

The Philosophy of Volatility

A super super interesting thought on my mind is the quote from Michael Saylor, volatility is vitality. What does that mean, why does it matter etc.?

First, typically when we think of volatility, it is in the financial realm. We think of volatility in the context of something going up and down, almost unpredictably, chaotically, crazily.

For example in the markets, we tend to think of volatility like a bad thing. Because most people cannot stomach the up and downs.

I am an interesting case because obviously I'm affected by it too. Yet now, whenever I see volatility, I'm more annoyed than anything, like the days that bitcoins down, or the days that microstrategy stock is a little bit down, it is almost more like having an annoying mosquito bite, Maybe even a tiny splinter than anything. The good thing with mosquito bites is as time goes on, we know that it will fade, although it is very annoying. Also, with the tiny splinter... Super super annoying to pick it out, but you can!

Nuclear power

So besides Chernobyl and Fukushima, I actually think that nuclear power is a super smart idea. Certainly nobody wants nuclear fallout, but come on... It is year 2024. For a while, me and Seneca were playing with SimCity: cities of the future on the Mac, and also, we watched the cities of the future film on IMAX and also 3-D, at the California science center. It is still kind of bizarre to me... Once again, the year 2024, if I think about the film Elysium, produced by Bill Block, and starring Matt Damon, shouldn't we kind of be living in this futuristic, cyberpunk, or massively green and beautiful bright future? Not kind of this ugly, slumlord vibes we get from watching a film like Snowpiercer?

Even often the truth is a distraction

Anyways, about two or three days ago I was curious why bitcoin spiked so high, breaking the mythical \$70,000 mark, after about 2 to 4 years of languishing. So I searched it on ChatGPT, and randomly saw that because Elon Musk tweeted it? And then I was curious, and then I kind of went down a rabbit hole, checking Elon Musk Twitter, Seeing now how he endorses Donald Trump, and then seeing the tweet video the retweeted video of the Joe Rogan podcast with Donald Trump.

Anyways, I was watching the interview, I watched about half of it, very fun and interesting and entertaining! One of the interesting things is how Joe Rogan was asking Trump about nuclear.

So to me **nuclear is interesting because it is insanely high volatility like it has a lot of power**. But if done right, if handled quickly, it is essential you produce practically free energy for everybody! Apparently they do it well in France I think, they just create a bunch of these mini nuclear power plants, And the French citizens benefit?

A good reason to be anti stoic

I think about 99% stoicism is good, come on, I named my firstborn son after Seneca the younger, the great stoic sage!

Yet where stoicism fails, I call this “the life *after* stoicism”, is that Stoicism is too focused on hardening yourself into like a porcupine, and then eventually, it makes you unemotional or unfeeling etc. Yet what if you want to embrace this interesting strategy; put on the stoic armor, in which you don’t really suffer any downsides from life, but you could harness the volatility of life, and channel harness and reap the benefits of the upside?

Stoicism is not volatile enough. Certainly we want Stoicism to clip and hedge the downsides of life, but, you want at least 200X upside in life!

The wisdom of kids

So kind of an interesting thing I learned from Seneca, kids in general etc.; Seneca is about 3 1/2, and when he is angry or upset about something, he'll get angry, he'll throw stuff, stomp his feet, put out a lot of high energy, start screaming and yelling, and shouting, but when we just **let him get it out of his system, like for 30 seconds or a minute or so, he'll kind of forget about it, and then start smiling again, and then being happy and proceeding like usual.** Because Seneca is like happy and joyful and silly and playful and curious Like 99.999% of the time.

Adults should also mirror children

Anyways, I almost wonder if this is a better strategy for adults as well.

I think where adults fail is that we try to be good proper and prim, I don't know if this is like Victorian Quaker Christian ethics, *we try to restrain our anger*, we don't raise our voices we don't yell we don't scream, we don't throw stuff, we are told to become modest, go on a walk etc.

