

"Money Is Language"

EPISODE # 176

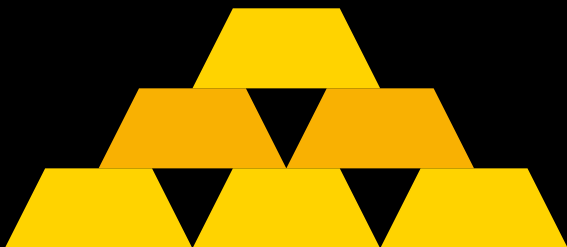
THE "WHAT IS MONEY" SHOW

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GUEST: DOMINIC FRISBY

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Translations



We thank Robert Breedlove for granting us permission to transcribe [Episode #176 “Money Is Language with Dominic Frisby”](#) from [The “What Is Money?” podcast](#).

This episode discusses the piece [“Money is Language”](#) by Dominic Frisby.

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[Sponsored Message]

Robert Breedlove: Today, I’d like to tell you about our sponsor, [Swan Private](#). Now you know from listening to this show that our money is broken. Fortunately, we have Bitcoin, a better money that’ll help us build a brighter future.

But if you don’t have a Bitcoin strategy and a trusted partner to help you execute that strategy, then you’re probably going to fall behind. Now I’ve known the Swan Bitcoin Team for years. The Bitcoiners at Swan are mission-driven and have deep expertise and respect in the Bitcoin space.

In my opinion this is the team you want on your side. Today, I’d like to highlight Swan’s private client services division — which guides high net worth individuals and businesses around the world who are building and preserving wealth with Bitcoin.

So, visit [Swanprivate.com](#) and learn how this concierge service gives you access to your dedicated Bitcoin advisor, through phone, messaging, and email. Swan will guide you on complex areas such as self-custody, or you can choose to hold your Bitcoin through Swan, through one of the largest US-regulated custodians.

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[Interview]

Robert Breedlove: Mr. Dominic Frisby, welcome back to the [“What Is Money?”](#) show.

Dominic Frisby: Thanks very much Robert. A pleasure to talk to you again.

Robert Breedlove: Yeah, it’s great to have you back. I wanted to just plug your Substack right here at the top of the show. It’s really good stuff. You are writing excellently as always.

[It’s] called ‘**The Flying Frisby**’ you can find it at [Frisby.Substack.com](https://frisby.substack.com) and today we’re going to talk about one of your latest pieces: [“Money Is Language.”](#)

Dominic Frisby: Yeah, well, so I wrote this a couple of weeks ago. And so, I thought ‘Yeah, Robert’s going to like this,’ so that’s why I pinged you a little message. And it was something that kind of, I suppose that came out of this, a continuation of one of the conversations we had. I don’t — was it last year or the year before, I can’t remember the year now, but whenever it was, we last spoke.

And it’s all about money as communication and money as language. And, I guess it starts with, again something we’ve touched on before, but this is the cable — the first Trans-Atlantic cable — that was laid between Europe — it was

actually laid from Ireland to New York. And it took, I think it took them 3 or 4 goes before they were successfully able to lay a cable.

This would have been in the 1840s, 1850s, 1860s. And I think several people went bust [laughs] in the process and investors lost their shirt and so on.

And that's often the case with new technology. It happened with the Internet, it's happened many times with Bitcoin and Altcoins and so on.

Robert Breedlove: And this is laying cable on the ocean floor to connect Europe and North America, right? Telecommunication cable?

Dominic Frisby: Exactly, the first telegraphic cable I think it was called. And anyway, because that took time, it took 2 weeks — or 10 days maybe — if you wanted to get a message from Mainland Britain or Ireland across to New York — it would take you 10 days.

[Laughs] Can you imagine?

And this is like only 1850, so, 170 years ago. But I think 1866 was the first time they got it write. And in July 27, 1866, Queen Victoria sent a message to the US President — President Johnson. And the message said — I love the way people spoke in those days, I'm going to read it now, but the message said:

“The Queen congratulates the President on the successful completion of an undertaking which she hopes may serve as an additional bond of union between the United States and England.”

So, very polite way of saying ‘well done!’

And then Johnson replied:

“To Her Majesty The Queen of the United Kingdom of Great Britain and Ireland, the President of the United States acknowledges with profound gratification, the receipt of Her Majesty’s dispatch. And cordially reciprocates the hope that the cable — which now unites the Eastern and Western

Hemispheres — may serve to strengthen and perpetuate peace and amity between the governments of England and the Republic of the United States.”

So, you know, really nice long-winded way of speaking that they had. Now, before that message happened — as I said it would take 10 weeks to send a message, and now it was suddenly a matter of minutes.

Robert Breedlove: Right.

Dominic Frisby: And so somebody came up with the slogan “Two Weeks to Two Minutes” which is a really kind of cool slogan for the time: “Two Weeks to Two Minutes.”

And I bet they were all sort of thinking ‘this telegraphic cable fixes this’ or —

Robert Breedlove: --it’s funny—

Dominic Frisby: —[I’m thinking] of another Bitcoin slogan! [Laughs]

Robert Breedlove: Yeah, this is I mean ... This is basically the world’s first text message I guess...

Dominic Frisby: Yep.

Robert Breedlove: It’s so incredibly formal compared to what we do today, but it’s interesting that this happened, then we got to the telephone and then when texting became the thing on mobile, a lot of people thought that would never work.

I mean at least when it was becoming popular when I was young there were a lot of older people, I remember thinking that “oh that’s silly I don’t.” My parents still don’t send text you know, but ... the point would be we started with text, then we got to telephone calls and now we’re back to this asynchronous text messaging thing.

