

SERIES

Bitcoin, a refuge from whom?

All the pieces in the series in a single document, in reading order. Updated 7 November 2026.

Bitcoin in four pieces. The first explains how it works, one feature at a time, set against gold and money. The second looks at who really uses the property that makes it impossible to freeze, from Russia's reserves to the Hormuz toll. The third shows how states monitor and tax those who buy and sell cryptocurrencies. At the end, a signed Opinion on the fear Bitcoin stirs in institutions.

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Bitcoin in the mirror: how it works, compared with gold and with money

IN BRIEF

- Bitcoin is a public ledger of payments, copied on thousands of computers. No one issues it, and there will never be more than 21 million.
- Whoever holds the keys owns the bitcoins. Those who leave them on a platform own a promise, like someone with gold in a vault or money in a bank.
- On the network no one can stop a payment or freeze an account. Intervention is possible only at the entrances and exits, on the platforms.
- In wartime none of the three is a perfect refuge: Bitcoin is the hardest to seize, gold the easiest to exchange, the money of a stable country the easiest to spend.
- "Crypto" is not one thing. More than half the tokens created since 2021 are already dead; Bitcoin alone is worth about 59% of the market.

On 31 October 2008 the financial world was still buried under the rubble of Lehman Brothers, which had collapsed six weeks earlier. That day, on a mailing list for cryptography enthusiasts, someone signing as Satoshi Nakamoto published a nine-page paper: it described a "peer-to-peer electronic cash system" that needed no bank at all. On 3 January 2009 the network went live. In the first block of data Nakamoto left a message: that day's headline from the British newspaper *The Times*, "Chancellor on brink of second bailout for banks". It was a signature and a manifesto. Who Nakamoto is, even today, no one knows.

Seventeen years later Bitcoin is called "digital gold", and some regard it as a safe haven. To find out whether it is one, we hold it up against the two benchmarks we all use: gold, the oldest refuge, and everyday money, the euro or the dollar. Economists call it *fiat* money, from the Latin for "let it be done": it has value because a state declares it legal tender, not because it is tied to anything physical. One feature at a time, without jargon.

BEFORE WE START: BITCOIN IS NOT "CRYPTO"

People often say "crypto" as if it were one thing. It is not. Since 2021 more than 20 million digital tokens have been created, and more than half have already stopped trading: in 2025 alone, according to the data platform CoinGecko, 11.6 million of them died. They were mostly *memecoins*, coins created as a joke or to speculate, often in a few minutes and with no project

behind them: on Pump.fun, the site most used to launch them, about 98% never reach a real market.

Value, by contrast, is concentrated in very few names. On 7 November 2026 Bitcoin alone accounted for about 59% of the whole market for cryptocurrencies; Ethereum, the largest platform for automated contracts, about 11%; stablecoins pegged to the dollar another 11%. The entire memecoin sector is worth just over 1%, and more than a third of it is a single coin, Dogecoin, created in 2013 as a joke.

This series is about Bitcoin, and when it talks about something else, such as stablecoins, it says so. What holds for Bitcoin, the 21 million cap or a network no one controls, does not automatically hold for the others: every cryptocurrency has its own rules, and many have an issuer or a group of founders who can change them.

1. WHO KEEPS THE LEDGER

Bitcoin. The ledger of payments, called the *blockchain*, is public, and identical copies of it exist on thousands of computers around the world. Roughly every ten minutes a new "block" of payments is added, linked to the previous one so that no one can alter the past without everyone noticing. Anyone can read every transaction from 2009 to today.

Gold. A bar in a safe needs no ledger: it belongs to whoever holds it. But most investment gold sits in the vaults of banks and custodians, and there ownership is written in their own ledgers, which only they can see.

Money. Our account exists in the bank's ledgers, and accounts between banks in those of the central bank. They are private ledgers: the bank, the central bank and, when needed, the authorities can see them.

2. WHO CREATES IT

Bitcoin. No one. The rules, including the one on how many bitcoins can exist, are written into the software. Changing them would require the agreement of the great majority of those who run the network, and that is what makes them hard to touch.

Gold. Nature. Mines extract it, and no one decides how much will reach the market: it depends on how much is found and how much it costs to get out.

Money. The central bank creates it and, for the largest part, so do commercial banks every time they make a loan: the Bank of England itself explained this in 2014. It is a political and economic

choice, and someone makes it.

3. HOW MUCH OF IT EXISTS

Bitcoin. Never more than 21 million. They are created as a reward for those who keep the network running, and roughly every four years that reward is halved: this is the so-called *halving*, and the latest was in April 2024. In March 2026 the twenty-millionth bitcoin was created: more than 95% of all those that will ever exist are already in circulation, and the last will arrive around 2140. Some are lost forever because their owners lost the keys: estimates range from two to four million.

Gold. It is scarce, but its total is not fixed. Throughout history about 220,000 tonnes have been mined, almost all still in existence, because gold does not get used up. Each year mines add less than 2%. If the price rises, it pays to dig more.

