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The 4 page 60 minute ESL British English lesson – 05/05/14

What is bitcoin?

Bitcoin is an innovative payment network. It is a new kind of money. Bitcoin is the first decentralized digital or virtual currency. Bitcoin is money you can send through the internet.

The advantages of using bitcoin is that it can be transferred person-to-person via the internet without going through a bank or clearing house. This results in the fees being lower. They can be used in every country.

Several bitcoin exchanges exist where you can trade. Your bitcoins are kept on your computer or mobile device. You can buy them using euros, sterling, dollars etc. Anything can be bought with bitcoin.

The bitcoin network is secured by individuals called miners. Miners are rewarded by mining for bitcoins. Transactions are paid for from existing bitcoins as transaction fees. Commercial use of bitcoin is currently small compared to its use by speculators, which has fuelled price volatility.

Bitcoins are used by people as an investment tool. Currently there are over 12 million bitcoins in circulation, with an approximate creation rate of 25 every ten minutes. The total supply is capped at 21 million and every four years the creation rate is halved.

Banks remain sceptical about bitcoins with many regarding bitcoins as unregulated. As a medium of exchange bitcoin has a clear potential for growth. However, there has been criminal activity in bitcoins by cybercriminals, for example, theft, black markets and money laundering. Some people regard bitcoins as nothing more than a pyramid operation.

SPEAKING – WARM UP

Think of three things you know about bitcoins. Go round the room swapping details with others.

LISTENING – WRITING - DICTATION

The teacher will read some lines of the article slowly to the class.

READING

Students should now read the article aloud, swapping readers every paragraph.

SPEAKING - UNDERSTANDING

1) The article – Students check any unknown vocabulary or phrases with the teacher.

2) The article - Students should look through the article with the teacher.

- 1) What is the article about?
- 2) What do you think about the article?
- 3) Was this an easy or difficult article to understand?
- 4) Was this a boring or interesting article?
- 5) Discuss the article.

3) Article quiz - Students quiz each other in pairs. Score a point for each correct answer. Score half a point each time you have to look at the article for help. See who can get the highest score!

Student A questions

- 1) What is a 'pyramid operation'?
- 2) What is a 'cybercriminal'?
- 3) What is a 'bitcoin'?
- 4) Give one advantage of a bitcoin.
- 5) Where are bitcoins kept?

Student B questions

- 1) How many bitcoins are in circulation?
- 2) What happens every four years?
- 3) How many bitcoins are created every ten minutes?
- 4) What is 'money laundering'?
- 5) What is a 'speculator'?

**Category: Business / Economic / Bitcoin
Intermediate / Upper Intermediate**

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WRITING / SPEAKING

In pairs. On the board write as many words as you can to do with '**Bitcoin**'. *One-two minutes.* Compare with other teams. Using your words compile a short dialogue together.

WRITING / SPEAKING

In pairs – Choose three things from the article. Write them below. Talk about them.

- 1) _____
- 2) _____
- 3) _____

Add three other things YOU know about bitcoins. Write them below. Discuss together. What does this tell us?

- 1) _____
- 2) _____
- 3) _____

The teacher will choose some pairs to discuss their findings in front of the class.

WRITING / SPEAKING

In pairs – Look online – Find out what you can about the following...

- 1) Other virtual currencies.
- 2) Bitcoin mining machines.
- 3) Five other 'real' mined commodities.

The teacher will choose some pairs to discuss their findings in front of the class.

DISCUSSION

Student A questions

- 1) Did the headline make you want to read the article?
- 2) Have you got any bitcoins?
- 3) Would you like to own any bitcoins?
- 4) Is bitcoin a safe currency to use? Explain.
- 5) Can you think of two risks associated with bitcoins?
- 6) Why are bitcoins attractive for cybercriminals?
- 7) Are bitcoins like a pyramid operation?
- 8) Will bitcoins values go up or down?
- 9) Why are bitcoins difficult to understand?
- 10) Have you learnt anything in today's English lesson?

SPEAKING – ROLEPLAY 1

In groups. One of you is the interviewer. There are up to four guests. You are in the *ABC News Technology* TV studio in Washington DC. Today's interview is: *Bitcoin – The virtual currency. 10 mins.*

- 4) You are a banker.
- 5) You are a bitcoin miner.
- 6) You are a US treasury regulator.
- 7) You are a tech geek.

The teacher will choose some groups to roleplay their interview in front of the class.

SPEAKING - ROLEPLAY 2

In pairs - *Student A* thinks bitcoins are cool! *Student B* thinks bitcoins are *not* cool. *5 mins.*

SPEAKING – DISCUSSION

Allow 10 minutes – As a class.

Bitcoin

Is it a passing fad?

Are they safe to use?

What is their future?

The teacher can moderate the session.

DISCUSSION

Student B questions

- 1) What do you think about what you've read?
- 2) When did you first hear about bitcoins?
- 3) Why are banks sceptical about bitcoins?
- 4) Would you consider using any other virtual currency?
- 5) Would you like to trade in bitcoins?
- 6) Can you think of any news stories associated with bitcoins?
- 7) Do you know anyone who has any bitcoins?
- 8) Is the bitcoin currency unstable?
- 9) Has this been a difficult lesson for you to understand?
- 10) Did you like this discussion?

GAP FILL: READING

What is bitcoin?

Bitcoin is an innovative payment network. It is a new kind of money. (1)___ is the first decentralized (2)___ or virtual currency. Bitcoin is money you can send through the internet.