But **I almost wonder if it was a good idea that adults we also would just let our our anger and fury as well like kids** -- for example if we're angry, to just yell shout scream, stomp our feet, go outside, throw around the sandbag, go to the park and take some big heavy rocks and throw them into the distance etc. Also as a funny sidenote, go on YouTube or Google and search ERIC KIM rock toss challenge, in which during Covid when all the gyms were shut down I would just go to the nearby park, find the biggest rock or Boulder I could, and just practice throwing it around etc. It might be the best workout of all time!

Don't hold in your anger

Anyways, the issue with adults is that when we're angry or upset about something, we're holding our emotions, yet we harbor this anger and resentment, this Poison, for weeks days months years decades? Even one of my uncles, considering that my grandfather had an illegitimate wife and about five or six kids all illegitimate kids on

the other side, essentially ditching my mom's mom, and the 4 to 5 legitimate kids, anyways, apparently one of my uncles is still super super upset about this, even many years after the passing of my grandfather, my uncle saying that after getting drunk "I have no father", referring to my already deceased grandpa.

I get it, but I almost feel like it doesn't really matter anymore. Don't people gotta move on?

Yeah yeah yeah, life is tough, life is sad whatever, but, I once read that **resentment and anger is like drinking poison, hoping that the other person dies.**

No not only is this kind of not a good strategy, it is ineffective but also foolish.

Think Achilles

For example, imagine like you're a warrior, like you're Achilles, or Hector, and you're about to do the final battle. You got your spear and shield, your battle armor on. Obviously the goal is to throw your spear and kill the other guy, not to take your spear and stab yourself in spite of your enemy, hoping that somehow spearing yourself will damage the other person?

Really sick stuff

Even a more sick thing, a parent, who is frustrated with their child, not sure what to do, starts to literally beat themselves, like hitting themselves or self flagellating themselves, causing themselves some sort of self-made pain, to make the younger child feel bad? To me this is almost the most sick evil thing to do of all time because when your kid and your parent beats you, at least you could feel bad and think that your parent is a bad guy. But if your parent beats themselves to spite you... You have no one else to but by yourself?

Never spite nobody!

Where it is wise to not trust Christianity

The early Christian fathers, a lot of them kind of unwell people, we kind of do a similar thing, self flagellate themselves for their sins whatever, as a form of repentance or something?

But the reason why this is so sick and weird, is that once again, by hurting or damaging or poisoning yourself, you ain't doing nothing useful.

Like for example, let us say that you did something bad or whatever, and then boom now your parents are dead or somebody you care about is dead or whatever, and then you get super depressed and you start to drink alcohol, smoke a bunch of weed, do a bunch of drugs, simply to alleviate your pain your distress your suffering. Or you start to self yourself, you start to physically beat yourself.

Now once again, this is not productive at all.

Channel volatility

So just watching the recent [microstrategy earnings call](#), go Michael! I also like Andrew Kang and Phong Le (both I presume our Korean and Vietnamese, just like me, Seneca, and Cindy!)

Anyways, what do you notice what super interesting was that what is so fascinating about microstrategy, it is like literally the best performing company in stock in the known human universe, is that it is **also the most volatile**. Whereas a typical asset might have a volatility of five, The volatility of micro strategy often exceeds 50.

Volatility is vitality, the motto of Michael Saylor.

So then I guess the tricky thing, the philosophy behind things: "*Would you prefer to have higher volatility for greater yield and performance?*" Or would you rather have low or no volatility, and just take boring steady gains, but far inferior gains and yields?

For me, I think 100% obvious strategy is to have higher performance, with even greater and higher volatility.

Because at the end of the day, it is probably more interesting to drive a high volatility performance vehicle, like a Lamborghini, which has more power powers and “flexiness” rather than a boring and reliable Toyota Camry?

Yet what a lot of fools do is they just park their money in some sort of blended S&P 500 derivative, because they don’t know what else to do?