Money. There is no cap. The European Central Bank targets inflation of 2% a year: by design, money loses a little value every year. Sometimes much more: in October 2022 inflation in the euro area reached 10.6%, the highest level since the euro has existed.

4. HOW MUCH ENERGY

Bitcoin. Those who add blocks to the ledger are called *miners*. To do so they must solve a calculation that takes a lot of electricity, and whoever succeeds first receives the new bitcoins. The consumption is the price of security: to forge the ledger you would have to spend more energy than everyone else combined. According to the University of Cambridge, the network uses about half a percentage point of the world's electricity, as much as a medium-sized country.

Gold. Gold is "mined" too, literally: digging, crushing and refining rock uses a lot of energy. Estimates, however, vary widely. According to a 2021 analysis by Galaxy Digital, a firm that invests in Bitcoin, built on World Gold Council data, the gold industry then used about twice as much energy as Bitcoin; other estimates give figures close to the network's. On top of that comes the impact of mines on the land.

Money. Banks, branches, data centres and payment networks use energy too. A reliable, comparable estimate, however, does not exist: it is the least known term of the comparison.

5. WHO REALLY OWNS IT

Bitcoin. A bitcoin is an entry in the public ledger, and only the holder of the corresponding "private key" can move it. Whoever has the key has the bitcoins; whoever loses it loses them. Many people, for convenience, leave their bitcoins on a trading platform, an *exchange*: in that case they own a promise from the exchange. Users have long repeated a motto that says it in five words: *"Not your keys, not your coins"*. If the keys are not yours, neither are the bitcoins. On 29 October 2026 about 6.3 billion dollars in cryptocurrencies vanished from the wallets of Binance, the largest of these platforms, the biggest theft ever recorded; the FBI attributes it to North Korea. Binance set aside its own funds to cover customers' losses. This time it could: the guarantee, though, was the soundness of a private company.

Gold. The same rule applies. A bar at home is yours; gold in an account or a fund is a promise from whoever holds it. Venezuela knows this: about 31 tonnes of its reserves sit in the vaults of the Bank of England, and for years Caracas has been unable to get them back. London did not recognise Nicolás Maduro as the legitimate president, and a long court case followed over who could dispose of it. After Maduro's capture by the United States in January 2026, the British government said the gold would remain frozen; in October Venezuela's government and opposition formed a joint commission to ask for its return.

Money. A bank account is a promise too: the money is a claim on the bank. In the European Union that promise is guaranteed by law up to 100,000 euros per person per bank. Where the guarantee fails, the promise breaks: in Lebanon, since 2019, savers have been unable to withdraw their deposits, the pound has lost more than 90% of its value and the World Bank counts the crisis among the worst in the world since the mid-nineteenth century.

6. WITH OR WITHOUT A NAME

Bitcoin. Addresses do not carry the owner's name, but every transaction remains written in the public ledger forever. Bitcoin is *pseudonymous*, not anonymous: specialised firms follow the money from one address to another, and that is how within hours the funds stolen from Binance were linked to North Korean hackers. The name appears when the money passes through an exchange that asks for ID.

Gold. A bar has no name. But in many European countries, to buy gold above a certain threshold, the dealer must ask for ID.

Money. Cash is anonymous, a bank account is not. And cash will have a limit: from 10 July 2027, throughout the European Union, it will be forbidden to pay in cash more than 10,000 euros to a business.

7. WHO CAN STOP IT

Bitcoin. On the network, no one. A confirmed payment cannot be reversed or stopped, not even if it is a theft, and it knows no borders or opening hours. For someone living under a regime that controls bank accounts, that is freedom; for someone who has to enforce a sanction, it is a problem. Intervention is possible only at the entrances and exits, that is, at the exchanges, which can freeze customers' accounts.

Gold. Physical gold can be seized: at home, in a safe, at the border. Gold deposited abroad can be blocked by whoever holds it, as the Venezuelan case shows.

Money. A transfer can be stopped, an account can be frozen, by a judge's order or a government sanction. It is the fastest tool states have.

A halfway house: stablecoins. There are digital coins that travel on a blockchain like Bitcoin but are pegged to a currency, almost always the dollar: one is worth one dollar. They are called *stablecoins*, and they are fiat money in digital dress. Like money, they have an issuer, a private company such as Tether or Circle, which can freeze them: after the Binance theft both did so within hours with part of the stolen funds. With bitcoins this is not possible. They come back in the second part.

8. IN WARTIME

Imagine a family forced to leave its city under the bombs.

Money. Money in the bank may stay blocked, as in Lebanon; cash runs out, and in a country at war it can lose value fast.

Gold. It is valuable everywhere and depends on no bank. But it is heavy, it shows, and at the border or a checkpoint it can be seized.

