LIBRARY · NO. 29 · FOR BITCOINERS

# Used, Not Just Held

Holding is essential, but you can hold bitcoin and still be a spectator. Spending puts you in the game.

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HODLing is essential. Dollar-cost averaging builds your stack methodically. Together they're the foundation of a sound bitcoin savings strategy.

But they're also passive. You buy, you hold, you wait. For most of us, daily contact with bitcoin means checking the price or listening to a podcast.

## The participation gap

Think about what Bitcoiners talk about: corporate treasuries, strategic reserves, hash rate, Lightning development, ETFs. These things matter enormously for bitcoin's future.

But as an individual, you can't directly take part in most of them. You can't single-handedly put bitcoin on your employer's balance sheet. You can't make your country create a reserve. You're probably not running a mining operation. You're watching adoption happen, not driving it.

You can hold bitcoin and still be a spectator. There is one lever every Bitcoiner holds every day, though: where you spend. Spending in the Bitcoin economy puts you in the game.

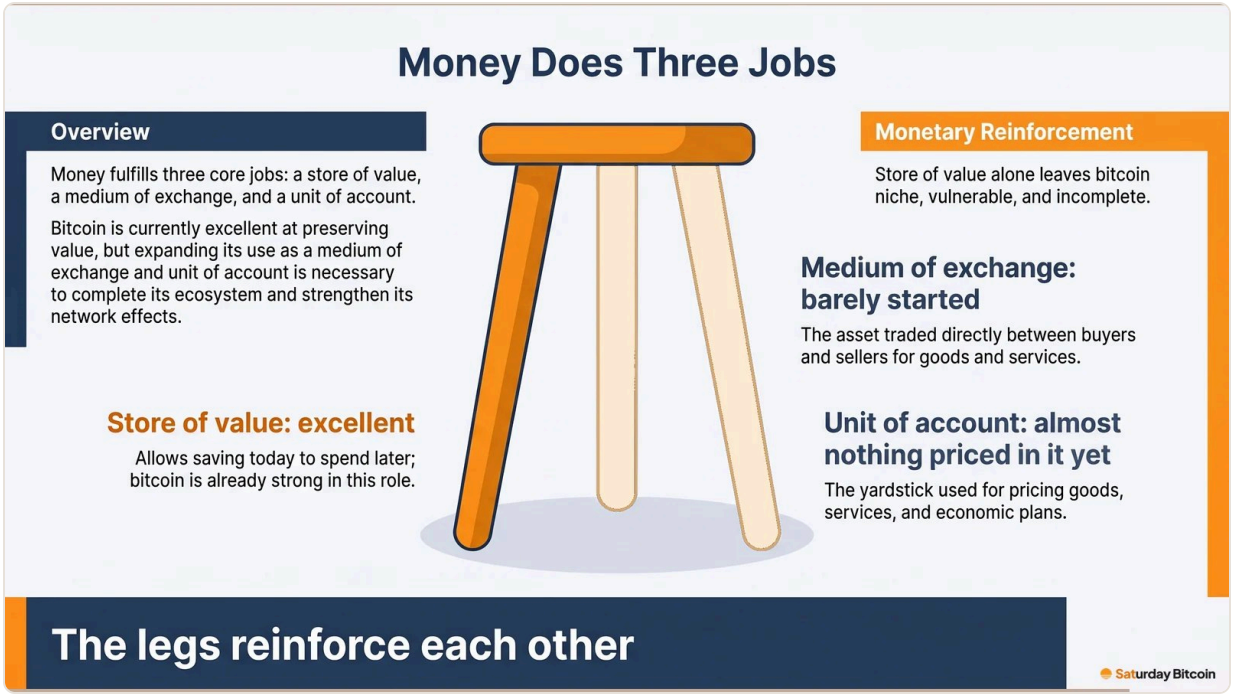
- Passive holder: I own bitcoin. I hope merchants start accepting it. I'm waiting for adoption.
- Active participant: I show demand through where I shop. I support the merchants who already accept it. I'm helping adoption happen instead of hoping for it.

Holding alone can leave you a spectator. Where you spend puts you in the game.

## Store of value is one leg of a three-legged stool

Money does three jobs. It's a store of value, so you can save today and spend later. It's a medium of exchange, the thing buyers and sellers trade for goods and services. And it's a unit of account, the yardstick for prices and plans.

Bitcoin is excellent at the first. It's barely started on the second. Almost nothing is priced in it yet, although for many Bitcoiners it's already the unit they think in.




Bitcoin is excellent at storing value. The other two jobs have barely started.

Store of value alone leaves bitcoin niche, vulnerable and incomplete:

- Niche. An investment asset competes with stocks, bonds, real estate and gold. It's one option among many.
- Vulnerable. Governments find it easier to tax, restrict and pressure an asset that a relatively small group holds than money that many people use.
- Weaker network effects. Holding grows one holder at a time. Commerce is two-sided. Two Bitcoiners and two merchants make four possible connections, and three of each make nine. Each new participant makes the network more useful to everyone already in it.
- Incomplete. If you can't use bitcoin for ordinary life, you're always converting back to dollars, one step away from the real economy.

