

# The Case for Bitcoin Circular Economies

How grassroots circular economies drive global Bitcoin adoption through community empowerment and crowdfunding.

March, 2026

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# Introduction

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# Introduction

The core idea of this report is that Bitcoin circular economy centers have a critical role in spreading Bitcoin adoption. These centers open the doors to bitcoins entering local economies and creating widespread financial empowerment. Bitcoin adoption doesn't happen instantly through a "God Candle" or a single government action; it happens gradually, driven by people and communities over time.

Success, in this context, means Bitcoin being widely adopted by individuals, as Bitcoin provides financial freedom, autonomy, and economic prosperity. By examining the mechanisms of Bitcoin circular economies, this report explores how these can be a scalable and sustainable model to grassroots Bitcoin adoption.





# The Two Paths to Adoption

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# The Two Paths to Adoption

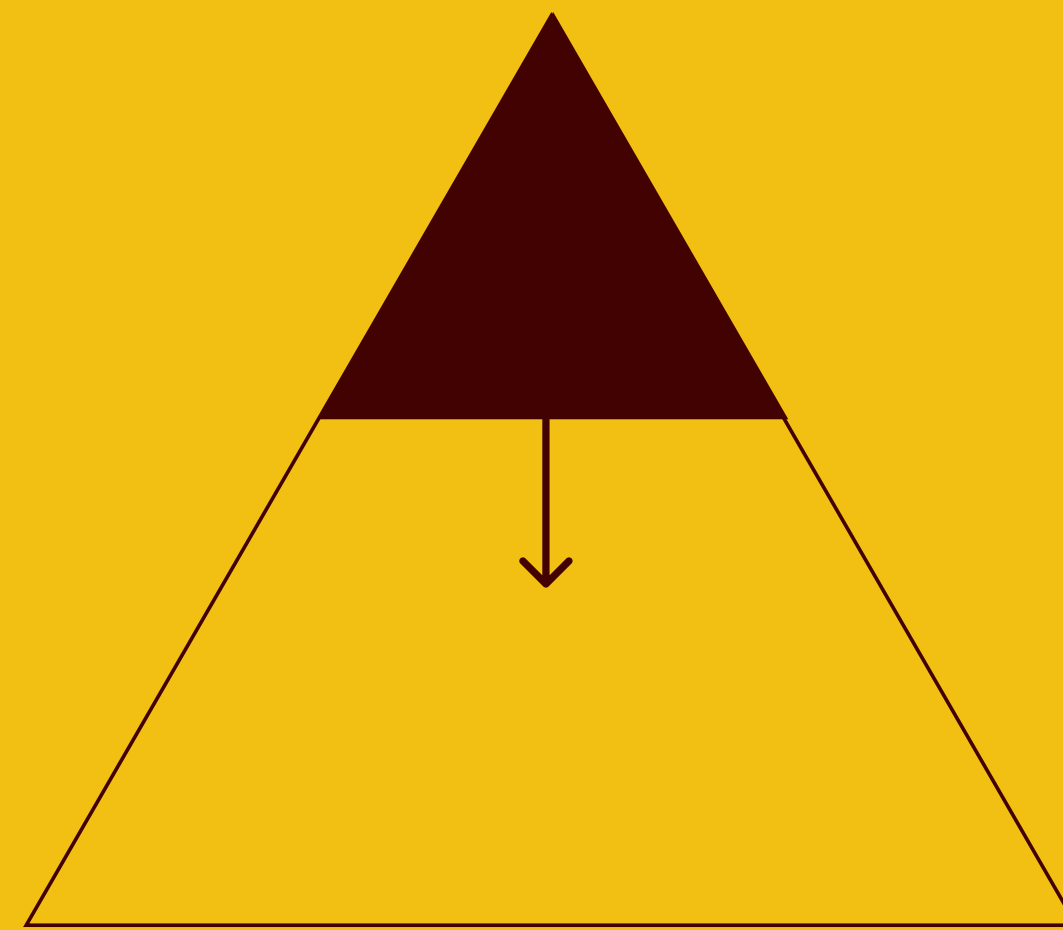
When we think about how Bitcoin adoption may spread globally, two pathways are often discussed: top-down and bottom-up.

Some Bitcoiners see strategic reserves held by governments or corporations as an important step, believing that institutional adoption can strengthen Bitcoin's legitimacy and accelerate its growth.

At the same time, the long-term impact of these developments depends on whether they also create opportunities for local communities to use Bitcoin in practical, everyday ways. Strategic reserves can help establish Bitcoin as a recognized asset class, but widespread understanding, meaningful use, and financial empowerment tend to emerge when individuals and communities are able to interact with Bitcoin directly in their daily lives.

