the possibility of government regulation of money transactions and censorship. Bitcoin gives people a way to transact without interference from the government in nations where financial freedom is restricted. [2]

## **C. Bitcoin and Property:**

Property is one of the documentary's other key topics. "The possession of land is determined by positive constitutions, and the laws regulate the right of property" is how it is said in the US and other nations. Therefore, obstacles like censorship, confiscation, inflation, or counterfeiting may arise for someone looking to invest money in real estate or physical property. To buy land or other very valuable material property, you must have official government clearance. The property of a person who uses credit to buy something and then defaults on the payment may be seized by the authorities.

In the real estate industry, instances of inflation and counterfeiting are very common. With Bitcoin, users can spend money only if they have it; there is no central bank that can issue money and cause inflation; and users can utilize the network without requiring permission from anybody. Bitcoin is a tangible example of property rights in this sense. [3]

Because Bitcoin is property-like, its use and regulation are significantly affected. For instance, it implies that, like other types of property, Bitcoin may be liable to taxes and laws. It also implies that governments may, under some conditions, seize or confiscate Bitcoin.

For those who do not have access to conventional banking institutions, Bitcoin can also grant property rights. Due to weak legal systems, people may not be able to prove they are the owners of their assets in many nations or may not even have access to banks. Because Bitcoin is decentralized, anyone can keep and transfer assets without requiring identification or a typical bank account.

#### **D. Bitcoin's Core Features as Pillars of Freedom:**

The essential component of Bitcoin's design that breaks down the financial entrance barriers that have historically kept large segments of the world's population out of the financial system is its permissionless nature. Bitcoin's infrastructure is intrinsically inclusive, in contrast to traditional financial systems where access is frequently restricted by credit checks, bureaucratic red tape, and a host of other discriminatory practices. Anyone with an internet connection can participate, which is a straightforward yet effective principle.

The open-access philosophy of Bitcoin guarantees that people can conduct financial transactions regardless of their location, socioeconomic position, or political affiliations. No central authority's approval is required, and there are no gatekeepers dictating who is allowed to use the system and who is not. By giving people control over their financial transactions without hindrance or bias, this democratization of financial services not only promotes inclusivity but also gives them a sense of empowerment. [4]

#### **E. Exploring the Different Perspectives in the Bitcoin Discourse:**

Different perspectives, each providing a different lens through which to observe this complex phenomenon, define the Bitcoin discourse. On the one hand, supporters see Bitcoin as a ground-breaking technology that provides never-before-seen levels of financial autonomy and chances for economic emancipation. They emphasize how it may function as an international currency that is unaffected by manipulation and censorship. But detractors point out that it is volatile, has an adverse effect on the environment, and might be used for illegal purposes.

Rather than being mutually incompatible, these contrasting viewpoints serve to highlight Bitcoin's complex nature. Economists argue over its function as money, technologists highlight its cutting-edge blockchain technology, and environmentalists examine how much energy it uses. Every viewpoint advances the conversation about Bitcoin and challenges the community to fix its flaws, resulting in a deeper knowledge of the cryptocurrency.

### **8.2 Review of Literature:**

The discourse surrounding bitcoin has shown the confidence and belief in the cryptocurrency as a solution to alleged issues with traditional finance.

The discussion of bitcoin as money, technology, the realization of the free market, commodity, investment, cryptocurrency as in bitcoin, cryptocurrency as in general, the blockchain as in bitcoin, and the blockchain as in general is rife with exaggeration, half-truth, and excitement. Regarding the seemingly utopian impact of digital technologies on economies and societies in the twenty-first century, commercial, journalistic, investor, and enthusiast opinion is uncomfortably dependent on the Californian Ideology in digital discourse. This is not a dispassionate discussion. The discourse on technology, as Fisher puts it, "is not a transparent vignette on reality but rather a particular outlook on it. "Modern societies' material basis are not just provided by technology; it also serves as its justification (Fisher, 2010, p 2). [5]

Owners and traders of bitcoin firms enjoy a great degree of privacy. Many people like their profit-making endeavors to stay hidden and dislike being known to the general world. Unlike credit card transactions, which require user details, these virtual monies are a better option. According to Gwartney et al. (2021), cryptocurrency is decentralized and provides a trading platform that is immune to government intervention. Because no nation owns the online business, taxes cannot be imposed on the transactions. [6]

All citizens in democratic society are entitled to the freedom of expression and privacy, although this freedom is frequently restricted. People often have to suppress those who hold different viewpoints, even though they have the right to free speech.

