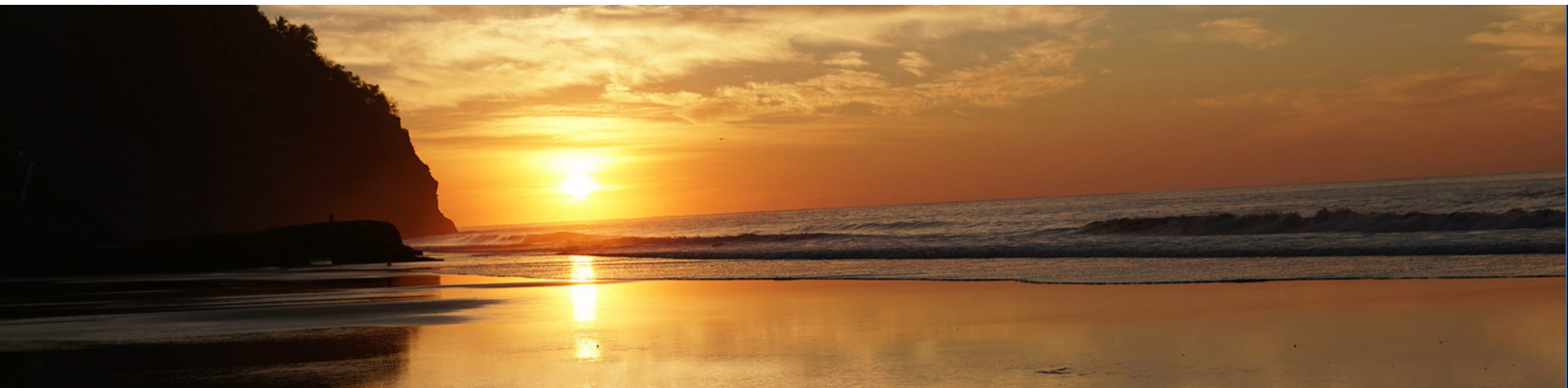


A bitcoin beach project in your community?

bitcoin beach white paper



El Zonte, El Salvador

Concepts and Principles that Bitcoin
Beach-Like efforts should embrace





Basis Underlying Bitcoin Beach-Like Efforts (BUBBLEs)

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Abstract

BUBBLEs describe the concepts and principles that Bitcoin Beach-like efforts should embrace. The original Bitcoin Beach in El Zonte achieved notable success with its approach to educating and empowering its community in conjunction with building a lasting circular Bitcoin economy. These BUBBLEs are based on lessons learned from the leaders of that effort.

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We hope this document provides guidance to others pursuing similar efforts around the globe.

The format used here is inspired by the one used by Lightning BOLTs. Lightning itself has been a tremendously powerful tool in enabling circular economies throughout the world, so we send everyone who helped make Lightning payments possible a heaping helping of gratitude.

Prologue

By Mike Peterson
Director, Bitcoin Beach
June 2022

Three years ago I attended a meeting that changed the trajectory of my life. The meeting was with the advisor of an early Bitcoin adopter and philanthropist who wanted to see Bitcoin used in meaningful ways to change lives. I left the meeting energized with a sense that something radical was being birthed. I have always seen the world very differently, which can sometimes be alienating. Leaving this meeting felt the opposite. I sensed I understood what this donor wanted to see, maybe even more than the advisor explaining it to me. I returned home and banged out the following unpolished proposal. I had a hunch this donor wanted something very different. I don't care about the procedure or the right way of doing things (or even correct grammar or spelling if you follow me on Twitter). I sensed this visionary early Bitcoiner was a kindred spirit. They just wanted someone who could get the impossible done and not give them excuses as to why it couldn't be. They wanted to see the world's first Bitcoin circular economy sparked into existence, and our team was crazy enough to think we could make it happen. The following fevered proposal was sent out that night: a proposal light on details and loaded with naive idealism. Reflecting three years after writing this — 2.5 years after the project launched — it is shocking that it has all played out according to plan.