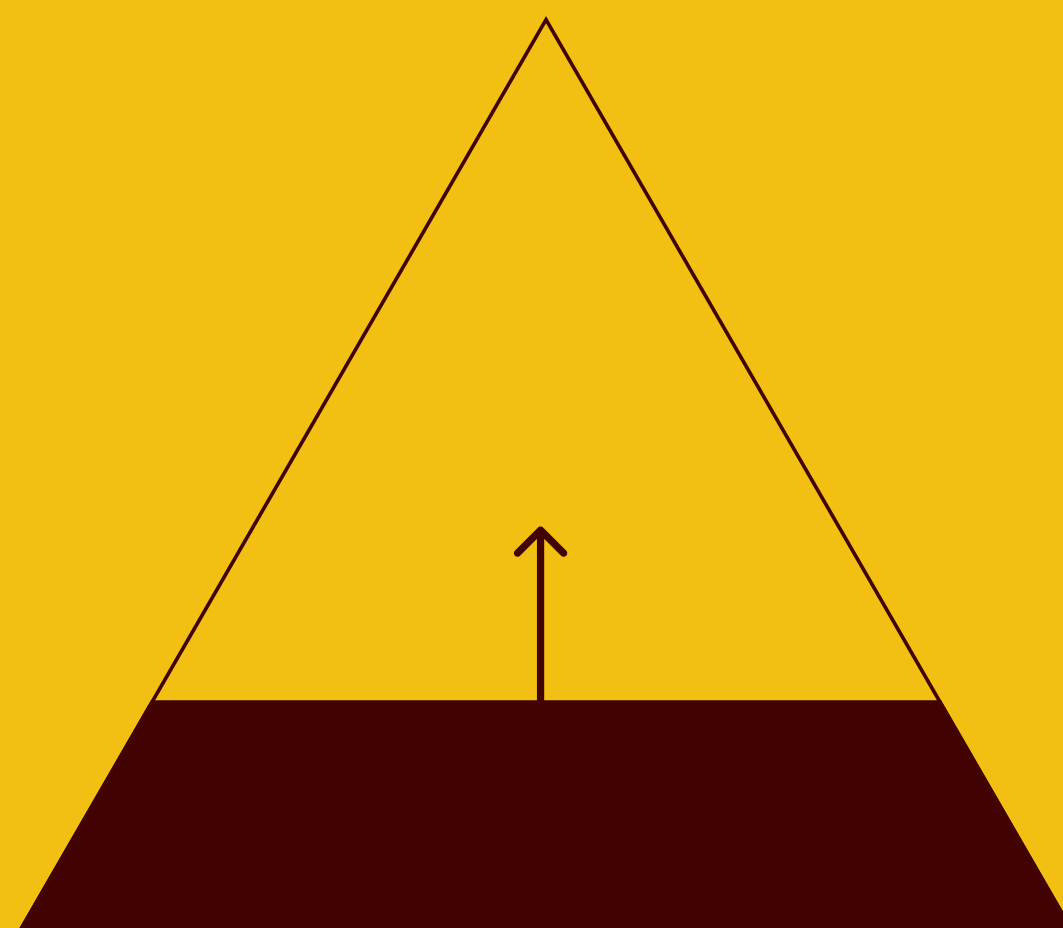


# Top-down vs Bottom-up



Top-down

VS



Bottom-up

Policy and institutional decisions can play an important role in supporting Bitcoin adoption. Measures such as recognizing Bitcoin as legal tender or removing capital gains taxes can clarify the rules and make it easier for individuals to spend and use bitcoin in daily life, creating a more supportive environment for experimentation and innovation.

At the same time, transformative ideas often spread through people and communities first. Bitcoin is not only a monetary system but also a philosophical one. It encourages individuals to move from living according to external financial standards toward taking greater ownership of their money and economic choices. Cultural shifts of this kind tend to grow through grassroots participation before becoming widely recognized.

Throughout history, many belief systems and social changes have followed a similar pattern. The spread of Christianity in the Roman Empire, for example, first took root among ordinary people before eventually being embraced more broadly across society.

In a similar way, Bitcoin circular economies help demonstrate how Bitcoin can function as everyday money. By translating the idea of Bitcoin into practical use within real communities, they make it more accessible and understandable for those who have not yet seen its potential.