The advantages of using bitcoin is that it can be transferred person-to-person via the internet without going through a bank or clearing house. This results in the fees being (3)___. They can be used in every country.

(4)___ bitcoin exchanges exist where you can trade. Your bitcoins are kept on your computer or mobile device. You can buy them using euros, sterling, (5)___ etc. Anything can be bought with bitcoin.

The bitcoin network is secured by (6)___ called (7)___. Miners are rewarded by mining for bitcoins. (8)___ are paid for from existing bitcoins as transaction fees.

dollars / transactions / miners / bitcoin / several / individuals / lower / digital

Commercial use of bitcoin is currently small compared to its use by speculators, which has fuelled price volatility.

Bitcoins are used by people as an investment tool. Currently there are over 12 million bitcoins in (1)___, with an approximate creation (2)___ of 25 every ten minutes. The total (3)___ is capped at 21 million and every four years the creation rate is halved.

Banks remain (4)___ about bitcoins with many regarding bitcoins as (5)___. As a medium of exchange bitcoin has a clear potential for (6)___. However, there has been criminal activity in bitcoins by (7)___, for example, theft, black markets and money laundering. Some people regard bitcoins as nothing more than a (8)___ operation.

pyramid / cybercriminals / circulation / growth / supply / unregulated / sceptical / rate

GAP FILL: GRAMMAR

What is bitcoin?

Bitcoin is (1)___ innovative payment network. It is a new kind of money. Bitcoin is the first decentralized digital or virtual currency. Bitcoin is money (2)___ can send through the internet.

(3)___ advantages of using bitcoin is that it can be transferred person-to-person via the internet without going through a bank (4)___ clearing house. This results in the fees being lower. They can be used (5)___ every country.

Several bitcoin exchanges exist where you can trade. Your bitcoins are kept (6)___ your computer or mobile device. You can buy them using euros, sterling, dollars etc. Anything can be bought with bitcoin.

The bitcoin network is secured by individuals called miners. Miners are rewarded (7)___ mining for bitcoins. Transactions are paid (8)___ from existing bitcoins as transaction fees.

in / or / on / an / you / the / for / by

Commercial use of bitcoin is currently small compared to its use by speculators, (1)___ has fuelled price volatility.

Bitcoins are used by people as an investment tool. Currently there are over 12 million bitcoins in circulation, (2)___ an approximate creation rate of 25 every ten minutes. The total supply is capped at 21 million and (3)___ four years the creation rate is halved.

Banks remain sceptical about bitcoins with (4)___ regarding bitcoins as unregulated. As a medium of exchange bitcoin has a clear potential for growth. (5)___, there has been criminal activity in bitcoins by cybercriminals, for example, theft, black markets and money laundering. (6)___ people regard bitcoins as nothing (7)___ (8)___ a pyramid operation.

some / however / which / many / more / every / with / than

GAP FILL: LISTENING

What is bitcoin?

Bitcoin is an innovative _____. It is a new kind of money. Bitcoin is the first decentralized digital or virtual currency. Bitcoin is money you can send _____.

The advantages of using bitcoin is that it can be transferred person-to-person via the internet without going through a _____. This results in the fees being lower. They can be used in every country.

Several bitcoin exchanges exist where you can trade. Your bitcoins are _____ or mobile device. You can buy them using euros, sterling, dollars etc. Anything can be bought with bitcoin.

The bitcoin network is secured by individuals called miners. Miners are rewarded by mining for bitcoins. _____ for from existing bitcoins as transaction fees.

Commercial use of bitcoin is currently small compared to its use by speculators, which has _____.

Bitcoins are used by people as an investment tool. Currently there are over 12 million bitcoins in circulation, with an _____ rate of 25 every ten minutes. The total supply is capped at 21 million and every four years the creation rate is halved.

Banks remain _____ bitcoins with many regarding bitcoins as unregulated. As a medium of exchange bitcoin has a clear potential for growth. However, there has been _____ bitcoins by cybercriminals, for example, theft, black markets and money laundering. Some people regard bitcoins as nothing more than _____.

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WRITING/SPELLING

WRITING / SPEAKING

1) On the board - *In pairs, as a class* - write down 20 things you know about bitcoin. 5-10 mins.

2) Sentence starters - Finish these sentence starters. Correct your mistakes. Compare what other people have written.

- 1) The virtual _____
- 2) A bitcoin _____
- 3) Banks _____

3) Homework - Write and send a 200 word email to your teacher about: **Bitcoin**. Your email can be read out in class.

GAP FILL READING

- 1) bitcoin
- 2) digital
- 3) lower
- 4) several
- 5) individuals
- 6) miners
- 7) verifying
- 8) minimise

SPELLING

The teacher will ask the class individually to spell the following words that are in the article. Afterwards check your answers.

- 1) innovative
- 2) decentralized
- 3) digital
- 4) bitcoin
- 5) advantages
- 6) through
- 7) several
- 8) exchanges
- 9) pyramid
- 10) individuals

ANSWERS

- 1) circulation
- 2) rate
- 3) supply
- 4) sceptical
- 5) unregulated
- 6) growth
- 7) cybercriminals
- 8) pyramid

SPELLING

Use the following ratings:

Pass = 12

Good = 15

Very good = 18

Excellent = 20

- 11) miners
- 12) verifying
- 13) transactions
- 14) businesses
- 15) commercial
- 16) volatility
- 17) speculators
- 18) circulation
- 19) sceptical
- 20) laundering

What is bitcoin? – *5th May 2014*