Here is the letter that started it all, from 2019:

We have the opportunity to use Bitcoin to transform one of the poorest and most isolated villages in El Salvador. El Salvador is the smallest and most densely-populated country in Central America and consistently has the highest murder rate in the world. The citizens of El Salvador are desperately fleeing in record numbers, with over 20% of Salvadorans now living in the U.S. because of this.

On the underdeveloped eastern coast of this troubled country sits an isolated village that we hope will become the poster child for how Bitcoin can be used to improve the lives of the unbanked poor throughout the world. Agua Fria is a remote coastal village left mostly undeveloped because the region was the epicenter for the civil war that only ended in the 1990's. This is slowly changing as surf tourism brings adventurous foreign travelers to the zone. Unfortunately, the local population has benefited very little from this influx as most guests currently stay at the two all-inclusive hotels owned by people from out of town. We see bringing Bitcoin to the people as a way to provide local business capital and help promote the area beyond the one surf location.

We think the following characteristics of the area provide the ideal conditions to use Bitcoin to transform lives.

The area is highly impoverished but full of potential for future tourism. A targeted Bitcoin injection can potentially change the trajectory of this entire region and help the locals participate in tourism growth. Recent studies have shown that cash transfers are more efficient at alleviating poverty than complicated aid programs. However, the cash transfer comes with many logistical and safety concerns and is often very costly to implement. Bitcoin overcomes this because it can be transferred quickly, safely, and efficiently. We think this program could transform the future of aid and charity work worldwide. In addition, the relative isolation of Agua Fria means we can clearly document and identify the impact of the injection of Bitcoin into the local economy.

Because of both the physical isolation and the extreme poverty, most of the population is unbanked. The adoption of Bitcoin allows them to leapfrog the fiat banking system.

Most of the villagers have family members in the U.S. that send them remittances to help them survive. However, it is a significant challenge for the village members just to travel to a bank to pick up a transfer, and the bank fees and charges take a considerable percentage of what is sent. We believe that once introduced to the ease and efficiency of transferring Bitcoin, that this could pave the way for it to become the default method for immigrants sending money home without risking losing it to bandits or greedy government bureaucrats.

Because of the recent influx of adventure travelers, the word will quickly spread around the world about 'Bitcoin Beach.' It will become known as the small, beautiful beach village in El Salvador where you don't need to carry cash because all the local stores and businesses prefer Bitcoin.

What we are proposing goes way beyond just giving a few bitcoin to a nonprofit and having them find a way to spend it. What we want to do is create a circular Bitcoin economy that will transform a region, demonstrate the ability of Bitcoin to end poverty, and bring in journalists from around the world to marvel and write about the village that runs on Bitcoin.

Goals

To provide a sustainable Bitcoin ecosystem:

Bitcoin will be distributed to families with children attending the local school. This allows the bitcoin to be widely distributed, gets the resources where they are most needed (families with children), and encourages the continued education of the local kids — most students in this area often drop out before fifth grade because the parents start having them work in the field to help provide for the family. We will work with the local business owners to teach them how to accept bitcoin and explain how the injection of bitcoin in the local community will provide opportunities for increased sales. We will also work with the local water

project that provides all the village's water services to ensure people can pay their bills in bitcoin. Finally, we will have someone living in the community helping the people download phone wallets and holding their hands through the initial use of bitcoin to purchase goods and pay bills.

The second stage will come in the second year once bitcoin is being widely used for local commerce. At this point, our staff will focus on helping people show their relatives how they can send them bitcoin easily and cheaply rather than trying to wire money down. In the initial year, we will have to provide an exchange in town to allow the stores to convert some of their Bitcoin into fiat so that they can pay their suppliers. We will do this at a small discount to the current market rates to encourage them to begin to transact with their suppliers in Bitcoin. The hope is that, over time, their suppliers will actually prefer to be paid in bitcoin because they realize the benefits of using bitcoin. Lastly, we will make sure that tourists know that the best way to pay for everything is in bitcoin so that they will also increase the village's transactions that happen in bitcoin.