Medium of exchange and store of value aren't rivals. They reinforce each other.

## Every merchant who accepts bitcoin is a new constituency

When merchants earn real revenue in bitcoin, they become stakeholders in its future. A business owner who cares about bitcoin is different from a speculator who cares about its price. Business owners push back against restrictive rules that hurt their business, and they tell other owners what works. Politicians listen to small and mid-sized businesses.

It's hard to restrict something that many people use for everyday commerce. Imagine trying to ban email. That doesn't make bitcoin immune to regulation, but it makes for a much stronger political and practical defense.

## Bitcoin gets stronger the wider it spreads

The same logic applies to ownership. Concentrated ownership concentrates power and custody risk. It also makes holders easier to pressure and leaves the network less resilient. Millions of small holders, many in self-custody, are much harder to target.

Look at how people get bitcoin today:

- Buying on an exchange takes spare income and comfort with volatility.
- Mining takes technical skill, hardware, cheap power and scale.
- Being paid in bitcoin takes an employer willing to do it.
- Card rewards paid in bitcoin take credit approval, and only a sliver of each purchase becomes bitcoin.

Every existing path needs capital, knowledge, luck or a significant commitment. Today you need money or expertise to get bitcoin. That's a distribution problem.

Commerce is one of the few paths that doesn't start with a decision to invest. A merchant that takes bitcoin for a sale comes to bitcoin through its own operations, without a boardroom debate about a treasury strategy, and it decides for itself how much to keep.

## We know why bitcoin payments stalled

If medium of exchange matters this much, why hasn't it happened? Past efforts worked on only one side of a two-sided market.

Merchant acceptance alone didn't work. A merchant would announce "we accept bitcoin" and then never promote it. Customers had no particular reason to use it. Volume stayed near zero, and many merchants quietly dropped it.

Holder enthusiasm alone didn't work either. Few holders wanted to part with their bitcoin, and few merchants accepted it. Tax friction made every purchase a chore, because the IRS treats bitcoin as property, so spending it can be a taxable event.

Neither side would move first without confidence the other would show up. That's a coordination problem, and none of these reasons is permanent.

## What's different now

The rails exist. Lightning makes bitcoin payments fast and final, with fees typically well below card costs.

The rules are clearer. U.S. accounting rules now let companies carry bitcoin at fair value instead of booking only the losses, which removes one old reason for finance teams to avoid it. Tax friction for individuals is still real. Clearer rules aren't the same as no friction.

The community is ready. Tens of millions of Americans own some bitcoin. Within that group is an estimated ~1 million committed, mission-driven Bitcoiners in the U.S., and growing. They're single-issue shoppers who will go out of their way for a merchant that shares their values. They mostly needed to know where those merchants are.

## Spending doesn't betray HODL

Some Bitcoiners worry that spending breaks the HODL ethos. It doesn't, as long as you're clear about what HODL means. Don't sell your bitcoin for fiat. Don't trade it for shitcoins. Don't fritter it away.

Spend-and-replace respects all three. You pay a Bitcoin-friendly merchant in bitcoin for something you were buying anyway, and then you replace those sats with your next regular purchase. Your stack stays roughly where it was, the merchant sees real bitcoin demand, and sats circulate in the Bitcoin economy instead of sitting idle. Spend-and-replace keeps your stack and grows the economy.

Spend-and-replace keeps your stack and grows the economy.

Two honest notes. In the U.S., each bitcoin spend is a disposal you may need to report, so keep records. And if you pay by card at a Bitcoin-friendly merchant out of habit, for card rewards or to keep your taxes simple, that still counts. Many Bitcoiners do. You've still rewarded a merchant for being on our side. When you do pay in bitcoin, the merchant gets its cheapest payment rail.

## Make it a daily habit, not a quarterly chart check

Habits form through repetition. You already buy coffee, groceries, supplements, running shoes and software on a rhythm. Make "Is there a Bitcoin-friendly option?" the first question you ask each time. Within a few months it stops being an effort and becomes how you shop.

That's how you live closer to the bitcoin standard. You don't have to give up your lifestyle. You redirect spending you were already going to do. One category is a vote. Every category is a movement.

## Where Saturday Bitcoin fits

Saturday Bitcoin is a free directory of tens of thousands of merchants that already accept bitcoin, online and nearby. You can browse by category or location, save the merchants you like, and share them with other Bitcoiners. Some merchants have claimed their listings and

added welcome offers for Bitcoiners.

Here's what it isn't. We're not a payment processor, and we can't see your purchases. Coverage is better in some categories and places than others. And a listing doesn't guarantee a good product. The merchant still has to earn your business. Our job is to make that easier to find, because a merchant that can't be found can't be supported.

There's much more we can build around merchants and spending over time, but we'll talk about those products when they're ready to use.

## Your move

Pick one thing you buy every week or every month. Before your next purchase, find a Bitcoin-friendly merchant for it at saturdaybitcoin.com, save it and give it a try. If it earns your business, share it with one other Bitcoiner.

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