



## Identabit Matters

# BitcoinXT's Problem is Anonymity

“With the Chinese being responsible for 80% Bitcoin’s trade due to its suitability for expatriation of funds, and the possibility of BitcoinXT breaking away from Bitcoin as we know it, we might be best off learning to call today’s Bitcoin by its Chinese name 加密货币.” said John Underwood the founder of the identity ensured digital currency, Identabit.

“When we put ourselves in Chinese shoes of the Chinese, the expatriation of funds is hardly time dependent,” said Underwood “and as a consequence the Chinese are under no pressure and have no incentive to spend big on a hardware upgrade that only serves to improve transaction speeds they don’t need. With this background it’s no wonder the XT team is having problems getting consensus to increase the block size.”

“In reality the problems facing BitcoinXT emphasises a different and more insidious issue,” explained Underwood, “it reflects the dependency Bitcoin has on the Chinese for its continued relevance.” “If we are to believe this week’s numbers stating Bitpay’s volumes are less than that of the dark web and add China’s 80%,” added Underwood “we can quickly see that Bitcoin’s dependence on lawless transactions drives its loyalty to anonymity, anonymity that only serves to prevent usage, institutional adoption and acceptance by mainstream society.”

“Ideally Bitcoin developers might have focused attention on addressing anonymity empowered crime and grappled with the challenges of legitimising Bitcoin” said Underwood. “Had they focused on identity instead of anonymity, today Bitcoin might enjoy widespread support.” “Instead Bitcoin’s dependency on Chinese wealth leaves it vulnerable to the Chinese miners, the Chinese economy and regulatory changes designed to impact the use of Bitcoin as a means of expatriating funds.”

“Having observed Bitcoin’s failure to attract mainstream consumer relevance, we decided either we create further division by announcing our commitment to Identabit, an independent, identity based alternative to Bitcoin”, Underwood said, “or we sit by and watch Bitcoin undermine the enormous potential of digital currencies”

“While we are under no illusion that Identabit can compete with Bitcoin’s trading volume in the near term we are confident, longer term that there is a need for an independent digital currency that is unhindered by the restrictions of anonymity, a currency designed to enable compliance, ease of use and the denial of theft, extortion.” said Underwood.

“No matter the rest of the crypto-community’s reasoning for sticking by anonymity, Identabit is not going to sit by and hand the keys of change to the very organisations we sought to disrupt in the first place.” Underwood concluded.