Dominic Frisby: It was, it was the first text message and now the funny thing is people are sending voice notes. Yeah, instead of text messages which kind of do my head in because they're like no I've got to listen for two hours, two minutes, however long the voice note is, but some people ramble on in their voice, but anyway and so, I think the first, the very first messages that were sent, were actually sent in morse code and this would be before the Queen's message between Johnson and the Queen, it was actually sent in morse code and you're probably too young for this, but the very first pagers that you used to get like doctors had them you could only send numbers and you would just get a, you would a pager on your belt and you'd get a little vibration when you got a message and it would just be the number of the person that you had to call—

Robert Breedlove: Right. Yeah.

Dominic Frisby: So I would in those days, I would get my agent, would send me a message call him then I would call him, and it would mean I had a voiceover and I had to go and quickly go into town and do a voiceover.

But anyway, it went from morse code to words, very quickly and transmission speeds improved rapidly and then it was possible to send multiple messages at once, you know down the cable at once and by the end of the 19th century, Britain, France, Germany, the U.S., they were all linked by cable and you know relations, political relations, commercial relations, personal relations, they were changed all time with just a simple bit of wire, so it was an incredible transformative bit of tech, but here's the thing.

Now back then, the world was on a gold standard obviously. UK had the dominant gold standard and interestingly, there was a big argument going on at the time they were trying ... you know the French were trying to get everyone else to adopt metric.

America was in an argument whether silver should be a money as well as gold and the various European nations were also having the same argument, but because the Pound was the only gold and there was no real silver money, not much and we were on a gold standard, not a bimetallic standard and the Pound

had been so successful, most countries ended up copying us and so that's one of the ways that silver kind of got abandoned and left the monetary system.

But the only reason, we went pure bimetallic in the first place is because there'd been a massive run on silver [Laughs] when Isaac Newton in 1716 or whatever it was and we had no silver, it all gone to the continent so Newton "just went okay we'll just do it on gold" so it was kind of accidental, but anyway, but the point was, so gold was still money, but you can't send gold and silver down a cable, but you can send a promise.

And within a fortnight of that first message between Queen Victoria and President Johnson, within a fortnight of that first message, that's what two parties who trusted each other did and the first official exchange rate between the Dollar and the Pound was agreed and it was published in the New York Times, August the 10th 1866 and that is why to this day, the Pound-Dollar exchange rate is called Cable. It goes back to that very first cable, so you can send promises, but you couldn't send hard cash.

Now, let me get a picture of a 20-Pound note here. I've got a picture of a 20-Pound note here in my pocket. You still see I'll just hold it up to the camera so that people can see it. You still see there's a 20-Pound note there and just underneath, you've the Bank of England sign there and just underneath it says I promise to pay the bearer the sum of 20 Pounds.

Robert Breedlove: Still says it. Wow!

Dominic Frisby: So once upon a time, it would have been 20 Pounds of sterling silver [Laughs], way back when, but it's so now it's I promise to pay the bearer 20 Pounds, so it's a promise, so this is actually a promise of nothing because obviously, it's fiat—

Robert Breedlove: Right!

Dominic Frisby: But does it have, I promise to pay the bearer on the US Dollar, does it still have that or not?

Robert Breedlove: It does not. The old Dollars, said “redeemable for a certain weight of gold or silver,” but that’s not on new Dollars, I don’t believe. I think now it just says In God We Trust, Federal Reserve Note, something like that.

Dominic Frisby: Okay. All right, so anyway. That’s that little tradition there so now...

Robert Breedlove: Let’s see what the US says. This note is legal tender for all debts public and private - Federal Reserve Note and In God We Trust. That’s about it.

Dominic Frisby: Okay, so yeah, “in proof we trust.”

Robert Breedlove: And then yeah, on the back, In God We Trust, which as we both know is “In Fed We Trust.”

Dominic Frisby: Yeah! Okay, so the point is, you’ve got, and we’ll come to Bitcoin in a second, but the point is you’ve got two types of money. You’ve got the hard money, physical money, whether it’s gold, silver, it could be shells or whales’ teeth or whatever it is and you’ve got promissory money—

Robert Breedlove: Yes.

Dominic Frisby: Now and one is belief and the other is real. Now, Adam Smith actually said, “All money is a matter of belief,” which is kind of quite a profound quote when you think about it and I suppose you’ve got to believe in the merits of gold in order to use gold as money, but anyway.

But we have been using promissory money ever since the dawn of civilization, the very first debts were as we spoke about this were before clay balls with tokens, you know a cone for a sheep and a bushel of barley, whatever it was baked inside clay balls and then people found it was quicker to inscribe the clay balls rather than just inscribe the clay with pictures of the tokens instead and that’s how the first system of handwriting developed.

And then in China, I think man started recording his debts on bits of leather and then they invented the printing press and so promises started to be recorded and exchanged on computers around the world and probably, I don't know millions of promises, billions of promises are sent every second, I don't know what the number... and they transfer as quick as words, but the point is that as money evolves or as communication-technology evolves so does money and in fact as in the case of handwriting it's something like Bitcoin, it might actually be that money is the spur to drive the community technology forward.

Sometimes one leads. You know it's chicken and egg. Sometimes you get one, sometimes you get the other. Now, obviously the beauty of Bitcoin is that it obviates the need for trusted parties all together.

You need trusted parties for promissory money to work and Bitcoin obviates that. You know it's a money communication network backed by mathematical proof and shed-loads of computer power and all the rest of it and the trusted third-party is the blockchain, so I always say to people, owning Bitcoin is like owning a share in this new communication technology—

Robert Breedlove: Right.

Dominic Frisby: —Who wouldn't want to own shares in something with as much potential as that and it's not like they're doing rollbacks—

Robert Breedlove: Right. Right!

Dominic Frisby: It's not like they're doing bigger issuing more shares.

Robert Breedlove: That's a great framing for it actually. I often say something similar that imagine if you could have owned equity in HTTP or something like that and all the companies that are built on top of that. That's sort of like owning Bitcoin is...

Dominic Frisby: Absolutely. It's owning a share in the protocol.

Robert Breedlove: If I could, let me echo a couple of things back to you just to try to summarize here, so this idea of really transformational communication technologies.