We will put Agua Fria on the map as the world's first 'Bitcoin Village.' I have extensive experience in getting media coverage and I know that the media will not be able to get enough of this. We will have journalists from all the top publications coming to write about this Bitcoin Village. I have been featured in numerous TV programs in my business ventures, from The Food Network to The History Channel to "Good Morning America," because we have unique food items. With something as revolutionary as this, I believe this will be the story everyone is talking about. We think that the rebranding of Agua Fria as 'Bitcoin Beach' will increase tourism as people read the stories and flock to the beautiful beaches while having the opportunity to be part of this Bitcoin revolution.

Our goal is that by the end of three years, people worldwide will know about Bitcoin Beach and want to see similar transformations in their communities. By year three, we believe that most of the transactions in Agua Fria will be happening in bitcoin and that most of the resources sent by relatives in the U.S. will be sent using bitcoin.

Furthermore, Agua Fria's businesses will pay employees in bitcoin, and suppliers will accept bitcoin as payment for supplies sold to the local businesses. Moreover, we believe that the increased tourism will benefit locally-owned businesses because the local population will have the resources to start small businesses. Finally, we think that after three years, the system will be strong enough to go forward on its own and that we can begin to withdraw the monthly bitcoin stipend without impacting the ecosystem. By that point, bitcoin will be entrenched, and everyone will have seen the benefits of transacting in bitcoin rather than fiat.

As I mentioned, what we want to do is revolutionary, and we believe it will impact the poor and bitcoin in a way almost nothing else can. We realize this is far beyond the scope of your current projects, but we think the impact will be genuinely world-changing.

It is one thing to have a vision, and it is another thing to be able to implement it. The reason Bitcoin Beach became a success story rather than a cautionary tale comes down to the Salvadoran team on the ground grinding and putting in the work to make it happen. 100% of the credit goes to these ambitious community-minded leaders who were able to take a silly dream and turn it into a world-changing reality. We also give huge credit to the president of El Salvador, Nayib Bukele. He has taken a huge political risk to do what is needed to bring lasting transformation to El Salvador. The Bitcoin Beach team is now focused on continuing to transform El Salvador, but also finding other young servant leaders worldwide that want to transform their communities. We cannot wait to see what happens in the next three years.

BUBBLE-01: Definitions

We define a **Bitcoin Beach-Like Effort (BBLE)** to be a real-life endeavor to create a circular Bitcoin economy in a particular geographic region.

By **real-life**, we mean the endeavor should take place in meatspace: in a *real* physical community with *real* people. Digital circular Bitcoin economies are important too, but BUBBLE guidelines are intended to be applied to real-life communities.

By **circular bitcoin economy**, we mean a marketplace of goods and services in which merchants and consumers use bitcoin as the medium of exchange.

By bitcoin, we mean **bitcoin-only**, not “crypto”. It is critical that a BBLE remain focused on adopting and understanding of bitcoin.

There are no formal restrictions on the attributes of the **geographic region**. The region can be anywhere, be of any size, and consist of people from any demographic.

BUBBLE-02: Motivations

A BBLE must endeavor to solve one or more core social needs in its target geographic area. Merely promoting Bitcoin adoption on Bitcoin's own merits is not sufficient.

Here's why:

- **It's more effective.** Most people think their current money works well for them, even if it's bad money. Trying to explain Bitcoin in terms of Bitcoin (complex monetary dynamics, evil banking, and nerdy peer-to-peer technology) is not likely to work. On the other hand, giving people a cause they can relate to, such as a better future for their kids or not having to worry about cash being stolen from under their mattress, can make Bitcoin more approachable.
- **It's more sustainable.** While Bitcoin is a powerful tool, it's not a panacea. In addition to hard money, a flourishing civilization also needs strong families, healthy food, quality education, a robust energy grid, and so much more. Over time, a region that adopts bitcoin but still lacks fundamental necessities will not be able to sustain itself.