Bitcoin. That family's bitcoins are not at home, nor in a computer, nor in a bank: they are written in the public ledger, which has copies in dozens of countries. If the city loses power, if the government shuts down the internet, if the phone is destroyed, the ledger keeps working elsewhere and loses nothing. It does not need restarting: it depends on no single country, and as long as part of the network stays on somewhere in the world, it keeps running. And the key can be carried in memory: the most widely used wallets turn it into twelve or twenty-four ordinary words, with which access can be rebuilt from any device. Wealth can cross a border inside a person's head, with no suitcases and no declarations. In March 2022, in the first days of the Russian invasion, the specialist press told the story of a Ukrainian refugee who reached Poland

with about 2,000 dollars in bitcoin, almost half his savings, on a USB stick: he said he could also have written his words on a piece of paper and taken them with him.

But in wartime there are three risks, and they apply to all three. What changes is the degree.

Theft. Whoever has the safe's combination takes the gold; whoever has the account's credentials takes the euros; whoever has the twelve words takes the bitcoins. A threat is enough, at a checkpoint or at home. The difference lies in what happens next. With gold and with Bitcoin the theft is final: there is no one to ask to reverse it. With a bank account, at least in Europe, an unauthorised payment can be disputed, and the bank must refund it by the end of the following business day, unless it has reasonable grounds to suspect fraud by the customer: the EU Court of Justice confirmed this in October 2026. Meanwhile, physical attacks to force people to hand over their Bitcoin keys are rising sharply: in 2025 the security firm CertiK verified 72 of them worldwide, the highest number ever recorded.

Collapse in value. It applies to all three, at different speeds. Bitcoin can lose a lot in little time: on 28 February 2026, when the bombing of Iran began, it fell within minutes, while gold rose. Gold fluctuates less, but in 2026 it fell too. And money depends on which one: the euro has lost at most about a tenth of its purchasing power in a year; the Lebanese pound has lost more than 90%. For someone fleeing a country whose currency is collapsing, Bitcoin may be the lesser risk.

Who accepts it. Here too the problem is shared. A farmer does not want grains of gold in exchange for eggs, and abroad a shop may refuse euros. Bitcoins can be spent directly, without exchanging them: online, in some shops, between individuals, and with systems such as Lightning the payment arrives in a few seconds. But the difference lies in how easy they are to exchange. Euros and dollars can be exchanged at any bank in the world, gold at any jeweller; for bitcoins you need a connection and someone willing to take them. In 2021 El Salvador made them legal tender and required shops to accept them; in October 2024, according to a survey by Francisco Gavidia University, more than nine Salvadorans in ten said they did not use them to pay, and in January 2025, to obtain a loan from the International Monetary Fund, the country dropped the requirement.

In wartime, then, none of the three is a perfect refuge. Bitcoin is the hardest to seize and the easiest to take away; gold is the easiest to exchange anywhere; the money of a stable country is the easiest to spend and the only one that offers some protection against theft, while that of a country in crisis can be the worst of the three.

9. WHAT IT IS WORTH, AND WHY

Bitcoin. On its own it pays no interest or dividends and produces nothing: it is worth what someone is willing to pay for it. That is why its price moves so much: since its record of 126,000 dollars in October 2025 it has lost about 40%, and today it trades at around 76,000. Those who own it, however, can lend it to whomever they choose, as people do privately with gold or money. And services are emerging around Bitcoin that put it to work. With automated contracts on the blockchain, *smart contracts*, it can be pledged as collateral for a loan without selling it: since 2025, for example, a large American platform has allowed its customers to do this, requiring collateral at least a third larger than the amount lent. Almost always, though, to use these services the bitcoins must be handed to a custodian that turns them into a token usable on another network: the keys go back to an intermediary.

Gold. Gold pays no interest either. But it has real uses, in jewellery and industry, and buyers who do not sell in a panic: central banks, which in recent years have bought it at record rates. It moves less than Bitcoin, but it is not motionless: at the end of October 2026 both Bitcoin and gold were down about 7% since the start of the year, the last two in a ranking of 21 major asset classes.

Money. In the short run it is the most stable of the three: a euro today is worth a euro tomorrow. In the long run it loses purchasing power, a little each year by design and a lot when inflation runs high.

THE MIRROR AT A GLANCE

	Bitcoin	Gold	Money (euro, dollar)
Who creates it	no one, the software	nature, the mines	central bank and banks
Quantity	fixed, 21 million	scarce, grows slowly	no limit
Who owns it	whoever has the key	whoever holds it	the bank, on your behalf
Who can stop it	no one on the network; exchanges can	whoever seizes or holds it	banks, judges, governments
Crossing a border	in your memory	heavy and visible	cash limited, account can be blocked
If it is stolen	lost forever	lost forever	often refunded
Value	very unstable	stable in the long run	stable in the short run, declines in the long run; collapses in countries in crisis
Easy to exchange	needs a network and a counterparty	anywhere, at a jeweller	anywhere, if it is a strong currency

Bitcoin shares with gold its scarcity and the absence of an issuer. But gold can be touched, has existed for millennia and works without electricity; Bitcoin lives only as long as the internet and the power grid run, has seventeen years of history and is kept with a key that, if lost, cannot be recovered. With money it shares almost nothing: and that is precisely why some people choose it.

The question we started from remains. A safe haven protects from something. In 2026 Bitcoin did not protect from market crashes. But it has a property that neither gold in a foreign vault nor a bank account has: no one can freeze it. In the second part we look at who really uses this property, and against whom.