They, like you said, we went from two weeks to two minutes, so if you just imagine how much faster information and knowledge are now moving between these two continents and how much more coordinated human actions have become as a result, at least in the economy. Right? So, this, I mean, this is like the backbone for the globalization of the global division of labor in a way is, we needed fast communications otherwise you can't do that—

Dominic Frisby: Yeah!

Robert Breedlove: And to your point though that promises on this tech are super high velocity. Right you can send them in two minutes.

But the idea of sending, so that's deferred settlement right, "I'll pay you this or adjust the ledger that," but final settlement in something like gold, this technology didn't improve right?

You can't send gold over the telegraph wire, so we get into this problem where now the most useful money, the higher velocity money that's promissory, has this people problem because now you have to trust people basically. Yeah, you know to keep their promises, I guess we would say.

And so, and I like quote that "all money is a matter of belief," but I guess the difference would be in a promissory money you're believing the individual making the promise or the group making the promise and it's something like gold or Bitcoin, you're just believing what is, right?

Like gold, gold doesn't deviate from what it does. It always kind of does the same thing. Bitcoin always kind of does the same thing, so it gives you this firm foundation for belief, versus promissory money, which is notoriously unreliable.

Dominic Frisby: Yeah promises don't last. Gold does and Bitcoin probably will as well, so ... but if you're sending in promises, you need good, especially important promises, you need good communication tools and then you can go take that one stage further and go what is money, but a form of communication?

Okay and so, one of my golden rules with politicians, I try not to listen to them, but on the rare occasions that I'm forced to, I always go "look at what they do, not at what they say."

So you'll have, you know, I don't know Politician A giving it the big one about world peace or something and then he'll go and bomb a country or Politician B giving it the big one about climate change and then he gets on his private jet and flies off to Davos, so whatever the thing is and you have to say, what we do says more about us than what we say—

Robert Breedlove: Mm..hmm...

Dominic Frisby: But we do with our money, says even more about us—

Robert Breedlove: Right!

Dominic Frisby: Than what we do and what we say if you like or it doesn't necessarily say more but it says, it tells a story in itself. And it's not just, so like if I, you know was a bot and I had access to all Robert Breedlove's spending habits and I knew that you know in any week he spends this much on a gym kit and this much on t-shirts and this much on booze and this much on makeup, I could pretty quickly get to know exactly what kind of guy you are—

Robert Breedlove: Yeah!

Dominic Frisby: And I'm not suggesting you do spend money on all those things, but you know, you take my point—

Robert Breedlove: Everything except makeup... [Laughs]

Dominic Frisby: You mean that complexion is natural? [Laughs]... and so, money doesn't just communicate about us. It serves as secondary function, is that it, how we spend money communicates value to the entire economy, so between buyer and seller, you know what's the price of this thing, what is its value, and that answer is constantly being sent and received, digested, acted upon.

It changes slightly, so does the economy constantly, but also incrementally, gradually, develops with each new signal. It's amazingly complex power at work here and yet there's this constant never-ending evolution and development and ultimately, it's the how, why, and what needs producing where and when. That's the message that's being communicated. So, money in itself then is like a language—

Robert Breedlove: Yes.

Dominic Frisby: And if you look at the history of fiat money. Let's say that fiat money started in, it didn't, but let's just say for the sake of argument it started in 1914 when the British, French, and Germans abandoned the gold standard to print the money to pay for World War I or we can say that it started in 1971, whenever it doesn't matter. Nobody is in charge of fiat money.

You know [a] central banker is to an extent, but he can't control all the technological, all the Fintech that's going on and all the evolutions and it you know, I don't believe our fiat system, it was ever planned. It's just constantly evolved—

Robert Breedlove: Yes.

Dominic Frisby: With billions of people contributing in each in their own different ways simply by using it. You know buying it and selling it and what you do with our money and it's the actions of, you know, I don't believe the architects of fiat money even realize that when a bank creates money, when a banks issues debt, money gets created—

Robert Breedlove: Right.

Dominic Frisby: I don't think they realized that, but they just adopted fiat money just to get out of a tight fiscal spot, you know extenuating circumstances at the time, there's a water fight and it's constantly evolved ever since... you know we've each you and I, have each evolved by buying and sending stuff, but somebody who's developed some clever little widget whereby you can just tap and go with your credit card or whatever it is.

You know these are all ways that we have evolved the fiat money system, but it wasn't planned. You know there was a decision taken and various decisions have been taken, but it was, it was still the development, was still in many ways organic, but it was an organic development from unsound foundations, let's put it like that. And similarly, nobody planned the language that we speak today.

You know it's very hard to plan and regulate a language and many have tried over the years to regulate the language they speak and they still do today, you know if you use the wrong words, you can get cancelled very easily and even so language is very hard to plan and regulate and you might be banned from using certain words, but you can bet your bottom Dollar that people are using those words—

Robert Breedlove: Oh yeah ... in private—

Dominic Frisby: When they're in private. Exactly, so anyway, language has constantly evolved and developed according to the use and the needs of billions of people and again just by you and I having this conversation now, we are evolving the language in a miniscule way in the same way that you and I were sending each other money, we'd be evolving the economy in a way.

Now the English that we speak today, it's unrecognizable from the English of Chaucer. Pretty unrecognizable from Shakespeare. It's not that similar to the language of Dickens. There are probably fewer words than there were, certainly than Shakespeare had, we have much smaller vocabularies than Shakespeare did. There are fewer tenses, grammar is much simpler.

I know there were all sorts of efforts taken with the Americanization of English. The reason you have your spelling, is somebody was just trying to simplify spelling and make English more phonetic and get rid of extraneous vowels so we would spell color c-o-l-o-u-r, you'll spell it c-o-l-o-r because somebody somewhere deemed the 'u' was inefficient and decided to get rid of it.

This is back in the late 1900s, I think, the late 1800s I think, but even though English is smaller than it was and different to what it was, it's now far more widely spoken than it ever was with Chaucer, Dickens, or Shakespeare.