This is especially true when the speech is political (Mitchell, 2013, p. 47). Accordingly, people must refrain from voicing their thoughts "from being heard" in order to avoid judgment, punishment, or harassment (Mitchell, 2013, p. 47). In the documentary, privacy and freedom of speech are examined from a Bitcoin viewpoint. As a result, users of Bitcoin are able to conduct any kind of financial activity without worrying about being observed, scrutinized, or subject to microtransaction taxes. Users of the Bitcoin network have access to a "free speech zone" (Mitchell, 2013, p. 60). The only thing that makes it different is that there are no guards or watchdogs there, so people feel safe and secure there. [7]

### **Objectives:**

- To Study of Power, Property, and Freedom: Bitcoin Discourse
- The Freedom and Decentralization Aspect of Bitcoin Discourse
- An Analysis of Discourse, Power and Social Control

### **8.2.1 Research Methodology:**

The overall design of this study was exploratory. The research paper is an effort that is based on secondary data that was gathered from credible publications, the internet, articles, textbooks, and newspapers. The study's research design is primarily descriptive in nature.

### **8.3 Result and Discussion:**

#### **A. The Freedom and Decentralization Aspect of Bitcoin Discourse:**

The concepts of freedom and decentralization are important to the discourse surrounding Bitcoin. With Bitcoin, people can deal directly and without middlemen across borders in a world where financial activities are not dictated by centralized authority. Beyond money, this decentralized vision proposes a new paradigm for society organization and governance.

There are difficulties associated with the freedom that Bitcoin offers. It calls into question the duties of network participants, regulatory monitoring, and the possibility of abuse. In order to address valid worries about security and legality while maintaining the concepts of autonomy and privacy, the conversation surrounding freedom and decentralization must strike a balance. [8]

#### **B. An Analysis of Discourse, Power and Social Control:**

There is a lot to say about the validity of Bitcoin in today's culture, especially given the continuous attention it receives and the use it receives as an alternative money. In order to provide a more secure peer-to-peer exchange based on trust and anonymity, Bitcoin was created as a cryptocurrency to get beyond the restrictions and controls that are now present in traditional financial institutions, such as Banks and Credit Unions. The anonymous creator of Bitcoin, "Satoshi Nakamoto," proposes that in a traditional banking system, financial institutions withhold information from parties involved in transactions in order to maintain privacy and resolve disputes. These third-party, impartial parties are the banks themselves.

Peer-to-peer currency exchange networks accomplish two goals. First, it pushes society to reevaluate the rules and processes that we use to trust financial institutions, paying special attention to the ideas of sovereignty and government participation. Thus, Bitcoin goes even farther by eliminating the individuals in charge of interest rates, currency fluctuations, and membership fees by linking recipients in a nearly confidential manner, much as how many smaller banks have gone to credit unions in order to prevent dominance by the major banks. Second, we alter society's abstract conception of finances as well as the strategies these organizations employed to keep influence over the broader public by questioning the conventional narrative of banks and other financial institutions. [9]

This gives society direct control over financial power, which scares financial institutions. Experts used to hold this authority. Certain tenets of the previous discourse, including the presence of Bitcoin traders who trade in money similarly to a stock analyst, may, as previously indicated, be appropriated. The main distinction in the conversation surrounding bitcoins, though, is that traders are now considered "every man" rather than experts.

It directly challenges their ideal discourse, which is why banks hate it. In a Bitcoins-enabled society, consumers may choose to pay and invest using Bitcoin instead of the banks controlling every aspect of people's financial lives. Alternatives like Amazon or traditional merchants may take this role. [10]