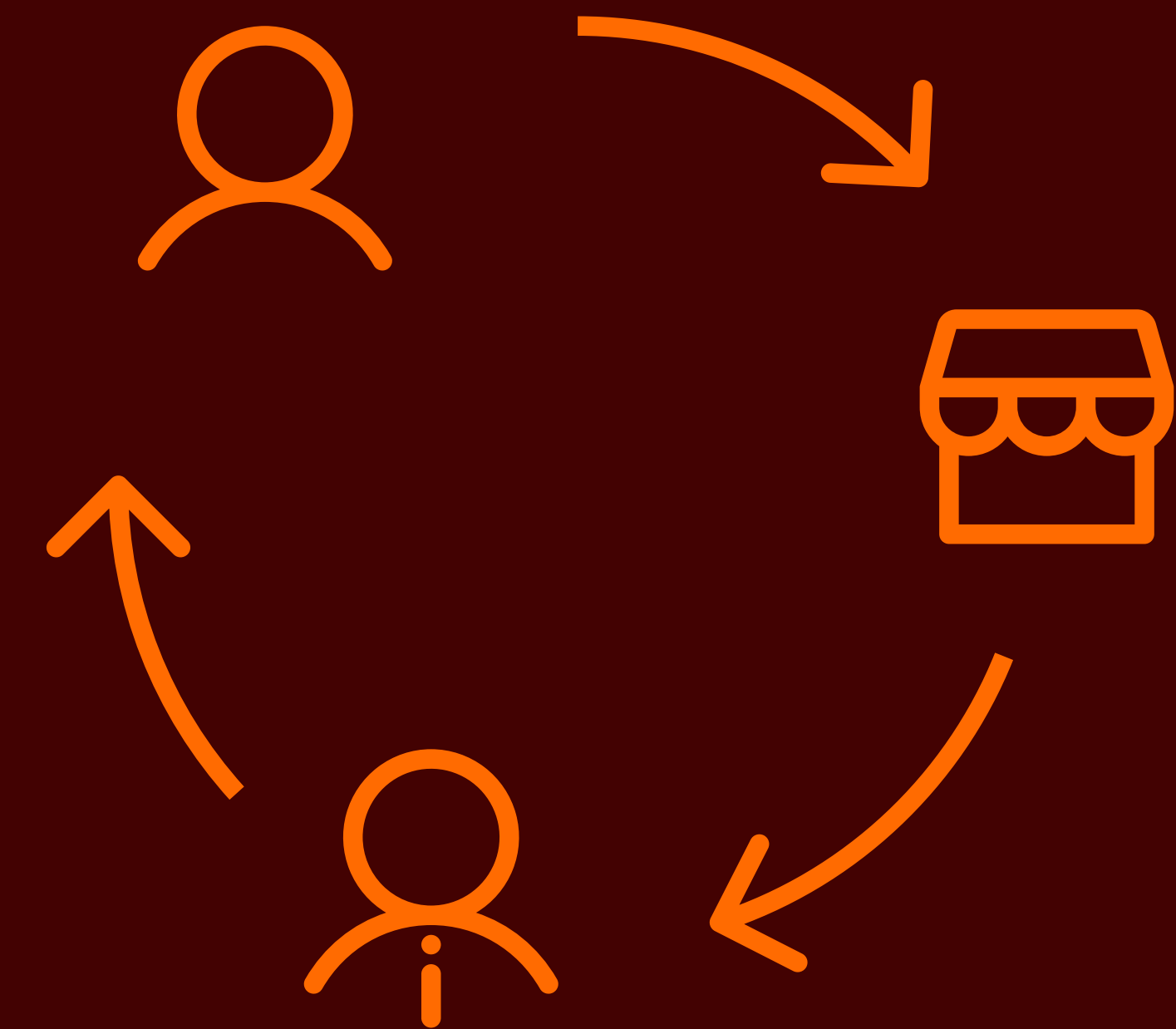
# Defining Bitcoin Circular Economies

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# Defining Bitcoin Circular Economies

A Bitcoin Circular Economy is a local economic ecosystem where Bitcoin (BTC) increasingly functions as a medium of exchange, a unit of account, and a store of value. It represents a spectrum of development, ranging from emerging to advanced stages. Within these ecosystems, BTC is continuously circulated among individuals, businesses, and entities for payments and financial transactions.

Key components include public education, merchant adoption, coordinated local leadership, and community development centered on Bitcoin (FBCE). FBCE categorizes Bitcoin Circular Economies into five tiers, from Emerging (Tiers 1–2) to Advanced (Tiers 3–5), indicating different levels of ecosystem maturity and activity.



# Bitcoin Beach and the Blueprint for Circular Economies

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# Bitcoin Beach and the Blueprint for Circular Economies



El Salvador offers a clarifying example. The historic decision to make Bitcoin legal tender did not happen spontaneously or through strategic reserve accumulation. It came after—and was arguably made possible by—the success of the grassroots Bitcoin Beach initiative in El Zonte, where residents learned to use Bitcoin for real-world needs.



Two years before the legal tender law was announced, a group of Bitcoiners launched an experiment in El Zonte, a small surf town in El Salvador. They wanted to see if Bitcoin could bank the unbanked, empower the poor, and stimulate local growth—the result: Bitcoin Beach.