It's you know, the network has grown—

Robert Breedlove: Yes!

Dominic Frisby: Now, there's all sorts of reasons why the network has grown. Probably, the main reason is the empire, British Empire, you know all over the world, but then you can say why didn't Spanish, why hasn't Spanish got the same reach?

And it's probably because the Spanish Empire was centered around South America and Portuguese; whereas English was much more higgledy-piggledy all over the place and even though America wasn't part of the English Empire, the British Empire, you still spoke English after you kicked us out. Bad decision by the way [Laughs].

Robert Breedlove: [Laughs]. If I could pause here.

Just to echo a couple of things back—

Dominic Frisby: Sure!

Robert Breedlove: So, the points well taken, and this is age-old wisdom that “talk is cheap, but actions are not you know, whereas your actions speak louder than words.”

But this idea of what we do with our money right, how we spend it or where we invest it, or what we save in.

I agree with you that this is perhaps even louder than action itself because you know a single investment decision, especially if it's a large sum of money could represent many years of actions right in one decision if you're putting whatever the number is, a hundred thousand, a million Dollars at risk.

Presumably that took you a long time. A lot of actions to accumulate that much money that you're than investing with one decision, so it's almost like an amplifier. An amplified signal, action in a way and then the other point that I think is key here is that, so again talk is cheap because it's inexpensive right. We can just produce words almost ad-in-finitum, but to produce—

Dominic Frisby: Yeah how true at no cost to ourselves. We can produce words at no cost to ourselves [Laughs]

Robert Breedlove: Yes, and unless you're the central bank, you cannot do that with money—

Dominic Frisby: Yeah.

Robert Breedlove: So to the extent that money is rooted in energy, right, that there's a cost that's necessary. That is the extent to which it gives you an honest signal I think, and we could frame this up in price signals as well, right how fiat money destroys price signals in the economy.

And then finally I love this connection you're making between really language just being an open-source technology ultimately, right English is an open-source tech that's what it is, people use it if it's useful, if they don't, they discard it—

Dominic Frisby: Yeah.

Robert Breedlove: It's really hard to regulate because it's damn near unbannable. I don't know how you can ban English. I can't imagine a world where that could succeed, and I think that's a good way to look at Bitcoin is that

it's really just text. You know, and it's open-sourced so it's kind of similar to English and language in a lot of ways.

Dominic Frisby: Now, yeah it's quite interesting because there was a time, there's a big argument that's been going on for hundreds of years about which weights and measures we should use, whether, we should use Pounds and inches and yards and miles or whether, we should use pints or liters and meters and kilometers and kilograms and all the rest of it and at the same time and this all came out of revolutionary, post-revolutionary France where they were trying to like just rid their, they were trying to eradicate their history basically, and so they had these new measures and they also introduced, they also tried to make the time go metric as well [Laughs].

So, they were trying to do like 10-hour weeks, sorry 10-hour days and 10-day weeks and all this - and that didn't succeed, but another thing that came about a bit later, but it was all part of the same movement; whereas you tend to see with Imperial Measures, you call them English Measures, don't you? Pounds and inches and all this?

Robert Breedlove: We don't even call them. We just call it the Standard System, I think. It's the Metric System and Standard System. Yeah.

Dominic Frisby: Ok, so the Standard System—

Robert Breedlove: And this is decidedly non-standard worldwide. It's very arrogant to call it that—

Dominic Frisby: Ah! Actually, it's not because yours is the most organic system and it's the system, you know, the inch, for example, is a thumb pressed down. A yard is a pace. A pint is the amount you have to drink to satisfy your thirst. A stone is the amount you can comfortably carry without straining yourself. A Pound is the amount you carry in your hand comfortably. A furlong is the distance that you can sprint for. A fathom is your arms. They're all really—

Robert Breedlove: I didn't know that. Wow!

Dominic Frisby: They're all. It's really organic and most cultures around the world arrived at similar measurements. Like for example, the Japanese foot is a tiny bit smaller than the Western foot. That's because the average Japanese foot, Japanese person is slightly smaller.

It's all really organic. And you know the hand is the best way of measuring up a wall or the height of an animal or whatever. So they're really organic and it was, it was very much a bottom-up development what happened with weights and measures and then the Metric System was very much top-down planned and it has very little like, you know how long is a meter, you don't have a measurement that you can measure a meter with.

It's actually hard to measure what a meter is, but you can measure a yard because it's a pace or it's, you know three average size feet with a boot on. You know, it's actually quite easy to make measurements when you don't have some kind of measuring device, so it's very organic and it's all divides bottom-up around the human body and so like I said, the metric is a top-down and as part of this movement way back when they tried to devise an international language called Esperanto, and they all said, "look I've devised this language —It's much better than English because the grammar simpler and you know there are fewer words and there's no stupid tenses," and you know all these reasons.

It probably is academically a better language, I don't know, I don't speak it, but it probably is academically a better language than English, but they try to say get everyone to speak Esperanto and everyone's like what, I speak English, what's wrong with English?

You know, I'm not going to change my language. It's too much effort. It's too much, so one's a sort of top-down plan thing and another's a bottom-up.

Anyway, now we come to language, I've just got to get some stats of my computer, but if you look at native speakers around the world. Oh God, I can't remember my password—

Robert Breedlove: I'm sorry, while you're looking that up, I'm just reminded of this quote that in theory there's no difference between theory and practice, but in practice there is, so all of this top-down theorizing that Esperanto's better or the Metric System is better, it just quite often isn't better than that bottom-up system. The bottom-up system emerges the way it does for a reason—

Dominic Frisby: Yeah.

Robert Breedlove: That's usually because it satisfies you know some very basics things like you just described.

Dominic Frisby: Yeah, and it develops slowly over time according to the needs and uses of billions of people—

Robert Breedlove: Right.