Taking control of your financial destiny

Michael Saylor said his personal imperative with bitcoin, is that he believes that at least 50% of the world’s problems and issues can be solved by fixing the money. He likens traditional money and capital as being toxic; would you give your healthy four year-old child contaminated sewer water to drink, or would you give them clean water? Or, would you take the temperature of your home, which is a cozy 73°, and turn down the thermostat by 1°, every single day, for 10 years? Obviously not, you will literally kill and freeze your family to death.

Think scientific history & physics

I think the genius of a Michael Saylor is that he studied history of science at MIT, and also aeronautics and aerospace engineering.

So I was curious about the word volatility, and apparently it just is derived from Latin to fly, initially from the Proto into European to throw.

So certainly flying is good. I would not want to go to Seoul South Korea on a boat. Also, thinking about French colonialism, I have no idea how the French would be able to stand the boat ride from Paris all the way over to Saigon; or even worse, Thinking about Australia, the original penal colony, how in the hell did you take a boat from London all the way to Australia?

Flying is literally volatile (volaris, to fly)

Anyways, the volatility of flying, certainly flying can be dangerous, you hear the reports about the new Boeing jets, exploding or whatever. Yet nobody gives up flying.

Or let us say the dangers of driving an automobile car. Certainly there are lots of dangers associated with driving, like fatalities from car related accidents, now texting while driving, it is literally a life or that situation. You are 1 trillion times more likely to die from a car accident rather than any sort of accident resulting from a terrorist attack, or a gun related fatality.

If in fact, everyone is talking about why guns are bad and so evil and how we should ban guns or whatever. Yet nobody is talking about how we should be texting while driving, or even ban the use of a cell phone while you are in an automobile car.

If anything, if Apple really wanted to save millions of lives, I have a simple thought: by default if you buy a new phone or whatever, a new Apple ID or whatever, there should be a workflow which if it detects that you're driving really really fast in the car, **it automatically locks you out of your phone, into the do not disturb driving mode, and that if you want to access the normal mode, assuming you're a passenger in an Uber or Tesla Robo taxi, then you could voice dictate or type I am not driving. Or "I am a passenger"**.

Anyways, volatility is good. I almost wonder if volatility, voltage is the same thing? You step up and you step down there's transformers for electricity. And this is what allows high-powered electricity to travel from phone wires, silently into your home, powering your washer and dryer your heater and air conditioning whatever. Yet **nobody is trying to ban electricity**.

Channeling volatility

Bitcoin is up 507% percent over 4 years since 2020, MSTR is up 1989% since then -- 5x, 19x (20x) gain since 2020

So also, a curious thing... Why is it that I have never met a female day trader? Or a female bitcoin investor?

I've met lots of day traders, all male, some guys at the gym at the local park whatever. It is pretty common to meet day traders who drive Uber on the side or whatever. I haven't really met any bitcoin investors in the flesh yet, besides myself. And certainly I have never met any women who are interested in bitcoin. It is too volatile for them.

It is also too volatile for most men. Yet a simple filter, I think that for the general part, women hate volatility, most men also hate volatility but *some* men like myself, love volatility.

Question; are there any women who love volatility? I guess the ideas that you have sex with the rockstar, and you have the boring accountant husband at home, paying the mortgage or whatever, but it seems that most women, would not want to be in a serious financial relationship with a Starbucks barista playing music on the side.

Anyways, **maybe what life is then, is the love of volatility.**

Harnessing the upside of volatility without the downside?

So this is where things get super interesting; how can we reap the benefits of the upside, like gain 150% upside in life, while clipping the downside?

So for example, the microstrategy strategy is super super fascinating;: capturing 150% the performance of bitcoin and the upside, without the downside?

Bitcoin Treasury Company (BTC)

So how do they do this? Simply put they have access to permanent bitcoin capital. Funny enough they are dubbing themselves BTC, bitcoin treasury company, I like to just think of micro strategy as their first bitcoin bank (BB), because it is easier for mere mortals like myself to remember, but anyways, what is super fascinating about microstrategy, is because they have been in business for over 30 years, they are a real company, that first started off selling business intelligence software, and now transitioning into becoming the world's first 100% bitcoin company, which is effectively unstoppable at this point; even if Apple somehow bought \$1 trillion worth of bitcoin, because the operating structure of Apple computer is still revolving around future projections of selling more future iPhones, Apple can never really really ever become 100% bitcoin, even if I wanted to.