Sources: a nine-page paper · first block of data · the data platform CoinGecko · about 98% · about 59% of the whole market · just over 1% · the Bank of England itself · the twenty-millionth bitcoin ·

estimates · about 220,000 tonnes · less than 2% · 10.6% · the University of Cambridge · a 2021 analysis by Galaxy Digital · other estimates · about 6.3 billion dollars · the FBI attributes it to North Korea · did not recognise Nicolás Maduro · said · a joint commission · guaranteed by law · the World Bank · forbidden to pay in cash · within hours · told the story of a Ukrainian refugee · refund it by the end of the following business day · confirmed this · verified 72 of them · fell within minutes · a survey by Francisco Gavidia University · dropped the requirement · record of 126,000 dollars · trades · a large American platform · at record rates

Bitcoin, who freezes and who flees: Russia's reserves, sanctions and the Hormuz toll

IN BRIEF

- In 2022 the West froze about 300 billion dollars of Russian reserves. The gold held in Moscow stayed untouched, and since then central banks have been buying gold as they had not for decades.
- Those under sanctions use cryptocurrencies, but almost never Bitcoin: 84% of illicit volume goes through stablecoins pegged to the dollar. Illicit traffic remains below 1% of the total.
- At Hormuz, Iran charges a toll payable in Bitcoin too, but large-scale payments cannot be seen. A toll on mere passage is prohibited by the law of the sea, whoever imposes it and whatever it asks in return.
- Those who impose sanctions freeze stablecoins, which have an issuer. With Bitcoin they cannot: so they seize the keys.
- The means is not the culprit: cartels have laundered hundreds of millions through large banks too.

On 28 February 2022, four days after the invasion of Ukraine, the European Union banned all transactions involving the reserves of the Russian central bank. The United States, the United Kingdom and the other allies did the same. Within days Moscow lost access to about 300 billion dollars, almost half its reserves: dollars, euros and government bonds held abroad. One part, however, stayed intact. The Bank of Russia's gold was in vaults in Moscow, and no one could touch it.

Every central bank in the world saw the scene. And each asked itself the same question: what if it happened to us?

In the first part we saw that Bitcoin has a property that neither gold in a foreign vault nor a bank account has: on the network no one can freeze it. Here we look at who really uses this property, who fights it, and how.

A PREMISE: THE MEANS IS NOT THE CULPRIT

Before talking about sanctions, weapons and tolls, one thing must be said clearly. Lawbreakers use whatever moves easily and is hard to seize, and they have always done so with everyone's money. Between 2006 and 2010 Mexican and Colombian cartels laundered at least 881 million dollars through HSBC's American branch, which in 2012 paid 1.9 billion to settle the case. In 2024 TD Bank pleaded guilty to money laundering for letting more than 670 million dollars from criminal networks pass through its accounts, and paid over 3 billion. No one concluded that the dollar was to blame.

States do, however, act on the tools that make crime easier. In 2019 the European Central Bank stopped issuing the 500-euro note because, it explained, it could "facilitate illicit activities": a million euros in those notes weighed little more than two kilos. The note remains legal tender, but no more are printed. The same reasoning is applied to cryptocurrencies today: the means is not put on trial; the aim is to make it less convenient for lawbreakers.

What follows, then, is not an indictment of Bitcoin. It is a map of who uses this property, who fights it and how.

1. STATES CHOOSE GOLD, NOT BITCOIN

Since 2022 central banks have been buying gold as they had not for decades. According to the European Central Bank, by the end of 2025 gold had become the largest item in world reserves, ahead of US Treasury bonds: this had not happened since the mid-1990s. Partly it is down to the price, which has risen enormously; partly to purchases, above a thousand tonnes a year for three years in a row.

Central banks have said why themselves. In a 2023 survey of 85 sovereign funds and central banks, the majority answered that the freezing of Russia's reserves had made gold more attractive. And more and more central banks are bringing it home: India, for example, repatriated more than a hundred tonnes from the Bank of England in 2024.

Bitcoin barely features in this race. Central banks buy an asset they have known for centuries, that can be touched and kept in a national vault. The lesson of Moscow, for them, is not "use something no one controls" but "keep your reserves where you control them".

There is a legal detail. Russia's reserves in Europe, today about 210 billion euros, almost all held by the Belgian company Euroclear, are *immobilised*, not confiscated: they still belong to Russia, but Moscow cannot use them. In December 2025 the Union decided to keep them frozen indefinitely, but it failed to use them to finance Ukraine, mainly because of Belgium's

opposition, and borrowed 90 billion on the markets instead. The Russian central bank has sued the Union before the General Court in Luxembourg, and a Moscow court has ordered Euroclear to pay it compensation. How far one may go with a foreign central bank's assets is one of the most open questions in international law today.

