

Bitcoin – Digital Money on the Internet

Bitcoin is an internet **currency** that was started in 2009 by a Japanese software company. In contrast to normal money, which is **distributed** and controlled by government, there is no central organization behind Bitcoin. You can send and receive Bitcoin money without giving your name or address and without paying **fees** to a bank.

Bitcoins are not physical. However, they can be bought at **exchanges** all across the Internet, where you can trade them for normal money.

Customers can save their bitcoins in an internet **wallet**, a kind of software that manages your **virtual** money. From there you can buy products from **merchants** who accept bitcoins. You can also sell items and get bitcoins in return. Only your special ID is transferred across the Internet, never your real identity. Bitcoin is a way of sending and receiving money **anonymously**. Not all governments are happy about this new internet currency. Some see it as a way of transferring money, for example from drugs or other **illegal** activities, from one place to another.

The **value** of bitcoins is determined by their popularity in the world and how they are **trusted**. If many businesses accept the currency and more and more people use it to make transactions, its value goes up. Recent scandals around Bitcoin exchanges, however, has made the value of the digital currency go down.

Many economic experts see Bitcoin as the currency of the future. However, it is not ready for **mass** use. The network may suffer from hacking attacks and the value of the money is not very stable. Bitcoin is also seen as a playground for money speculators.



Ex. 1 Match the words in bold from the text to these definitions:

1. _____ = the money that a country uses
2. _____ = against the law
3. _____ = what something is worth
4. _____ = place where you can buy and sell things
5. _____ = unknown; without giving your real name
6. _____ = place where you keep your money when you go shopping
7. _____ = give away
8. _____ = money you have to pay for a service you get
9. _____ = for everyone
10. _____ = person who buys and sells things
11. _____ = to believe in something
12. _____ = not real

Ex.2 Combine the words from the two boxes to form collocations as in the text:

digital / internet / mass / money / software / virtual
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+

company / currency / money / speculator / use / wallet
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1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____

I know English idioms!

The topic of today's reading text is bitcoin – virtual money. It may be hard to imagine that there is a kind of money that doesn't have a physical form. At this stage it's also good to say that "Money doesn't grow on trees" as an English idiom says. But what does it mean exactly? It is usually said to warn someone to be careful how much money they spend, because there is only a limited amount of it.

- "Mum, I'd like a new bike."
- "I'll have to think about it - money doesn't grow on trees, you know!"

Phrasals, phrasals...

This lesson's text uses the phrasal verb "go down" – a very popular one! Among others, it means "to be reduced in price, value, amount quality, level or size". Let's study these examples:

The temperature went down to minus ten last night.

The company's shares went down 7p to 53p.

Grammar corner

The reading text uses quite a lot of passive constructions, that is structures using the verb "to be" and the third grammar form of the main verb, for example:

to be given, is written, was bought, will be sold etc.

Find in the text all examples of passive structures.

GLOSSARY	
digital	cyfrowy
currency	waluta
software	oprogramowanie
in contrast to	w przeciwieństwie do
to distribute	rozprowadzać
fee	opłata
physical	materialny
exchange	wymiana, tu: kantor
to trade sth for	handlować, wymieniać
to save	zachować, zaoszczędzić
wallet	portfel
to manage	zarządzać
merchant	kupiec, handlowiec
to accept	przyjmować
item	tu: rzecz
in return	w zamian
to transfer	przekaz(yw)ać
ID (identity)	tożsamość
to send	wysyłać
to receive	otrzymywać
anonymously	anonimowo
government	rząd
drugs	narkotyki
illegal	nielegalny
value	wartość
to determine	określać
to trust	ufać
recent	niedawny
to go up	wzrastać
to go down	maleć
mass use	masowy użytek
network	sieć
to suffer from	cierpieć na, tu: doznawać
hacking attack	atak hakerski
stable	stabilny
playground	plac zabaw

ANSWER KEY

Ex.1

1. **currency** = the money that a country uses
2. **illegal** = against the law
3. **value** = what something is worth
4. **exchange** = place where you can buy and sell things
5. **anonymous** = unknown; without giving your real name
6. **wallet** = place where you keep banknotes and coins when you go shopping
7. **distribute** = give away
8. **fee** = money you have to pay for a service you get
9. **mass** = for everyone
10. **merchant** = person who buys and sells things
11. **trust** = to believe in something
12. **virtual** = not real

Ex.2

1. digital money
2. virtual money
3. internet currency
4. internet wallet
5. digital currency
6. software company
7. mass use
8. money speculator

Ex. Grammar corner

was started, is distributed and controlled, can be bought, is transferred, is determined, are trusted,