Bitcoin presents an incredible opportunity to rebuild the very core of society to greatly reset the failing fiat paradigm. But fiat money is not the only weakness of the fiat paradigm. This is why focusing solely on Bitcoin's monetary element indicates a short time preference—but Bitcoin is about extending peoples' time preference, and so efforts to promote circular Bitcoin economies should endeavor to set people and their communities right for the long-term. For this to happen, such efforts must be comprehensive and socially aware.

Guiding Questions

1. What are the most pressing challenges facing your community?
2. What is holding back your community from achieving better outcomes right now? Is it individual mindset, economic, political, or something else?
3. How could these challenges be addressed *without* bitcoin? How would including bitcoin affect your approach and projected outcomes?
4. How do you think your impact will endure over 1 year? 5 years? 10 years? 25 years? 100 years?
5. What would happen if your vision for your community failed to gain traction?

Remarks

El Zonte, and much of El Salvador, suffered from a vicious cycle. A lack of opportunity caused many adults to flee the country to places like USA where there was more opportunity. Their kids would grow up in El Salvador without

the invaluable attention of their parents—without love, without someone to guide them, without someone to talk to them about their dreams, and without someone to nurture them with hope for the future. This dynamic created an artificial cap on families' growth, which precluded prosperity throughout the country, which prompted more adults to leave, and the cycle continued.

In response, Hope House's top goals were to counter this cycle by giving local kids tools and knowledge to fight for their dreams, take advantage of opportunities coming into the country, use Bitcoin, and promote family unity throughout El Zonte. This was best achieved by spending time with the kids who had disjointed families, discussing their hopes and dreams and plans for the future, encouraging them to focus on school, and to generally be there for them.

The primary vehicles for spending this time were community service projects:

- Cleaning the nearby river and picking up trash around the community
- Helping the elderly (e.g. running errands for them, or making repairs in their homes)
- Lifeguards to preventing people from drowning in the ocean
- Minor road repair

Sure, these projects improved the community and helped its people in real ways—but the beauty of these projects is that they also gave the kids who did them support and care they didn't receive at home while also teaching them responsibility and job skills.

While this community service was incredible, the folks at Hope House knew it wasn't sufficient for providing the kids a better future.

Every project will be unique, but Hope House was structured around the following 4 pillars:

1. Education
2. Spirituality
3. Recreation
4. Technology

1. Education

Education didn't always get first priority for kids in El Zonte, so Hope House sought to change that.

- Kids were encouraged to stay in school longer, keep good grades, and read more with tutoring programs and incentive programs.
- Since El Zonte doesn't have a high school, kids who wanted to go to high school had to travel to other towns to attend. This is logistically challenging and costly. Hope House intervened by providing meals and rides to make the trek more feasible for more kids.
- Although school formed a decent educational basis, there was a lot of practical professional knowledge that it didn't provide. So Hope House

complemented school with classes to teach skills companies look for such as English, programming, marketing, and more. The goal was to give kids the skills to obtain more advanced, higher-paying remote jobs in the USA and Europe without needing to leave El Zonte.

- In case funding was ever an issue for a student to attend university, Hope House would help find scholarships or some other sponsor to make it possible.

2. Spirituality

Hope House's leaders realized that education alone wasn't enough. A human can fill their head with knowledge to attain external success, but to truly thrive, a human needs real purpose. One cannot adopt a low time-preference mindset without pondering eternity and why we are here on Earth. Underlying everything Hope House does is a belief that God designed us with an innate desire for love and connection. Roman likes to describe this as a "love tank"—everyone has one, and filling it is crucial so we're better people when we grow up. A full love tank enables empathy, which enables better families and communities, and the effect compounds and cascades.

Also central to Hope House's notion of spirituality is God, or the idea that there is *some* superior being out there listening to us and helping us. Everyone should try to connect with this power and harness it on a regular basis.

Practically, Hope House nurtured kids' spirituality through activities like surfing, meditation, and yoga.