2. THOSE UNDER SANCTIONS CHOOSE CRYPTOCURRENCIES, BUT NOT BITCOIN

If states that fear sanctions choose gold, states already subject to them have chosen cryptocurrencies. According to the analytics firm Chainalysis, in 2025 cryptocurrency flows to sanctioned entities grew almost eightfold compared with the year before, driven above all by Russia, Iran and North Korea. It must be said straight away, though, that all illicit traffic remains below 1% of cryptocurrency transactions.

But the surprise is *which* cryptocurrencies. Not Bitcoin: 84% of illicit volume, Chainalysis writes, is in stablecoins, the digital coins pegged to the dollar. Bitcoin has fallen to about 7%; in 2020 it was the other way round. In short, those who want to escape the dollar system use digital dollars.

Russia tried to go further. In January 2025 a Russian company launched A7A5, a stablecoin pegged to the rouble and designed specifically to get around sanctions. In less than a year it moved more than 100 billion dollars, according to the analytics firm Elliptic. But it served mainly as a bridge to Tether, that is, back to the dollar. And after sanctions by the United States, the United Kingdom and the European Union its volume collapsed: the platforms that traded it were hit one by one.

North Korea takes another route: it steals. According to Chainalysis, in 2025 North Korean hackers stole more than 2 billion dollars in cryptocurrencies; the October 2026 theft from Binance, attributed by the FBI to North Korea, is worth three times as much on its own. According to Western governments, that money funds the missile and nuclear programmes. Pyongyang rejects the accusations.

3. HORMUZ: THE TOLL IN CRYPTOCURRENCIES

The newest case is that of the Strait of Hormuz, through which about a fifth of the world's oil passes. From mid-March 2026, with the war under way, the Revolutionary Guards began charging a toll on ships in transit: up to 2 million dollars per ship, payable in Chinese yuan, in Bitcoin or in stablecoins. On 30 and 31 March the Iranian parliament turned it into law, with the "Strait of Hormuz Management Plan". In May came a maritime "insurance" too, Hormuz Safe, with premiums in Bitcoin.

Headlines spoke of a "Bitcoin toll". The reality is more modest. The analytics firm TRM Labs wrote that it had found no evidence on the blockchain of large-scale payments, and according to several accounts Iran prefers stablecoins. Bitcoin, here, is above all a symbol: the promise of a payment system Washington cannot switch off.

In legal terms, the point is not what the toll is paid with, but whether it can be charged at all. The United Nations Convention on the Law of the Sea guarantees all ships "transit passage" through international straits, prohibits hampering or suspending it and provides for no toll on mere passage; even in territorial waters a coastal state may charge only for specific services rendered to a ship. Iran has signed the Convention but not ratified it, and argues that the right applies only to those who have ratified it. On this site we have already run the symmetry test: in July 2026 the United States too, which has not ratified the Convention but recognises its rules on transit, announced a 20% toll on the cargo of third-country ships (the news; the opinion). A toll on mere passage is contrary to the law of the sea whoever imposes it, and whatever it asks in return: yuan, Bitcoin, dollars, or eggs, chickens and timber. The means of payment does not make the toll more or less unlawful.

4. WHO FREEZES: THE NEW WEAPON IS THE STABLECOIN

If those fleeing sanctions use stablecoins, those imposing them have learned to use them in turn. Every stablecoin has an issuer, and the issuer can freeze the tokens in any wallet in the world. Tether, the most widely used, does so regularly at the request of the US authorities: in January 2026 it blocked in a single day about 182 million dollars in wallets linked to the Revolutionary Guards. After the Binance theft, Tether and Circle froze part of the stolen funds within hours. In the United States a July 2025 law, the GENIUS Act, requires stablecoin issuers to be able to freeze funds and to comply with sanctions.

The result is a paradox. Cryptocurrencies were supposed to free money from states; stablecoins have brought the dollar, and the power to freeze it, inside the blockchain.

5. AND BITCOINS? THEY TAKE THE KEYS

With Bitcoin, as we have seen, there is no one to order to freeze anything. But a state can do something else: take the keys.

In October 2025 the US Department of Justice launched the forfeiture of 127,271 bitcoins, the largest cryptocurrency seizure in its history. According to the prosecution they belonged to Chen Zhi, chairman of the Cambodian Prince group, accused of running online scams in compounds where trafficked workers were held by force. Chen Zhi and the group reject the

accusations. In January 2026 Cambodia arrested him and handed him over to China, where he was formally arrested in July; in the United States the indictment is still pending, and the forfeiture case is still open in Brooklyn, where his lawyers have asked for it to be dismissed. Those bitcoins are already in government custody. If the forfeiture is upheld, they should not be sold: they would go into the Strategic Bitcoin Reserve created by Donald Trump in March 2025, which is fed exclusively with seized bitcoins and has so far bought none. Counting these too, the US government holds about 328,000 bitcoins: it is the largest public holder in the world.

So the asset that "no one can freeze" ends up, it too, in a state's safe. Not because the network allows it, but because people have keys, computers, homes and bank accounts, and states know where to look for them.