Since

**2019**

Bitcoin Beach taught the world that grassroots Bitcoin adoption is possible. Locals learned how to accept, save, and spend sats. Tourism increased. Bitcoin usage grew. This small experiment may have played a significant role in shaping El Salvador's national policy as a legal tender. Perhaps most remarkably, it led the way for the broader movement of Bitcoin circular economies and created the template that powers grassroots Bitcoin adoption around the world.



“ Template that powers grassroots Bitcoin adoption



# The Rise of Circular Economies Globally

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# The Rise of Circular Economies Globally

Today, there are between 50 and 200 Bitcoin circular economies worldwide, depending on how one defines them. On Geyser, the number of BCEs raising funds has doubled year over year as has the amount of capital flowing into them, nearing \$100,000 in contributions.

While Africa and South America are leading this charge, Europe, Asia, and North America still lag behind. There are many reasons for this, but one of them is clear: regulation. In parts of the world where capital gains taxes or restrictive policies limit the use of Bitcoin, the spending behaviors that fuel circular economies are more challenging to sustain.



Raised by BCEs  
on Geyser

**\$130k**

Even though some regions face regulatory challenges, there are still circular economies within them because of the decentralized nature of Bitcoin and the lack of control governments can ultimately have over it. In places where buying and selling Bitcoin is difficult or even banned, it can still be exchanged through peer-to-peer networks, enabling a monetary system to operate outside any regime. However, that is not the only reason Bitcoin circular economies are spreading globally.

Each circular economy is as unique as the individuals it serves. In some cases, circular economies have started to help the local community with access to money. In others, it is about helping to empower women, providing opportunities for kids, selling produce to teach skills and provide food, or encouraging people to learn about Bitcoin as a path to sovereignty. Whatever the purpose, each group that starts their project involves the local community, strives to educate others about Bitcoin, and helps local communities take charge of their financial freedom.



Circular  
Economies  
Worldwide

50-200

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“ Communities take charge of their financial freedom

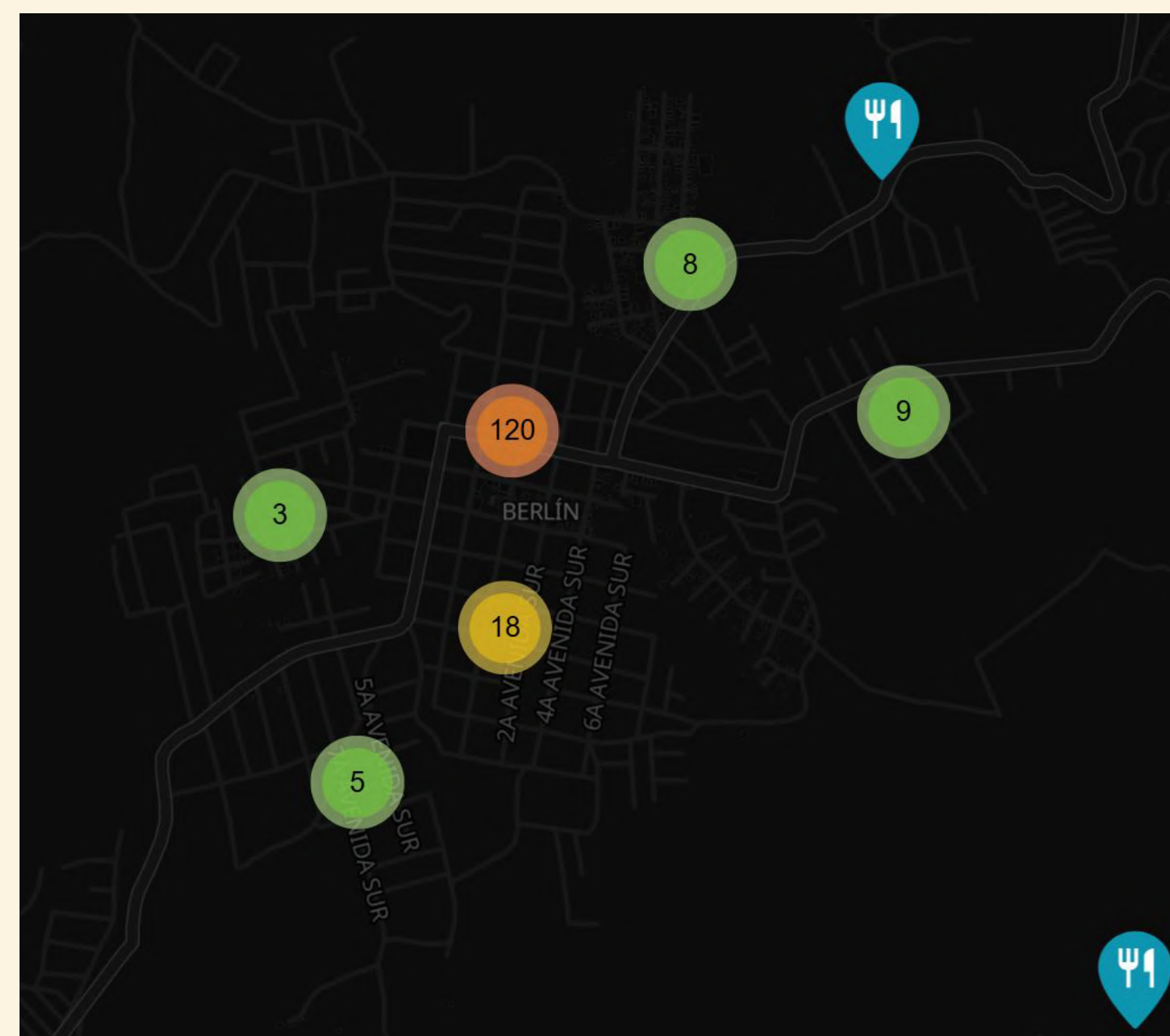
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# Bitcoin Berlín, El Salvador