3. Recreation

Kids grow and develop in many different ways. Kids are naturally playful, they play with each other, they enjoy competing, meeting new people, dreaming, finding new passions, learning to believe in themselves, establishing goals, picking up hobbies, going on adventures. . .

But in poor countries like El Salvador, because of the economic pressure so many people face, sports like surfing and soccer are often thought to be a waste of time. Why surf when you could be working to put food on the table?

But missing out on sports as a kid means missing out on many major areas of development, so Hope House made it a pillar of their empowerment efforts.

4. Technology

The final pillar of Hope House's approach to youth empowerment is technology. While this can be seen as an extension of the education pillar, it could be said that this pillar is more about instilling a mindset that change is incessant: technology changes all the time, whether you like it or not, and up-to-date technology skill is key for lifelong empowerment.

Along with the English classes, computer classes, and marketing classes, kids are taught perhaps the most important lesson of them all: to never stop learning.

Takeaways

Note that Hope House built on long-standing community outreach and development programs that existed *before* Bitcoin was introduced to the community.

When Bitcoin became a part of the programs—years later—it supercharged the efforts in a synergistic way. The goal of the 4 pillars was essentially to extend the time preference of those in El Zonte through quality human development and service, and Bitcoin merely became a monetary layer on top of that.

To that end, Hope House started paying and incentivizing kids with bitcoin for work and initiatives they were already participating in (e.g. doing community work, keeping good grades, etc). Having people in the community with bitcoin to spend helped bring merchants onboard to accept bitcoin, and the cycle perpetuated.

BUBBLE-03: Team

Generally, traditional factors like professional background and education matter less than a person's relationships with their community.

Having community leaders with deep knowledge and connection to their community makes it more likely that Bitcoin-related efforts effectively address real community needs. Outsiders coming in to impose initiatives they *think* are most needed are unlikely to bring about long-term impact (with or without Bitcoin).

Changing the money one bases their life on is a massive leap of faith, which is itself made of many smaller leaps of faith: adopting new mindsets, using new apps, doing new things, meeting new people, learning new things, etc. It is crucial that these leaps be encouraged by highly-trusted people.

Guiding Questions

1. How much experience do community leaders have helping the community they seek to impact?
2. How strong is the bond of trust between community members and community leaders?
3. How well do community leaders understand the challenges facing their community?
4. Are community leaders well-positioned to address those challenges? Are there other people or other organizations who could help?
5. Has anyone in the same region tried a similar initiative in the past?
6. What are your personal goals in launching such an initiative? Do you think they align with those of others on your team?
7. How can you ensure that the whole project isn't reliant on one person? What can you actively do to distribute knowledge and responsibilities to others?

Remarks

While BBLEs have sprung up all over the world and been founded by all kinds of people, there is a pattern: the leaders of these initiatives spent years selflessly bettering the lives of their target communities before Bitcoin ever entered the picture.

The leaders of Bitcoin Beach in El Zonte—Mike Peterson, Jorge Valenzuela, Roman Martinez, and Hirvin Palma—had already been involved in youth empowerment and community enrichment efforts through an effort called Hope House. They had tirelessly worked to improve the lives of El Zonte's kids and their families for several years before Bitcoin Beach ever kicked off. As a result, the Bitcoin Beach leaders knew their community better than anyone else. And, just as importantly, the bond (and trust) between Bitcoin Beach leaders and their community was strong from the start too.

Bitcoin Beach has focused on distributing knowledge and responsibilities among its team members, so the project almost never has to depend on one person for anything. They say: “it doesn’t matter who does the work—it matters more that the work is done.” There’s a strong culture of team members openly sharing knowledge on a regular basis, delegating work, believing in each other, trusting each other, and training younger folks to carry the mantle. This helps day-to-day operations go smoothly, for sure, but it also makes the case for others to contribute time and money more compelling too.

BUBBLE-04: Traction

A BBLE needs a solid plan to achieve traction, especially in the beginning.