THE MIRROR

	What it chooses	Why
Central banks	gold, kept at home	since 2022 they fear their reserves abroad could be frozen
States under sanctions	stablecoins, more than Bitcoin	they need dollars, digital ones too, to trade
Those who impose sanctions	freezing stablecoins and seizing keys	on the Bitcoin network they cannot intervene
People at war or under a regime	Bitcoin too	it is the only asset that can be carried in memory and that no one freezes on the network

OUR JUDGEMENT: A REFUGE FROM WHOM?

The answer is twofold. Bitcoin protects from the power to freeze, and that power is neither good nor bad in itself. It is used by a European Union that blocks the reserves of a country that invaded its neighbour, and it is used by an authoritarian government that blocks the accounts of its opponents. The same property serves a family in flight and those who break the rules, exactly like cash, gold and an account at an accommodating bank. The blame, when there is any, lies with those who break the rules, not with the means they use.

On this, the law offers only one yardstick: whoever freezes, seizes or charges must do so under a law, before a judge, with the same criterion for everyone. It is the yardstick we use for Russia's reserves, for Chen Zhi's bitcoins, for the Hormuz tolls, whoever imposes them. In the third part

we look at how states control and tax those who buy and sell cryptocurrencies. What we think about the fear Bitcoin inspires in banks and institutions we say in a separate Opinion, signed.

Sources: banned all transactions · about 300 billion dollars · paid 1.9 billion · pleaded guilty to money laundering · it explained · the European Central Bank · a 2023 survey · more than a hundred tonnes · decided to keep them frozen · one of the most open questions · Chainalysis · below 1% · to about 7% · the analytics firm Elliptic · its volume collapsed · that money funds · a toll · Hormuz Safe · several accounts · The United Nations Convention on the Law of the Sea · blocked in a single day · launched the forfeiture · the forfeiture case · Strategic Bitcoin Reserve · about 328,000 bitcoins

3/4 · ANALYSIS · 7 NOVEMBER 2026

Bitcoin, who controls and who taxes: the new rules in Europe and the world

IN BRIEF

- Since 1 July 2026 in the European Union only licensed firms may sell or hold cryptocurrencies for others, like a bank.
- Every transfer between platforms carries the name of the sender and the recipient. From 10 July 2027 platforms may no longer offer anonymous accounts or handle coins built to hide transactions.
- Keeping bitcoins in a personal wallet remains legal: the rules target intermediaries, not individuals.
- Since 2026 platforms collect customers' data for the tax authorities, which will exchange it with those of dozens of other countries. Taxes on gains, by contrast, vary from country to country: from zero to a third of the profit.
- In the United States the stablecoin law is in force; the one on the rest of the market has stalled in the Senate.

For its first ten years Bitcoin lived in a grey zone. The platforms where it was bought and sold opened and closed without a licence, many users did not know whether or how much tax they owed, and tax authorities across half the world had no way of knowing who owned what. In Europe, that grey zone closed in 2026.

In the first part we saw that on the Bitcoin network no one can freeze a payment, and that states therefore act "at the entrances and exits", that is, on the platforms. This third part explains how they do it: who may sell cryptocurrencies, who must know who you are, what the tax authorities know and how much you pay. As in the other parts, we set it against gold and everyday money. We focus on the rules of the European Union and international ones, because they apply in many countries at once; on taxes, each country goes its own way.

1. WHO MAY SELL AND HOLD THEM

Bitcoin. Since 30 December 2024 the European Union has applied MiCA, the regulation on markets in crypto-assets: anyone who buys, sells, exchanges or holds cryptocurrencies on behalf of others must be authorised, like a bank or an investment firm. Platforms already operating under national rules had a transition period, which ended for all on 1 July 2026. Since

that day those without a licence can no longer serve European customers. The European markets authority, ESMA, asked unauthorised platforms to wind down in an orderly way, and savers to move their funds to an authorised platform or to a wallet of their own.

Gold. Buying and selling investment gold has long been a regulated activity: dealers are subject to anti-money-laundering rules and, in many countries, must be listed in special registers.

Money. Taking deposits requires a banking licence, and banks have been supervised by central banks for more than a century. MiCA, in essence, brings cryptocurrency platforms inside the same fence.

2. WHO MUST KNOW WHO YOU ARE

Bitcoin. Since 30 December 2024 the so-called *travel rule* has applied to cryptocurrencies too: every transfer between two platforms must carry with it the name of the sender and of the recipient, for any amount. If the transfer goes to or comes from a personal wallet, the platform must check, above 1,000 euros, that the wallet really belongs to the customer. From 10 July 2027, under the new European anti-money-laundering regulation, platforms may no longer offer anonymous accounts or handle so-called *privacy coins*, cryptocurrencies built to hide transactions, such as Monero and Zcash. Privacy advocates argue that this violates the right to privacy protected by the EU Charter of Fundamental Rights. The ban, however, does not concern cryptocurrencies alone: the same regulation also bans anonymous accounts at banks.

One clarification is needed, because many false rumours circulate online: keeping your own bitcoins in a personal wallet remains legal. The rules target platforms, not individuals who hold their own keys, and direct transfers between two personal wallets remain outside the *travel rule*.