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To understand what makes a circular economy thrive, the Geyser team visited Berlin, not the German capital, but a small town in El Salvador. What we found was astonishing: Berlin, El Salvador has more Bitcoin-accepting merchants than Berlin, Germany—a city of over 3 million people.



Businesses  
Accepting  
Bitcoin

**160+**

(66 in German Berlin)



In Berlin, Bitcoin is not just theoretical. Rather, it's used for groceries, classes, workshops, and social events. The local Bitcoin center teaches residents how to use Bitcoin practically and actively attracts Bitcoiners from around the world to visit or settle temporarily. These Bitcoiners spend their sats locally, directly placing Bitcoin into the hands of merchants and community members. Farmers sell goods to Bitcoin tourists, leading to sats flowing into the local economy and significantly changing lives.



# Ekasi: Bitcoin in South African Townships

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# Ekasi: Bitcoin in South African Townships

In South African townships facing high unemployment, financial exclusion, and inflation, Bitcoin Ekasi established a circular economy that empowers the community. Their initiative focuses on education, merchant adoption, and community engagement. By integrating Bitcoin into daily transactions, Ekasi fosters financial literacy, economic resilience, and sustainable growth, illustrating Bitcoin's potential to uplift marginalized communities.



Businesses  
Accepting  
Bitcoin

49



Unemployment  
rate

32.9%

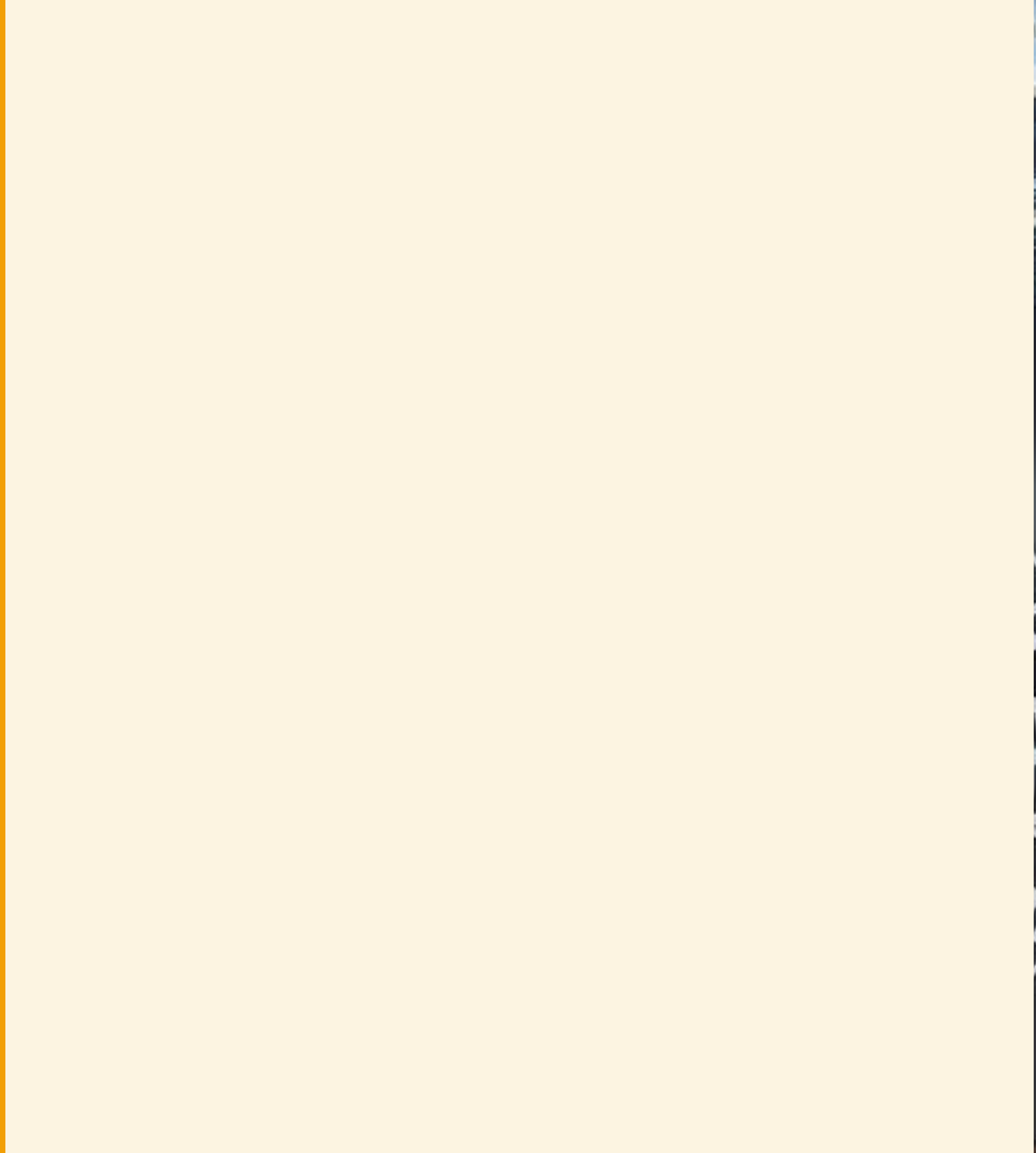


Because of the growing number of circular economies around the globe, it would take volumes to highlight them here. Yet, to further understand their purpose and how they are changing the world, it is helpful to bring attention to efforts in regions considered by many both developed and still developing.



In Africa, for example, there are now Bitcoin circular economies in over ten countries, and that number is rapidly growing. These efforts are changing lives, whether through the efforts of Bitcoin Babies in Kenya, where educating women on financial literacy and independence through Bitcoin education, or in South Africa, where Bitcoin Loxion is teaching about Bitcoin and building a sustainable community through farming. Each project serves the needs of its area, all while teaching others about Bitcoin, while in some cases giving people access to a monetary system when they had none.