Dominic Frisby: You know and I'm afraid that's what's happening with Bitcoin. It's, yeah, we go the top-down planner in Satoshi, but pretty early on, he solved his little problem of doubles or his big problem of double spending and once he solved that he said, right I've got this, is the answer, the blockchain, but now I'm putting it out open source, I've got my stash of coins that I've mined [Laughs] and now here we go: open source.

And it's an open source community that's developed it and now you know, you see the work that's going, Jack Mallers and whoever it is, the stuff they're doing.

Developing it further and further. It's you know, I don't even think any of Satoshi's original code even exists anymore if I'm right in saying that. I might, very little of it I gather, he wasn't a particularly good coder—

Robert Breedlove: That I don't know. I know there's elements of Bitcoin that were kind of set in stone from the beginning like the 21 million hard cap, but I don't know if the actual code and language that he used to solidify that is the same code or not. I'm not, I can't speak to that, I don't know—

Dominic Frisby: Somebody will know. Somebody who understands code—

[Promotional Message]

Robert Breedlove: Now, I'd like to tell you about a great new Bitcoin show on the scene that you've got to check out. Brought to you by Swan Studios and Bitcoin Magazine. This show is *Hard Money with Natalie Brunell*.

Natalie is an Emmy-nominated journalist bringing unparalleled experience to Bitcoin media scene and personally, Natalie is one of my favorite voice in the Bitcoin space.

Each week on Hard Money, you'll get the top headlines of the week with analysis you won't find anywhere else. Hard-hitting interviews with amazing guests like myself and other top minds in the Bitcoin space and the show will take you directly into the lives being changed by Bitcoin all over the world. Check out Hard Money at Swan.com/hardmoney.

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Robert Breedlove: Today, I want to tell you about our sponsor CrowdHealth. So, how does health insurance work? You send an egregious amount of money to an insurance company.

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I'd like to introduce you to CrowdHealth. It's a decentralization of healthcare using Bitcoin as an alternative to health insurance. Instead of sending fiat currency to a big corporation, you send that money to an account controlled by you. A portion of which is converted into Bitcoin. Then, if you have a big health

event, you have a community of Bitcoiners that will use the money in their accounts to help you out.

To get more details, go to joincrowdhealth.com/breedlove where you can find a promo code for \$99 a month for six months.

[Interview]

Dominic Frisby: Anyways, the problem is that Bitcoin has happened bottom-up organically in the same way that weight and measures, in the same way that language, in the same way that money has. Now, if you look at English, English has, 373 million people who speak English as a first language. Okay, 373 million. Mandarin has three times as many.

Actually, a bit less, it's 900 and something million. Call it a billion, so it's a bit less than three times as many, [who] speak Mandarin as a first language, but if you look at the total number of people that speak English, it's 1.5 billion. I can't believe it's not higher, but anyway, 1.5 billion, whereas Mandarin is only 1.1 billion, but so English has something like a billion who speak it as a second language.

Now, then you know, it's the dominant linguistic network. Let's put it like that and there might come a time when everyone in the world has some English. I can't see Mandarin becoming, superseding English because it would require too many people learning it and you know it's centralized in China.

The other thing I've got to say is if English became disparate because of the empire, but the other sort of reason why it's a good language is that it's part Latin, part Germanic, so with most European languages they'll either be Germanic or Latin, whereas English is higgledy-piggledy and because it's had this global language, we've just absorbed loads of words from other languages from French. I can think of hundreds of French phrases that are English now and there's loads of Indian terms, Hindi, so you know it absorbs stuff—

Robert Breedlove: Yes!

Dominic Frisby: Other languages fade away. We've got, for example, Cornish was a region in the southwest of England. It's all but died a few a people speak Welsh or Gaelic, the local dialects of France, Italy, they're all disappearing. I can imagine, I don't even know what they are but there's probably loads of African languages, Asian languages, American Indigenous-American languages that are on the way out if they haven't already gone.

And English is for most part replacing them, but it's not the same English that Chaucer, Dickens, and Shakespeare spoke. It's a completely different English, but it's you know, it could become, in fact, it's almost certain to become the default language of the world.

I would say it's almost inevitable. Mind you, the French thought the same thing a hundred years ago. You know it was thought that. French was the language of diplomacy. These are the same guys who were trying to impose metric and Esperanto and everyone, but it was assumed that French would be the international language and it nearly was. The French Empire is pretty big and it's probably America that resulted in English being the language, not French. Anyway—

Robert Breedlove: That's interesting right. A rebel from England that actually led to English becoming the dominant linguistic network. I just wanna also throw in here, I think there would be network effects too, so the bigger and more successful the linguistic network, the more likely it is to win because there's like clearly parents, if there's one billion-ish people you said with English as their second language, it's very likely their kids are probably going to take English as a first or second language too right? So—

Dominic Frisby: Yeah.

Robert Breedlove: The most successful linguistic network tends to stay successful and become more successful.

Dominic Frisby: Yeah, and you know like VHS beat Betamax, but I think most people tell me that Betamax was better than VHS. You know, I always thought MiniDisc was a better technology than CD, but CD beat MiniDisc because the more users, whatever, that's so it doesn't necessarily have to be the best language in order to become the biggest one.

Just has the most users and I'm not saying that English is better than, whatever. You know it's, it's, this is despite having a third as many native speakers as Mandarin and it's certainly not going to happen you know. Gaelic's not going to become the international language or Neapolitan, or Swahili or whatever it is.

It's going to be English unless something else for some reason comes along. And by the way, one of the reasons that here in Britain we're having such a problem. I don't know if you've seen this on the American news, but we're having a huge problem with illegal immigration and people trafficking and people getting these boats across the channel and coming across the water in the storms.

You know young men from the Middle East and Africa and stuff. And nobody can understand why they don't stop in Europe. Why does so much immigration... people want to come to England? The reason is most of them have some English. They don't have any French or any German.

They've just got a little bit of English and they think "well I'll come to England because at least I've got some of the language."

Anyway, if we scoop back around to money now and we go how many different monies have there been in history? You know shells, whales' teeth, metals, paper, cigarettes. I read that they use mackerel packs in prisons.