At a minimum, there should be: a singular focus, a thoughtful approach to education, and appropriate assistance initiatives to help people get comfortable with their new tools.

In the end, even the best plans don't play out perfectly, so project leaders should be ready to adapt when reality veers from the plan.

Guiding Ideas

Focus

What is one initiative the project will focus on? It's easy to get over-ambitious and come up with multiple, but there should be one top-priority initiative to guide early resources.

- What is the one defining initiative of the project, to start? What makes it more important than everything else?
- What kind of impact will it have? How many people will it impact?
- Who will lead it?
- What's the budget? How can funding be obtained?

Education

Regardless of who your project targets and how it goes about promoting bitcoin adoption, at some point, you will need to educate people about bitcoin and how to use it.

- Who does it makes sense to target first for your educational efforts? What role do they play in your top-priority project?
- Why would people use Bitcoin? Are there any circumstance-specific benefits Bitcoin provides? What is the value-add for the people you're targeting? How is Bitcoin significantly better than what these people are currently using?
- How will you be interacting with people to onboard them? In-person meetings, how often, etc?
- What's the simplest possible way you can show people bitcoin, to start? Remember you can always layer more advanced concepts over time.
- Is there any way you can spark a wave of momentum to multiply your efforts? Examples: teaching kids so they teach their parents, onboarding merchants to attract other merchants, etc.
- How will you address common concerns? Volatility? Legality? Lack of state control? Custody?

Assistance

No matter how good your education efforts are, people will be nervous at first, and they will probably need some special short-term assistance as they get comfortable with bitcoin.

- How can users reach you when they need help and you're not there to help them?
- Is there any way to provide early users a way to exchange earned bitcoin for local fiat currency? Perhaps through an ATM or other methods? It may seem counterintuitive, but Hope House found that having more readily-available options to convert bitcoin to fiat makes people more likely to hold bitcoin (instead of converting it at the first chance they get).
- Could cash-back programs improve confidence for your first users? Either as a way to cushion volatility, or as an incentive for businesses to accept bitcoin?

Remarks

Focus

Although Bitcoin Beach has grown to run a number of programs over the years, it started very humbly and very simply: just getting together with kids in the street to talk, listen, and play.

Geography

In order for a Bitcoin circular economy to have impact, it must create a network effect. It is much more effective to have one neighborhood in which 10 out of 20 local businesses are accepting bitcoin than it is to have dozens of businesses accepting bitcoin scattered miles apart. It is best to start focused on a small area and let the movement expand naturally from there.

Education

Bitcoin Beach found that nothing beat *showing* kids how to use bitcoin in the *simplest* possible way *in-person*.

- It was overkill to explain the concepts underlying Bitcoin, holding your own keys, etc. People need to do their first transaction and have a "lightbulb" moment before they will be willing to put in the effort required to understand Bitcoin.
- It helps to showcase concepts experienced users take for granted. An example: showing a transaction between 2 different wallets to illustrate Bitcoin's openness as a protocol versus a closed corporate service like PayPal.
- Kids can pick up new technology up relatively quickly, and they're the best teachers for their parents. They are also in the best position to benefit

from the mindset shifts bitcoin enables (importance of saving and investing, long time preference, etc).

- The Bitcoin Beach team makes it a point to do virtually all of their interactions in-person. Onboarding sessions are often done in the form of meetups with ~50 families where community leaders do a quick introduction about bitcoin, get people to download a wallet to their phone, send them some bitcoin, have them do a transaction of their own, and then answer questions on-the-spot.

Bitcoin Beach also used region-specific circumstances to connect to people:

- In more collectivist societies like Latin America, it can be challenging to save money because there is an expectation that you will loan or give cash on hand to family and friends with immediate need. Many people don't have bank accounts, so people often store value in ways that are not very efficient (cement blocks for future building projects, a car, rims for a car, etc) to preserve their wealth. Bitcoin provides a robust alternative for preserving wealth.
- Bitcoin enables greater physical safety as it enables people to send and receive money without carrying around cash.
- Many vendors in El Zonte don't have the resources to accept traditional electronic payments, but they do have mobile phones to easily accept bitcoin and Lightning payments.