Gold. A bar bought in a shop, above a certain threshold, requires ID. Then, locked away at home, it leaves no trace.

Money. A bank transfer always carries the name of the payer and the payee: the *travel rule* was born there, for banks, and has been extended to cryptocurrencies. Cash remains anonymous, but from 10 July 2027, throughout the Union, it will not be possible to pay a business more than 10,000 euros in cash.

3. WHAT THE TAX AUTHORITIES KNOW

Bitcoin. Since 1 January 2026 platforms serving European customers must collect their users' tax data and record purchases, sales and transfers. This is required by the European DAC8 directive. In 2027 they will send the 2026 data to the tax authority of their own country, which

will pass it on to that of the country where the customer lives. Those who do not provide their data may, after two reminders, have their transactions blocked. DAC8 applies in Europe an OECD standard, the *Crypto-Asset Reporting Framework*, which by June 2026 76 countries had joined: 46 will start exchanging data in 2027, others in 2028, the United States in 2029. In the United States, meanwhile, platforms already report customers' sales to the tax authority: the first form, the 1099-DA, covers transactions from 2025.

Gold. For gold kept at home or in a safe-deposit box there is no automatic exchange of information between states. A gold account at a bank, however, depending on how it is set up, may fall within the reporting on financial accounts.

Money. For bank accounts an automatic exchange has existed since 2017: it is called the *Common Reporting Standard*, the OECD created it after the 2008 crisis to fight capital hidden abroad, and today more than a hundred countries apply it. The cryptocurrency standard is, in effect, its copy.

4. HOW MUCH YOU PAY

Bitcoin. Here the European Union has no common rules: each country decides for itself, and the differences are huge. In Germany those who hold bitcoins for more than a year and then sell them pay nothing; in Portugal a similar rule applies, while sales within the year pay 28%; in France the gain pays 31.4% (it was 30% until 2025); in Italy, since 2026, 33%. The same sale, with the same gain, can cost from nothing to a third of the profit depending on where you live.

Then there is a detail that surprises many. In many countries paying for something in bitcoin, a coffee or a car, counts as selling bitcoin: if the price has risen since you bought it, that payment produces a gain to be declared. It is one of the reasons few people use Bitcoin for their shopping.

On VAT, by contrast, a common rule does exist. In 2015 the Court of Justice of the European Union, in the case of a Swede who wanted to open an exchange service, ruled that exchanging euros for bitcoin and vice versa is exempt from VAT, like exchanging currencies.

Gold. Investment gold is also exempt from VAT throughout the Union, under a European rule. The gain on a sale, as with Bitcoin, is taxed in different ways from country to country.

Money. Interest on an account or a government bond is taxed everywhere, but no one pays tax for spending a euro. For the tax authorities, Bitcoin looks more like an investment than like money.

5. AND THE UNITED STATES?

The United States has moved in another direction. In July 2025 it passed the GENIUS Act, the first federal law on stablecoins, which requires issuers to hold reserves and to be able to freeze funds on the authorities' orders. The broader law, the CLARITY Act, which is meant to establish who supervises the rest of the market, passed the House in July 2025 but stalled in the Senate: on 15 September 2026 it failed to get the 60 votes needed to be debated on the floor, and it is unlikely to return before 2027. Meanwhile Washington has created the Strategic Bitcoin Reserve. In short, the country in whose currency almost all stablecoins are denominated regulated those first.

6. WHERE THE RULES DO NOT REACH

All these rules have one thing in common: they target intermediaries. Platforms, banks, dealers. Those who keep bitcoins in their own wallet and exchange them directly with another person remain outside automatic controls, like those who keep gold under the mattress or pay each other in cash.

Outside the controls, however, does not mean outside the law. The gain must be declared anyway, and sooner or later, to convert bitcoins into euros and pay the rent, almost everyone goes through a platform, that is, through a door that now records who comes in and who goes out. The freedom Bitcoin promises remains intact on the network. At the entrances and exits, by now, it gets the same treatment as money.

THE MIRROR

	Bitcoin	Gold	Money
Who may sell or hold it	only authorised platforms (EU, since 1 July 2026)	regulated dealers	only licensed banks
Name of payer and payee	mandatory between platforms; check above €1,000 with a personal wallet	ID above a threshold, then no trace	mandatory in transfers; cash limited from 2027
Does the tax office know?	since 2026, through the platforms (EU and dozens of other countries)	it depends: a gold account may be covered, gold at home is not	yes, since 2017, for accounts abroad
VAT	exempt (EU Court of Justice, 2015)	exempt (investment gold)	does not apply
Tax on gains	different in every country: from zero to a third	different in every country	interest is taxed, not spending
Outside the controls	personal wallet and private exchanges	gold kept at home	cash between individuals

WHAT CHANGES

For seventeen years Bitcoin was presented as the money that escapes states. In Europe, since 2026, anyone using a platform is treated more or less like anyone using a bank: licence, ID, data for the tax authorities. Only those who give up intermediaries and take on themselves the burden, and the risk, of keeping their own keys remain free.