Have you heard that they used to trade mackerel? Cognac, Zimbabwe Dollars, Reichsmarks, Dinari, Farthings, Shillings, shitcoins. Most monies have died and most of those which haven't yet died will die and it's pretty much only gold and maybe silver goes and that's all to do with gold's permanence and its

immutability and all of it, but as I say with transatlantic cables, you can't send gold over the Internet.

[Michael] Saylor famously said that you can't send gold down the Internet. But you can send gold in promises between trusted third parties. Then you're back into promissory money again—

Robert Breedlove: Right.

Dominic Frisby: Now, at the moment, the US Dollar is the global reserve currency, and you can send the US Dollar over the Internet, but it's hard for people who aren't American to get a US Dollar bank account.

Foreign exchange fees are expensive. Money transfers can take several days. Sometimes, there are billions around the world as we know who are still unbanked and so they can't get any kind of bank account let alone a US Dollar one, so the US Dollar is a national currency that is used internationally—

Robert Breedlove: Right.

Dominic Frisby: And a country, if it wanted to and there are many that do could use the US Dollar as their national currency, but at the same time if you do that, you're importing US monetary policy—

Robert Breedlove: Right.

Dominic Frisby: And so you're subjecting yourself to the US political whims which is why most countries tend to issue their own currencies because they've got their own political agenda—

Robert Breedlove: Which is a nice way of saying, you're basically making yourself vulnerable to US taxation via inflation.

Dominic Frisby: Yeah, it's exactly they're doing. I put it more politely [Laughs], so even though it's international, it's still a national currency and it's

limited by its national borders and by its politics and the same goes for any national currency.

But language is not limited by national borders or at least English isn't, so I'm going to suggest and this is the point of today's thing, I'm going to suggest that the US Dollar is what French was 100 years ago, 120 years ago. You thought it was the international language, it was the official language of diplomacy, but its scalability is limited and if only there was an apolitical borderless currency for the borderless medium that is the Internet, then that really would be scalable in a way that no national currency is and it would have to be a currency that's evolved organically and is constantly growing.

Now, the Bitcoin price may be down 50% on what it was this time last year, give or take whatever date this [episode] gets published on, but the network has grown 20% over the same time. You don't need a bank account to start using Bitcoin. You only need a phone with an Internet connection and we're not far off the point where anyone in the world who wants the smartphone has one.

I went to the homeless charity the other day. I walked past it where they all queue in the morning to get their breakfast and they're all sat outside. All the homeless people sat outside queueing for their breakfast on the ground, all playing on their mobile phones!

All the homeless have got smartphones! And I don't know what the latest numbers are, but we're not far off the point where anyone in the world who wants a smartphone has one. I imagine we're about a billion people away from that.

Robert Breedlove: Right.

Dominic Frisby: I'm guessing. So, here's the thing, the US Dollar is what French was, but if money is language, then Bitcoin is English. That's the line. It has the potential to scale in a way that no other currency has, so yeah, that's the main point. I've got a little anecdote, I'll tell you in a sec, but that's my main argument.

Robert Breedlove: I really like it. It's so funny, you know, I just had been using this line where to try and ban Bitcoin is as effective as trying to ban English, something like that, but I like how you've unpacked it a lot here and the only other thing I would throw in is that this global apolitical borderless money for the borderless Internet.

The other thing that it's very significant to its value proposition is the lack of counterparty risk in holding something like Bitcoin and as we've seen over the past two years as you get more abuse and more oppression from counterparties, you know whether it's the seizure of funds from the Canadian Freedom Convey protest or even the seizure of foreign central bank reserves by the SWIFT network basically from the Russian Central Bank.

I mean, I think all of these occasions create more pressure to adopt something like Bitcoin that's free of counterparty risk or physical gold. I guess physical gold is the other, you know non-counterparty monetary option, but of course, it's much less practical since you can't send it over the Internet.

Dominic Frisby: Yeah, and if we're sending golden promises, but I've got, I'm holding the gold that I promised to pay you. Then, you're a naughty boy and you go and evade another country well, I'm not giving you the gold.

Robert Breedlove: That's right. He who holds the gold makes all the rules.

Dominic Frisby: Yeah. The whole financial repression. The whole financial warfare that has been waged on Russia, I can't say I blame American policymakers, European policymakers for doing that. I probably would have done the same, had I been in their position. I just think it's incredible the weaponization of money. It's been quite something to behold and I imagine China's looking at that and going "okay, we still got how many trillion US Dollars here—"

Robert Breedlove: Right.

Dominic Frisby: "Let's get rid of them—"

Robert Breedlove: Yes.

Dominic Frisby: “Before we invade Taiwan. Let’s just get rid of these and convert them into gold or whatever.”

So, I think that has probably delayed the inevitable invasion of Taiwan, which is a good thing, but it is also longer term, weakened the US Dollar because it’s made it apparent to America’s enemies how much by using their money, you are playing into American hands and there’s an amazing stat. I don’t know if you know this, but you know what’s the best performing currency this year?

Robert Breedlove: I have no idea.

Dominic Frisby: Russian Ruble.

Robert Breedlove: Oh okay.

Dominic Frisby: You think it’s the US Dollar, I mean there’s bound to be some, you know, the Chilean Peso or something, some obscure one is probably done better, but the, you’d think it was the US Dollar which has been very strong this year, but the Russian Ruble has outperformed it and it’s all because you know the US is the money of petrol, “gas” as you call it, but Russia is the money of natural gas.

It started demanding Rubles. You want to buy natural gas, you got to buy its Rubles. And I guess that’s the reason for it, but it’s not a statistic you hear that often, it’s very telling.