Even in the more developed regions of North America, Bitcoin is becoming a tool for freedom and financial independence. Bitcoin Circular Economies have reached Tampa Bay, Florida, Los Angeles, California, Calgary, Alberta; and Vancouver, British Columbia. And, like other regions, each has goals and efforts that match the community it serves. Yet, what all of these efforts have in common is that they educate people about Bitcoin and help others to live a more financially free life.



“ Each project serves the needs of its area

# How Bitcoin Adoption Happens at the Grassroots

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# How Bitcoin Adoption Happens at the Grassroots

Once you see it, you can't unsee it. Bitcoin adoption can't just be about stockpiling; it must also be about circulation. Spending leads to sats flowing into the economy. Merchants begin accepting. Locals begin saving. Visitors become investors. And a self-sustaining system begins to emerge.

In places like Berlin, the key is for Bitcoin expats and travellers to *spend* their Bitcoin. That's the magic. And when that starts, sats move up the supply chain. They spread through households and businesses. They are saved, spent, and reinvested. This is how Bitcoin adoption happens: by use, not decree.



# Metcalfe's Law

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# Metcalfe's Law

You might have heard of Metcalfe's law, also known as Network Effect, which states that the value of a network is proportional to the square of the number of connected users. Successful communications networks grow slow at first, and accelerate later.

Users that receive end up spending their Bitcoin. Spenders become part of the network.

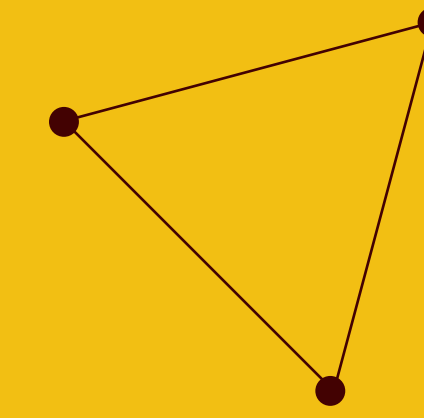
Metcalfe's law has been referenced to Bitcoin, but always in reference to price discussion. It's about time that we start using Metcalfe's law in reference to active users of a network.

I find it a helpful framework because it shows bitcoiners how bitcoin can succeed, simply by adding new users. And that's what bitcoin circular economy projects are doing best...

