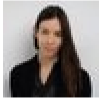
Twitter Thread by Lyn Alden



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There’s an old Zen koan that goes, “if you meet the Buddha, kill him.”

In other words, when something is self-verifiable or self-iterating, looking too heavily towards the originator can be a distraction along the path. Results speak for themselves.

Some folks have applied that to Bitcoin as well.
https://t.co/NYk1IKFDt4

For example, sometimes there are debates about Satoshi Nakamoto’s original intent. Should block sizes be increased to facilitate “e-cash” or should block sizes be kept small for any user to run a node?

> \u201cIf you meet Satoshi on the road, kill him.\u201d\u2013 The Tao of Bitcoin
>
> — Max Keiser (@maxkeiser) February 14, 2019

This is the type of problem encountered by engineers all the time: trade-offs.

A project can iterate or stay the same depending on what the market says.

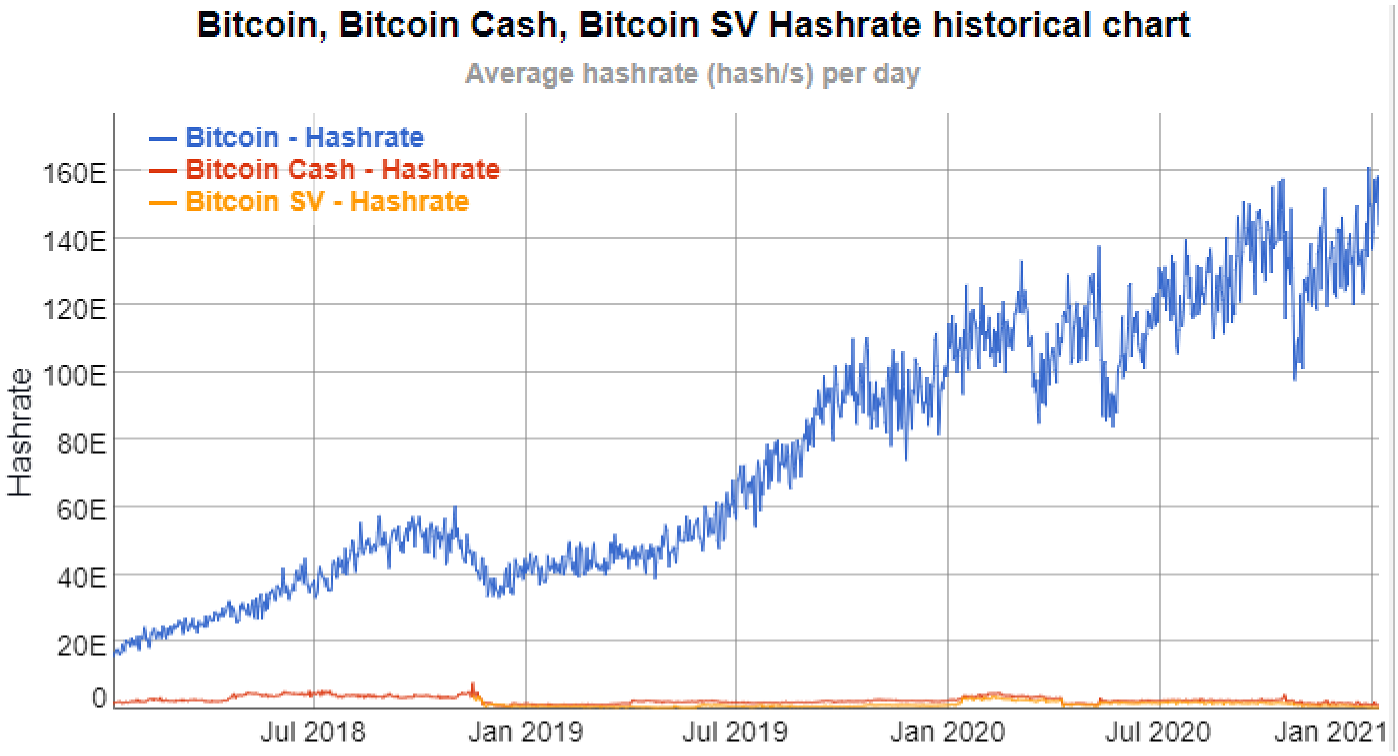
Sometimes the successful product ends up being very different than the engineer initially envisioned. Sometimes it’s exactly like what they envisioned.

With Bitcoin, there are developer-vs-developer disputes, and disputes between finance-types and earlier users.

This is similar to natural selection, with “nature” as the market. Some creatures haven’t changed in hundreds of millions of years. Others have changed notably, or transformed into something else entirely.

In economics, the market dictates success or failure.

For years it has spoken, and BCH and BSV have devalued vs BTC in terms of price and hash rate. The market says it likes small blocks, lots of nodes, and Bitcoin as store of value and settlement.



Network effects tend to compound, so the winning networks get better hardware, better apps, and more institutional interest, than smaller networks. And that gives them more users, more security, etc.

So, success compounds into more success, unless a major tail risk occurs.

People can debate about what the market "should" want, or what Satoshi's intent was, but so far, that's what hundreds of billions of dollars of capital said it wants.

And the market gets what it wants, unless or until it wants something else.

Governments can change market direction to some extent. But countries are in a market competition vs other countries.

If a country bans something, another country can pick it up and let its people innovate with it, for success or failure.

Globally, with zero yields everywhere, more people have a "store of value" problem than a "medium of exchange" problem.

We have no shortage of quick ways to pay, but we have plenty of difficulty finding things to store wealth in for a long time.

So, the market likes BTC's high hash rate settlement network. That's where most small money and big money flowed to in the space.

The market has said rather clearly that it is uninterested in bigger block sizes and trying to expand transaction throughput on the base layer.

Some folks, however, do have a medium-of-exchange problem as well. People sending small international remittances, and folks that get de-platformed or sanctioned come to mind.

And for them, there are solutions, including potentially Lightning on BTC over time.

And as things develop, the market will dictate who wins in the medium-of-exchange or smart contract race as well. There are Bitcoin layers, there are apps on those networks, there are DeFi projects, other projects, etc. It will be what it will be.

Among blockchains, the BTC base layer is essentially a finished project (no longer beta) with of course ongoing gradual improvement, while most other blockchains remain experiments in rapid change (alpha/beta versions), with less security and less finality.

Debating over what was intended is not generally the ideal path.

Listening to the market in the long run, through multiple cycles to clear out temporary malinvestment and see what sticks over time, is generally the ideal path.