Assistance

El Zonte is a fairly small town, so it was feasible for the Bitcoin Beach team to make itself available for people to simply drop in with questions about using bitcoin. While this is logistically hard to accommodate, it's the most effective way of providing support.

At first, Bitcoin Beach tried a few programs to help the community build confidence in Bitcoin. They offered merchants a 20% cash-back incentive for accepting bitcoin, provided a cushion for volatility, and provided a way for people to exchange bitcoin for fiat. Although these programs were short-lived, they were critical to building consumer and merchant confidence in the concept of bitcoin as money.

BUBBLE-05: Technology

Bitcoin is an open protocol, so people can use whichever apps they want—and savvy users certainly can.

But a BBLE should have a go-to technology stack to recommend for consumers and merchants to get maximum benefit with minimum hassle. Easier and quicker onboarding makes Bitcoin more approachable to more people, and it can help to form a stronger basis for layering more advanced concepts in the future. Critically, a simpler upfront approach can ease the support burden for community leads.

Furthermore, a thoughtfully-chosen stack can increase the upfront value proposition for consumers and merchants, making it more likely that people actually use it.

Guiding Questions

- What are the top priorities for your target users? What balance of convenience, custody, privacy, control, and functionality makes sense for them? Which tools and setups provide this balance?
- What functionality is strictly necessary? How can you simplify your recommended stack (and how you describe it to people) as much as possible?
- Will your community run exclusively on Lightning, or will it also accommodate on-chain payments?
- Are you planning to have any on-premises Bitcoin infrastructure, such as a Bitcoin node or Lightning node? Will they serve a functional purpose, or will they be intended for education?
- Are you planning to maintain any funds in community custody, such as multisignature on-chain wallets or community-managed Lightning channels?
- What is your ‘activation’ process? How will you introduce people to the tools you recommend?

Remarks

Bitcoin Beach’s top priorities regarding technology were convenience for consumers and merchants. After not having a great experience with an on-chain wallet and a custodial Lightning wallet, the team started working with Galoy Inc to pilot what became known as the Bitcoin Beach wallet. Galoy was just starting out and looking for a real-world application of its open-core Bitcoin banking offering, and Bitcoin Beach offered a ready-to-go base of consumers and merchants for usage and feedback.

Over time, Galoy integrated Bitcoin Beach’s feedback to offer some notable features in the Bitcoin Beach wallet:

- An easy onboarding experience: a short friendly tutorial to help new users learn about Bitcoin, no need to worry about saving seed words, and no

need to worry about Lightning channel management.

- Handles for all users, so that people could simply send money to people (intuitive) instead of having to deal with funny-looking invoices or addresses that change every time (confusing).
- A map showing all the merchants in El Zonte that accepted bitcoin.
- Ability for users to enter amount and push payments directly to merchants without merchants needing to create an invoice.

There are certainly custody and privacy trade-offs of such an approach, but the result (as of the end of 2021) is a small town in El Salvador in which 90% of families have used Bitcoin at least once in the past 6 months, 50% of families use bitcoin on a regular basis, and 50% of businesses accept bitcoin. Savvy users are gradually learning about self-custody and saving more safely for the long-term. Such strong adoption and progress wouldn't have had a chance if people had to deal with traditional wallet setup, or if merchants had to put up with a payment flow that was less convenient.

An 'activation' process could look something like this:

- Suggest person to download a specific wallet app
- Explain bitcoin, satoshis, etc while the app is downloading
- Help the user set up the wallet and send the user a few satoshis to demonstrate
- Suggest trusted resources for updates on community efforts, bitcoin-only education, and price tracking
- Address volatility concerns (e.g. instill a long-term mindset)
- Warn against exchanging bitcoin with strangers and/or trading other coins
- Suggest basic security measures (e.g. phone pin, wallet recoverability)
- Caution against storing large amounts in phone wallet
- Introduce more advanced users to self-custody methods for saving

BUBBLE-06: Funding

Any effort to build a circular Bitcoin economy is going to require (at a minimum) lots of time and lots of labor, so it will also require external funding.