Is it a step towards normality or an attempt to tame a system born to do without it? Institutions say they want to stop money laundering and tax evasion, with the same rules that already apply to money. Bitcoin supporters reply that every new control makes the original promise less true. On this question the site takes a position in a separate Opinion, signed.

This article describes the rules; it is not tax or investment advice: rules change from country to country and over time.

Sources: MiCA · asked · *travel rule* · the new European anti-money-laundering regulation · argue · the European DAC8 directive · 76 countries had joined · the 1099-DA · *Common Reporting Standard* · pay nothing · pay 28% · 31.4% · 33% · paying for something in bitcoin · the Court of Justice of the European Union · a European rule · failed to get the 60 votes

The keys

The first block of the Bitcoin ledger, on 3 January 2009, contains a newspaper headline: "Chancellor on brink of second bailout for banks". Whoever wrote it in there knew it could never be erased. It has stayed. Seventeen years later it is still the clearest thing ever said about what Bitcoin is: not an investment, but an answer to a question. What happens to your money when those who keep it get it wrong, and someone else pays?

Let me say it straight away, because readers have the right to know: I own some cryptocurrencies. I do not put them all on the same level: many, like memecoins, are to me nothing but speculation. I am not writing to say whether to buy them. I am writing because in the three parts of this series (how it works, who freezes and who flees, who controls and who taxes) a thesis has emerged that is not in the data but runs through all of it, and it has to be said in the first person. The thesis is this: the real fear Bitcoin arouses is not that of savers. It is that of institutions. A currency no one can print allows no accounting tricks, cannot be rescued by decree, needs no bank to keep it. If everyone used it, many of the giants of our age, from payment networks to the systems that link banks together, would have fewer reasons to exist.

Before defending it, I have to prove it wrong where it is wrong. Institutions have not rejected Bitcoin: they have bought it. BlackRock's fund, run by the world's largest asset manager, held more bitcoins in 2026 than any government, and its chief executive, who in 2017 called it "an index of money laundering", now calls it "digital gold". The accounting tricks have not gone away: they have moved to the intermediaries, and FTX made eight billion dollars of its customers' money disappear, which cost its founder twenty-five years in prison. And banks do not only make payments: they lend. People who own bitcoins can lend them too, to whomever they choose and on whatever terms they choose, as people do privately with gold or money, and with *smart contracts* services are emerging that make it easier. Bitcoin is not a bank, and it should not become one. But this is exactly where the difference that matters lies. Whoever lends a bitcoin gives it up, and the total stays the same. A bank that grants a mortgage, by contrast, creates money that did not exist before. For some this is Bitcoin's virtue: no one can inflate its quantity. For others it is its limit: in 2008 the bailouts that headline denounced also saved the deposits of people who were to blame for nothing, and with a currency no one can expand that lifebelt does not exist. And when someone tried to make customers' bitcoins earn money like a bank, lending them and investing them in risky operations, it ended badly: in 2022 Celsius and BlockFi went bankrupt.

And here is the point. If institutions buy Bitcoin, what are they afraid of, then?

Perhaps nothing: perhaps regulating is simply their job. Perhaps they fear money laundering, tax evasion, North Korea, and they are right to fear them. Perhaps they fear losing sanctions, the fastest weapon a state has. I do not know for certain, and I do not want to pretend I know. I know what they do. Licences for those who sell, names on every transfer, data for the tax office, anonymous accounts banned, keys seized from those who slip up. All at the doors. On the network, nothing.

The answer, then, is more precise than my starting thesis. Institutions are not afraid of Bitcoin. They are afraid of people who hold their own keys. A bitcoin inside a fund is a financial product like any other: the keys are held by an authorised custodian, answerable to a supervisor and, if need be, to a judge. A bitcoin in a person's wallet, by contrast, is the only asset that can be carried in memory and that no one can freeze. Bitcoin users have repeated a motto for years: *not your keys, not your coins*, if the keys are not yours, neither are the bitcoins. Finance took it literally. It took the keys, and sold us the rest.

I do not think this is a conspiracy. I think it is a choice, and that it should be judged by the yardstick this site uses for everything. A state has the right to know who is making money, and to tax it; it has the duty to stop those who finance a war with stolen cryptocurrencies. But the same rule must apply to those who freeze the reserves of an aggressor country and to those who freeze the accounts of an opponent, to an Iranian toll and to an American one, to a launderer with a digital wallet and to a bank that lets cartel money through. And every person must keep the possibility of holding something of their own outside the door: not to hide, but because sometimes the door is shut by the very people who should be guarding it. Lebanese families have known this since 2019.

That newspaper headline is still there, in the first block. No one can erase it, no one can seize it, no regulation can reach it. Of this whole story, it is the only thing no one has managed to freeze.

Sources: a newspaper headline · BlackRock's fund · now calls it · which cost its founder · services are emerging · creates money that did not exist before · Celsius and BlockFi went bankrupt · Lebanese families

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N3R1-70 — I Will Not Look Away — Online version: https://iwillnotlookaway.org/s/en/series-bitcoin-refuge-full-text.html