Robert Breedlove: Yeah. That’s such, the idea of requiring a certain demonization for energy contracts, whether it’s oil or natural gas, that’s a way to actually bolster reservation demand for your currency and give it that uplift in terms of purchasing power. That’s what the US did right, we went off the gold standard and we pegged it to black gold so—

Dominic Frisby: Exactly, and your military. I read that Indonesia is the world's largest coal exporter and so if it was the Indonesian government, I'd start demanding payment in Rupiahs.

Robert Breedlove: Absolutely! It gets back to the whole motion of money as energy. So, when you peg it to energy by requiring payments to be made in your currency to buy energy, it's good for the currency network.

Dominic Frisby: Yeah. The fundamental problem with money as now, in my opinion, is the fact that one body in society has the power to create that money at no cost to itself. In other words, without expending any energy and while no body in society has that power, society is inevitably going to be disproportionately weighted in favor of that body, so that really is an argument for you know — independent money and Bitcoin fixes this and all the rest of it. Let me tell you a little story about, just a little historical anecdote that I stumbled across, so there was an American journalist in the late 19th century called Nellie Bly, and if you Google pictures of her, you know she was hot.

She was [a] really beautiful, young lady and she went on a trip around the world in 72 days. And she did it because she'd read Jules Verne's *Around the World in Eighty Days*, and she liked Phileas Fogg and she wanted, you know, journalists do similar things now, you know a journalist will go six months surviving on Bitcoin or something as an experiment, whatever.

And so when she went around the world, she took Pounds because at the time, the Pound was, she was American, but she took Pounds because Pound was the internationally recognized currency at the time, but she also brought some Dollars with her too as she put it as a test to see if American money was known outside of America, so she then east from New York across the Atlantic and she didn't see through Europe, and she didn't see, so the story goes, she didn't see American money until she got to Sri Lanka —Colombo where \$20 Dollar gold pieces were used as jewelry and they actually accepted her Dollars, but only at a 60% discount.

Now, I don't see how that's true because if the money was gold, it was gold, but anyway that's the story. It was a 60% discount. You can go around the world and it's still a bit of ask to get people to accept Bitcoin in the physical world, but that's not what it's for.

It's money for the Internet. You know it's cash for the Internet. It's money for the Internet and how scalable is the Internet? How scalable is money for the Internet?

Robert Breedlove: Right, dead on. I mean, I often described Bitcoin as an extension of the Internet. Really, we just have this open-source protocol for moving value sitting on the open-source protocol stack for moving information and yeah how scalable is that I mean it's a limitless bottom-up network. It can go as far as our ingenuity can take it.

Dominic Frisby: Yeah. My friend Charlie Morris, who writes...

He used to be a fund manager for HSBC and he's a real sort of traditional city gent and he got into Bitcoin about 2015 or something and he writes a newsletter called ByteTree. But he's now convinced that Bitcoin is an institutional asset and its been de-risked and there's less risk in buying Bitcoin now at 30,000 Dollars than there was buying it three years ago at \$3,000 even though it's ten times higher.

He just thinks it's a proven institutional asset now and it will make up more and more a part of institutional portfolios around the world. He's absolutely committed, and you get him, I mean you know I love talking about Bitcoin, you get him on the subject and you're like all right Charlie, stop, give it a rest [Laughs].

Robert Breedlove: Sounds like a great guest for the show.

Dominic Frisby: Oh yeah, with pleasure, you should welcome him on. I'll introduce you.

Robert Breedlove: This is, I mean this is a really cool piece, Dominic. People often analogize money to language but I think you've taken the analogy kind of a step further and really looked at the fundamental characteristics that language has that money also has and the overlap between the two and I think there's a lot to be learned from the success of English across the world and what the money of the Internet could look like going into the future, especially so when you consider all of the oppression and the counterparty risk and you know, broken promises let's say occurring worldwide in my mind at least, this is just highlights the need for something that's not built on promises, right. Something that's built on a firm foundation like Bitcoin.

Dominic Frisby: Yeah, I think, you know, we talked about the two types of people. You've got the people who are operating at grassroots who do whatever they're doing and then you've got the top-down planners and there's often this clash between the two and the planner wants one thing, and the other guys wants something else. I think we're inevitably going to have some kind of international cryptocurrency; you know, it's going to be IMF coin or something imposed on us and we're going to be told how much better it is than Bitcoin and we have to use it for this that and the other and that's, we're not at the point yet, but that's the battle that Bitcoin's going to have.

Robert Breedlove: Yeah, I agree with that. What do you think that will be? I've thought about this a little bit that there will be some type of economic crisis and then they'll insert IMF coin as the solution to whatever the crisis is and that's how they'll force adoption or how do you, if you had to speculate on how that would happen? What do you think?

Dominic Frisby: Well, I've been, you know, I think, I've been as a sort of Austrian Purist, if you like, waiting for the crash and then the adoption of sound money when everything goes to zero and I think that actually real life isn't nearly as clear-cut as we like to see it when we're writing books or whatever, so I just think that's just going to be, rather than a sort of clean incident, I think, it's just going to be a sort of muddle through and you know I'm glad, we've mostly got rid of COVID regulations.

At least we have in the UK. You don't seem to have elsewhere. My mum lives in America and she came back from America for a few weeks and she's like wearing a mask all the time and I'm like why are you still wearing a mask, but that's, you know, obviously what they're doing where she is, but that, we nearly, all that nearly happened with COVID and I think we'd had another year of it, it might well have happened, but for whatever reason thank God that didn't happen and a lot of that is to the credit of a guy called Steve Baker who's back bench MP and big into Austrian economics.

He's a little-known back bench MP, but he is basically really good at organizing all the MPs and he basically said to when Boris Johnson was going to lockdown again in December. He basically said, Boris if you lock down again when this is when omicron came along, he said, when you lock down again, we're all putting a vote of no confidence in you and so he forced Boris to abandon that lockdown—

Robert Breedlove: Wow!

Dominic Frisby: And so England, sort of. Like we always do, we stumbled into being the freest, the freest country. We didn't do it by planning. We just sort of tripped into it, but anyways, suddenly, England didn't lock down and Britain didn't lock down and everywhere else did and our rates were no different to anyone else's and so gradually it seeps, when one country does it, it seeps and it's gradually seeped.