BBLEs should determine a budget for their efforts and where to source funding.

Guiding Questions

- What does the budget for your project look like? How much money do you need, how often, and for what purposes?
- Where can you source this money?
- Is there anything you can do to make your project more financially sustainable over time?

Remarks

The Bitcoin Beach project had very humble beginnings, but with a lot of hard work (and some luck/providence) it was able to attract a visionary donor with low time-preference as well as influential bitcoiners willing to share its story. It built a highly cohesive & collaborative team, which made it an easier sell for donors (compared to, for example, one guy doing everything himself); it was open-minded about the kind of help it sought (money in addition to in-kind contributions like talent and time); and it didn't make hunting for money its top priority (instead, relentless progress on the mission naturally attracted resources).

But greater financial sustainability can be indirect, too. Bitcoin Beach intentionally promoted tourism to El Zonte in order to attract more people to the town, drive local business, drive Bitcoin adoption, and get attention in world media. In the process, some people were convinced to contribute money and time to the project.

BUBBLE-07: Marketing

It is impossible to shape the world if nobody knows what you are doing.

There are many amazing projects run by very smart people that will ultimately have little impact because they will fail to attract enough resources to scale and sustain themselves.

Bitcoin circular economies can make exciting stories if BBLE leaders keep these basics in mind.

Getting the Word Out

Never stop publicizing. People need to hear about things multiple times before they will take notice. You may do something, tweet once or twice, and think everyone in the world will know what you did. The reality is that very few people will take notice of something unless they see it multiple times. So you should never stop getting your story out.

Choose a good project name. Your project name is very important. You should choose one that is easy to remember in English—the reality is that most press and other resources will come out of the English-speaking world, and a catchy name can make a big difference for a reporter or influencer. Try to find a name that is both common, unique, and has Bitcoin embedded in it. Bitcoin Beach worked because people hearing it for the first time often think “oh yeah that sounds familiar—I think I read something about that before”. It sounded like a phenomenon before it was one.

Make life easy for reporters. Give them a unique hook/headline and help them with logistics. They are often short on time and resources, so the more you make their job easier, the more likely they will be to come back to you with follow-up opportunities.

Get out there. Go to conferences. Get on podcasts. Always say yes. Reporters love knowing they can make one phone call and get a story done. Make sure you are a team player trying to help other initiatives without expecting anything in return. Being open-handed with resources and connections will reward you immensely. Be willing to give time to those who do not yet have large followings.

Be on Twitter. You will need to use different social networks in different ways. Twitter is crucial in the Bitcoin world, so you should start building a following there right away. You will find that other networks may be better for reaching your local targets. In El Salvador, for example, most of the local audience is very active on Facebook.

Transparency

Proper record-keeping (goal setting, prioritizing, and reporting) is important for project leads, stakeholders, media, and donors. Also, transparency is a core

tenet in the world of Bitcoin. Information about open-source software and public blockchains is fully available to anyone who wants it.

BBLEs should also strive for as high a level of transparency as possible. It keeps project leads organized & accountable, stakeholders and media informed, and donors engaged.

Guiding Questions

- What kinds of information do you think is important for your project to communicate?
- What are your audiences?
- What are communication channels you can use? Social media, chat apps, website, blog, etc? How frequently? The channels your local audience uses may be very different from those the global community uses.
- What would a prospective donor want to know about your project in order to consider donating to it? Where do they hang out? How can you make sure your reporting reaches them?

If you want to learn more about similar projects around the world, or get more information about how to start a Bitcoin Beach project in your community, head over to <https://www.bitcoinbeach.com> or send us a message @Bitcoinbeach on Twitter.



***bitcoin
beach***
¡El futuro está aquí!