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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**

## What is bitcoin? – 5<sup>th</sup> May 2014

### 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 \_\_\_\_\_.

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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? – *5<sup>th</sup> May 2014*