Like I went skiing in March in France and they were arresting people for not wearing masks in the bloody cable car and you're like “we're up a mountain and you can't get it up....”

Anyway, but it's that's sort of accidental bit of freedom has sort of spread everywhere else and that's time being from IMF coin, but I do think there's a dynamic at play in America and to a certain extent like in 2008, the narrative was, we need to fight deflation by their definition and that's why we got zero interest rates and money printing all the rest of it because they were scared of deflation.

Now, they seem to be genuinely scared of inflation by their definition. You can't hide it any longer. It's showing up in, what do you call it, consumer price, CPR and you know even Biden said, you know "my number one priority is inflation."

Now, you know, you tend to take what politicians say as hot air, but I think there's a very different thing now in place. The Federal Reserve actually wants stock prices lower, and it wants them to lower this year because next year, there's going to be election to fight again, but this is the second year of presidential cycle.

It wants them lowered. It wants crypto down. It wants house prices down a little bit because then money conditions tighten and everyone's a bit more prudent. You lose the sort of speculative mania that comes with some inflations, and everyone adopts a much more deflationary mindset.

Deflationary psychology prevails and that means they don't have to put up interest rates by nearly as much, so I think it's important to remember that at the moment the fed isn't protecting assets in a way that it was 12 years ago, but it's interesting to know how much pain.

You know, the S&P is rebounding a bit. I don't know if it turns lower here or carries on going up, I am not sure, I buy both arguments but if there's real pain then it'll start printing again, but I sort of think this Russian-Ukraine crisis that looked like it was the beginning of World War III, but I think it's going to be one of these weird conflicts that goes on and on and on and the rest of the world stops caring about it and nobody really wins and so I don't know if we're going to get this sort of mega crisis the IMF coin could come out of, but I just think it's sort of somehow going to happen, you know by accident and it'll be imposed, I mean because we're definitely going into an environment of deglobalization because nobody trusts each other anymore in the way that they did four or five years ago.

And maybe they'll see IMF coin as a way of saving, preventing deglobalization. I don't really know, but I do know one way or another it's coming, whether by financial crash or not —I'm not sure.

Robert Breedlove: I mean yeah, I agreed the uncertainty is so high, so we really don't know which way it could go, but it does seem like it's going to be painful no matter what because ultimately there's a reckoning that has to take place. That is... What is it 350% global debt to GDP? Something like that? I mean that has to be reconciled at some point. You can't just inflate that-

Dominic Frisby: I'm not sure Robert. I've been waiting 20 years of the reconciliation for the day of reckoning and you know, I've only got one life [Laughs]

Robert Breedlove: Well, I don't want to catch myself using the famous last words: "this time, it's different," but it seems like the existence of Bitcoin does make things different--

Dominic Frisby: Yeah, I would agree with that—

Robert Breedlove: You kind of could hide behind the best of the worst of fiat currencies. If everyone thought the Dollar was the greatest thing ever, but the Dollar's still inflating. It makes that dilution of purchasing power largely invisible when you're denominating in other currencies that are also being diluted.

But now it's something like Bitcoin, it's like, it's kind of a truthful barometer to all the bullshit if you will. Because the more they print globally, you're just going to see this Bitcoin price continue to go up I think, but—

Dominic Frisby: Yeah.

Robert Breedlove: Who knows — all that with a grain of salt.

Dominic Frisby: I've been impressed by the way that Bitcoin has held at \$29,000, 28, 29, whatever the number is. You know, it could easily have gone a lot lower, and it didn't, and I think that's good.

Robert Breedlove: Yeah, it is good. I'm sitting on a few Dollars, hoping it does go down a little lower though [Laugh].

I'm going to link this "[Money is Language](#)" piece in the show notes. Do you want to let my audience know where they can find out more about you or your work?

Dominic Frisby: Yeah, I started this Substack channel thing by accident in about February of this year and it's just been one of these things.

Sometimes you work really hard at something, and nobody's interested and this is just one of those things that just seems to have really caught on and it's already one of the top 20 finance Substacks and a lot of the time, I'm just regurgitating material that I was producing elsewhere but it's just done really well.

It's really popular and yeah, I wrote this piece for it and I don't only write about Bitcoin, I write about you know metals and mining and all sorts of other things as well, but yeah please sign up: Frisby.Substack.com.

I called it originally The Flying Frisby, but I think I'm going to change the name to "Make Money and Stick It to the Man" because I think that's a better title!
[Laughs]

Robert Breedlove: That's much more poignant.

Dominic Frisby: Yeah.

Robert Breedlove: Dominic, it's been a pleasure as always love talking to you and look forward to doing it again soon.

Dominic Frisby: Yeah, me too Robert. I'm actually coming through the States in October—

Robert Breedlove: Okay!

Dominic Frisby: So if you're not in Hawaii then, I'm going to New Orleans. I'm going to see someone in Mississippi. I'm going to see someone else in California, but if you're anywhere around, I'll stop by and we'll go and have a steak and a beer.

Robert Breedlove: Yeah, I've love that. I'll likely be in Nashville around that time so—

Dominic Frisby: Ah, I'd love to go to Nashville. I've never been, and I really want to go.

Robert Breedlove: Nashville is a blast and it's right in that neighborhood of—

Dominic Frisby: I saw a great film. Yeah, I saw a great film last night called, it's called something like What is a Woman?, or something like that by this dude from Nashville who just, it's all to do with the trans argument, but he just goes around America asking people what a woman is. Nobody can tell him!
[Laughs]

Robert Breedlove: Crazy world we live in.

Dominic Frisby: Yeah, I'd really recommend that film if anyone hasn't seen it.

Robert Breedlove: I will check it out it. Okay, well thanks so much—

Dominic Frisby: Alright man. I'll see you soon.

Robert Breedlove: See you soon!

Transcribed By Luis Reds

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