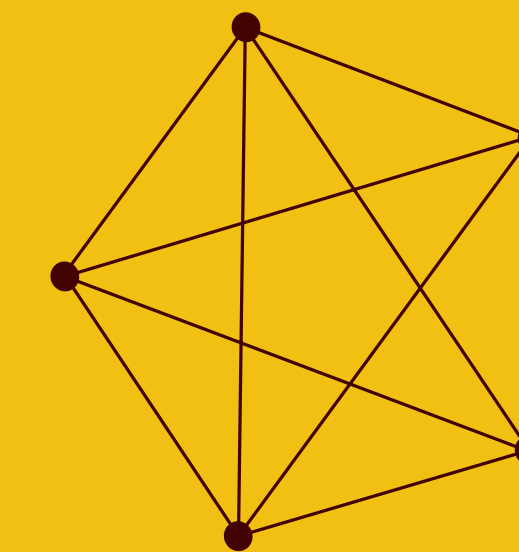
There have been many references to metcalfe's law in the past few years, always tied to price discussion.

But the best way of thinking of Metcalfe law's is not with Bitcoin owners but with "connected users" of a network. That is users transacting.

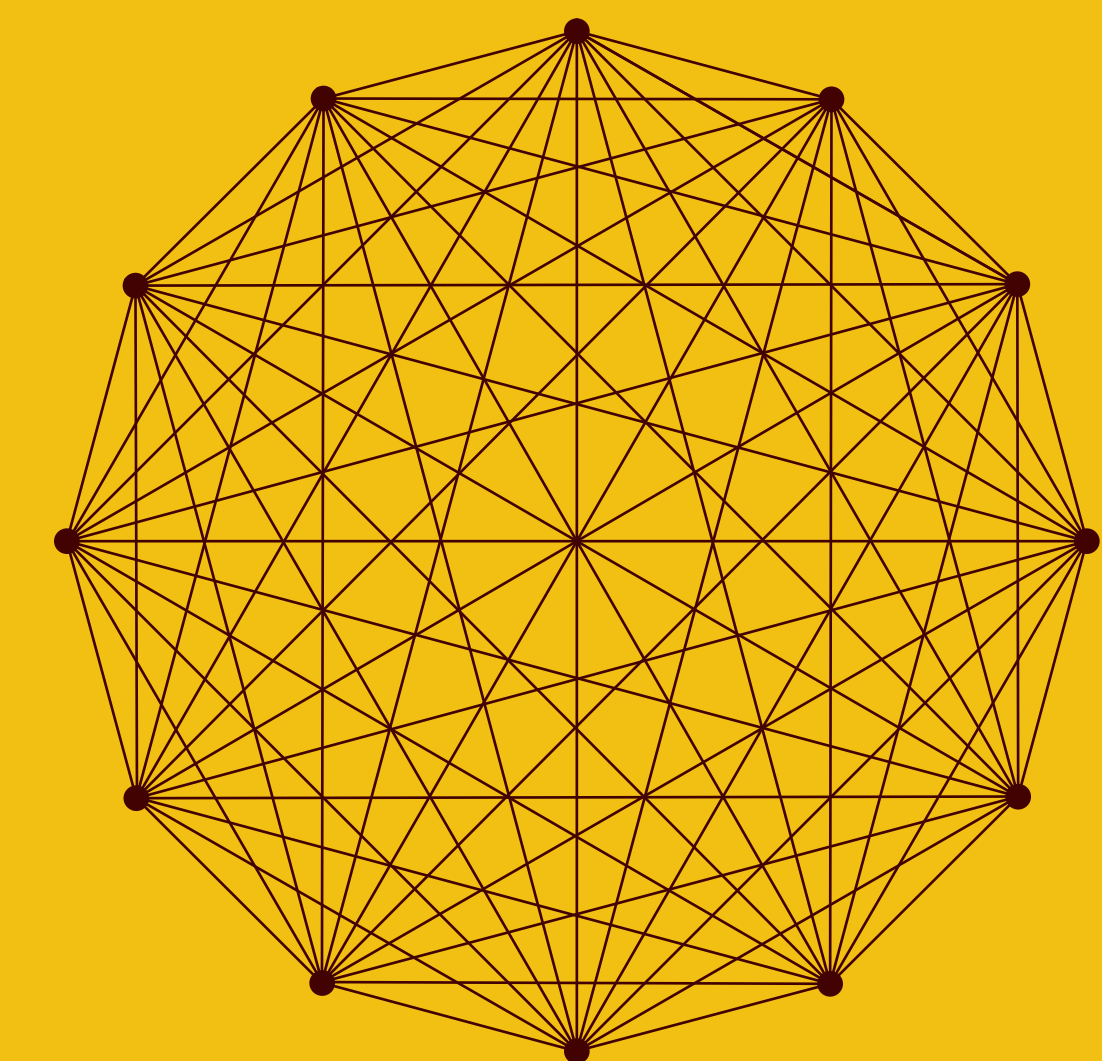
3 nodes  
3 links



5 nodes  
10 links



12 nodes  
55 links



# Alternative Models

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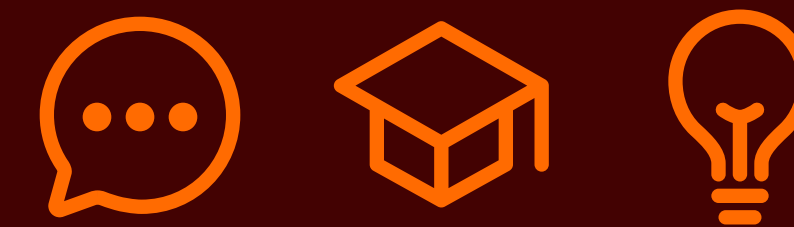
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# Alternative Models

Berlin's model centers around tourism, but it's not the only path. For example, a circular economy could be driven by local Bitcoiners committed to living on a Bitcoin standard, actively spending their sats to support local Bitcoin businesses and fostering community growth. What matters most is enabling the flow of Bitcoin, whether that's in someone's hometown, an online community, or a nomadic village. The point is spending and circulation.



“ The point is spending and circulation



# Ripple Effects in Local Communities

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# Ripple effects in local communities

Circular economy centers actively drive the 'flow' of Bitcoin into communities, creating tangible impact. A notable example is Rodrigo, who leveraged Bitcoin crowdfunding to bring his social entrepreneurship idea to life. Rodrigo raised funds at the crowdfunding workshop to organize local artists to transform his town through street art, turning it into an open-air museum in just one weekend. This demonstrated Bitcoin's unique potential to rapidly and visibly impact local communities by directly connecting global supporters with grassroots initiatives.



[🔗 geyser.fund/project/berlinwallsfest](https://geyser.fund/project/berlinwallsfest)

This example shows how local economies can thrive by adopting Bitcoin: it offers an opportunity to connect themselves to global communities, empowers them through new types of funding possibilities, and allows them to save and transact digitally.

*3,100,000 sats raised / 61 contributors / fully crowdfunded in Bitcoin*



# Grants and Crowdfunding as Engines of Adoption

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# Grants and Crowdfunding as Engines of Adoption