### **C. The Non-Domination Freedom of Bitcoin:**

Negative freedom has been the most common definition of bitcoin freedom. The most appreciated aspect of Bitcoin is its decentralization from a centralized entity. Therefore, the fundamental principle of Bitcoin freedom is non-interference, which is a foundational element of liberal freedom. As I have stated earlier, liberal freedom is not as complete as Bitcoin freedom. Separately, Pettit and Skinner unearthed a third definition of freedom. This "new" rendition was based on the texts of Republican Rome in antiquity. It was first described as independence (Skinner) or independence from dominance (Pettit). This new definition of freedom, in my opinion, better captures the essence of Bitcoin freedom. The idea of freedom as non-domination is harmful since it implies the absence of anything. Pettit argues that his interpretation of freedom as the absence of dominance offers a wider meaning than the liberal view, which prized the absence of interference. According to Pettit, dominance is only random interference. Thus, by doing away with some types of interference, Pettit's definition of freedom becomes more inclusive in relation to the liberal understanding. Stated differently, an interference does not exercise domination if it is not introduced arbitrarily. A definition like this permits freedom inside a system of non-arbitrary laws. [11]

### **8.4 Bitcoin Power Law Theory:**

What I learned most of all was that power laws govern Bitcoin. It operates more like a physical system than an asset, as seen by its regularities. Based on the observation of a remarkable power law over several orders of magnitude in the Bitcoin price vs. time graph, this understanding was formed.



**Figure 10.1: The Price of Bitcoin vs Time.**

### **8.4.1 The Bitcoin Power Law Theory:**

My Power Law model has now developed into a complete theory of Bitcoin behavior that can explain the increase of Bitcoin adoptions as well as all the key on-chain parameters in a scientifically consistent and falsifiable manner: The PLT, or Bitcoin Power Law Theory.

The PTL hypothesis is briefly explained and the primary facts supporting the idea is displayed in the graph below. The power laws of time and each other are price, hash rate, and addresses (we utilized addresses above a cut-off to exclude dust addresses).

Power laws, which take the mathematical form  $y=A x^n$ , are found in many aspects of social phenomena, the natural world, and other factors pertaining to the growth of nations and cities.

They are so prevalent because it is physically and mathematically demonstrable that they arise in every process where the output is used as the new input in a repetitive manner.

Based on logic, physics, and the mathematics of the feedback loop below, the theory is essentially a mathematical expression.

Originally, the early adopters of the Satoshi circle had to accept and accept Bitcoin. [12]

The square of the users increased the "value," which is now the "Price," which is available for viewing online 24/7. The empirically measured value is closer to 1.95, but for simplicity's sake, we've rounded all the power numbers that follow to their integer value. This is a validation of the Metcalfe law, a theoretical result.

More resources, particularly mining power and capabilities are brought in by the price increase.

The time to mine a block is shortened by price increases, but due to "Difficulty Adjustment," the hash rate required to mine a block is altered often. The compensation mechanism for the barely profitable mining must be proportionate to the price increase caused by  $P=users^2$  and the reward itself.

This means that  $hash-rate=Price^2$  makes sense both dimensionally and logically, and this is exactly what is observed when the empirical value of the power is close to 2 or  $Price=hash-rate^{1/2}$ .

The other power laws that we have observed over time can then be explained by this power law increase of adoption in conjunction with the previously described power laws:  $Addresses = t^3$ ;  $Price = Addresses^2 = (t^3)^2 = t^6$  ;  $Hash-Rate = Price^2 = (t^6)^2 = t^{12}$ .