Circular economies are powered largely by volunteers doing remarkable work in Bitcoin education, community building, and social entrepreneurship. While many centers are working toward financial sustainability, funding remains important to help them expand their programs and accelerate their impact.

Crowdfunding plays an important role by enabling communities to raise funds from individuals and organizations around the world who want to support grassroots Bitcoin adoption.

Grants can provide important backing to these community hubs. And Bitcoin Beach provides the most amount of funding to Bitcoin Circular Economies (see next page). And the Geyser Impact Fund aims to fund community projects *within* these circular economies, leveraging the Hubs as the trust network.



# Bitcoin Beach Grant

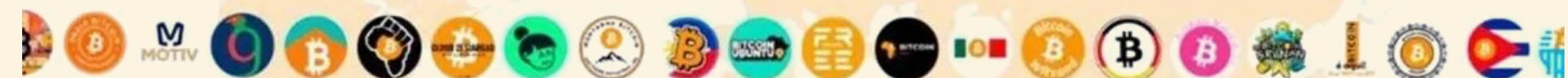
A special mention must be made of the Bitcoin Beach Grant, organized by Bitcoin Beach, Geysler, and the Federation of Bitcoin Circular Economies. This grant provided 19 Bitcoin circular economies around the world with 0.5 BTC. This grant event also held educational workshops and pitch competitions that allowed circular economies to learn from each other, experts in the field, and let them grow.

An interesting fact about this grant is that it allowed more than 80% of grant winners to earn contributions from the Bitcoin community through crowdfunding. The grant helped give them credibility to receive more contributions from the local community.

**BITCOIN BEACH**

**GRANTS**

A new global campaign to advance  
**Bitcoin Circular Economies**



Granted

**50M sats**

# Conclusion

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# Conclusion

Bitcoin adoption is a story of flow.

It begins with people spending sats, grows through community, and expands as local economies take shape.

Bitcoin circular economies are proving to us every day that they are the future.

Support them. Fund them. Help them grow.

# Special Acknowledgements



“Bitcoin Circular Economies are not experiments anymore—they are living proof that an open financial system can work anywhere, from a coastal town to a global enterprise.”

— Jeremy Almond, CEO, Paystand



“Born in El Zonte as the original Bitcoin Beach Wallet, Blink is laser focused on building tools for bitcoin maximalists to usher in a world where bitcoin is money and accessible to all.”

— Blink Wallet





THANK YOU