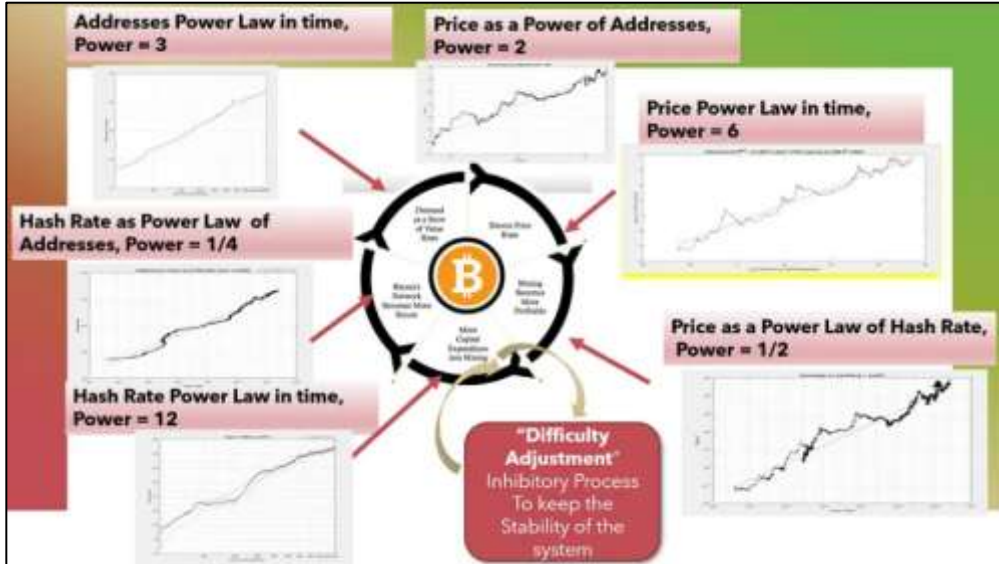


Figure 10.2: PTL theory

The interacting power days laws and the suggested causative explanation for each are displayed in the following graph. [13]

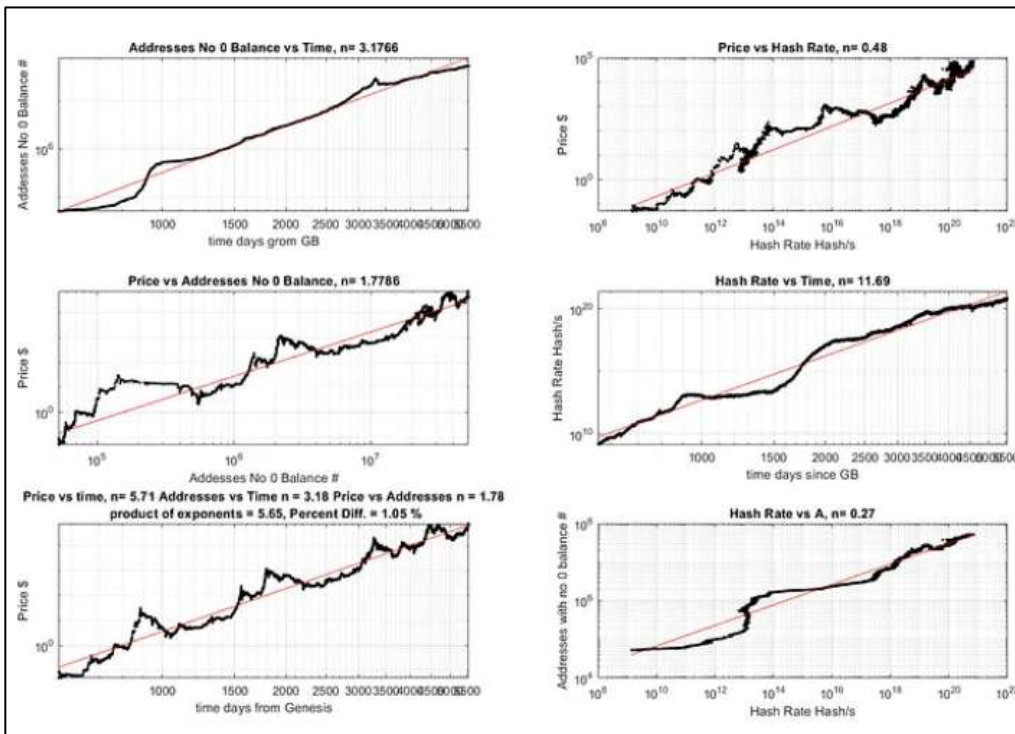


Figure 8.3: Interacting Powers Laws (giovannisantostasi.medium.com)



## **8.5 Conclusion:**

A world of decentralized governance and financial autonomy can be glimpsed in the power, property, and freedom encapsulated in the Bitcoin conversation. We add to a conversation that is influencing not just the financial but also the broader societal future as we work to understand the complexities of Bitcoin. Because Bitcoin is a dynamic and ever-evolving phenomenon, the conversation around it is never-ending. The discourse surrounding Bitcoin will certainly change as it develops further to take into account fresh findings, difficulties, and viewpoints. Informed discussions, critical thinking, and including a varied community in the investigation of Bitcoin's possibilities are the keys to the discourse surrounding the cryptocurrency's future. This debate has ramifications that go beyond Bitcoin itself, including more general discussions about the direction of money, the place of technology in society, and the quest for economic independence. Taking part in this conversation is more than just exercising your intellectual curiosity; it's also a way to support a movement that questions preconceived notions and envisions innovative solutions for the future of humanity.

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