December 2024: Will Microsoft purchase bitcoin?

Oh and also as a random sidenote, I think in December, there might be discussions that Microsoft might actually start to add bitcoin to her balance sheet. This is worth noting, especially because starting January 2025, the new FASB ([fasb.org](https://www.fasb.org)) financial accounting standards board, GAAP generally accepted accounting principles -- essentially companies institutions like Harvard and Yale and Brown can now add bitcoin to their balance sheet, as a treasury reserve asset. The reason why this is a big deal is for so long, bitcoin was considered fake money, and that a company could not add it to her balance sheet, proving proof of funds and reserves in the traditional sense. Now, all of these nerds who become accounting will have to learn all of these new rules, figuring out how to integrate bitcoin and other cryptocurrency assets to accounting principles.

If Larry Fink and Blackrock think that bitcoin is real capital, it is.

The reason why this is such a big deal is that once again, people still think that bitcoin is fake money! Yet look at the Janet Yellen talk on Satoshi, and even look at Larry Fink, CEO of blackrock who owns over \$10 trillion worth of assets, Larry Fink

even now says that bitcoin is legitimate asset class, and I think that black rock has actually recently invested and bought a bunch more micro strategy stock. Watch the CNBC interview with Larry Fink on Bitcoin.

Study it yourself

Oh and also, a pro tip; definitely get the \$20 a month **ChatGPT pro, it is now the ultimate financial investment research tool**; when you want to search any financials or anything, this is an insanely big deal.

Anyways, once Harvard Yale and Ivy League schools start to purchase bitcoin, or maybe even there investors, the ones that handle the endowment start to purchase microstrategy, which is essentially a conduit for purchasing bitcoin, with indirect exposure to the asset class of bitcoin, this will be a big deal.

If UCLA were smart, she would purchase BTC and Bitcoin and or microstrategy, not real estate.

How to harness the upsides of volatility without the downsides?

So this is a very big idea. Obviously **the goal in life is to win**, even Michael Saylor said at the end of October 30 micro strategy earnings call, that essentially, under a bitcoin strategy, everybody wins, there are no losers in the bitcoin strategy. **Only varying degrees of success.**

There are no losers in life!

Philosophically, this is fantastic. Why? To me the idea that **we could all win together, 100%, no losers, isn't this the ultimate thing?**

For example, I still think that the number 1 foolish way that most individuals live is that they think of life like zero sum; they think that your success means my failure, that your big dick means my small dick.

But this makes no sense because money is fake, money ain't real, it is just a man-made construct. So if somehow you have \$1 million in the bank, that doesn't make my balance any smaller or bigger.

21M is a hard cap.

I suppose the thing that is a little bit tricky under the bitcoin standard is that because there is a hard cap of 21 million bitcoins, the ultimate strategy is indeed to own the most bitcoin at the end of the day. And this is still where I think the strategy, is to use microstrategy as a cash yield generation machine, periodically selling microstrategy stock when it is up to purchase more bitcoin, is still the best strategy.

MSTR Microstrategy as the engine *in order to* accumulate more Bitcoin?

MSTR -> BTC

Building and making your own micro strategy?

Introducing **BLACK EAGLE CAPITAL**:

Currently, my new direction in my life -- obviously I'll still be doing photography workshops etc., as it is still my number one supreme in life and passion. Yet I'm thinking about offering more workshops in the bitcoin sphere, I think I am well adjusted to this because I have Stoicism, and control on my side.

Also, I am currently doing a soft launch of *BLACK EAGLE CAPITAL*, essentially my bitcoin hedge fund, the name behind it is inspired by the fact that I believe in the ethos of black, black canvas, all black aesthetics, and eagle, Because I was a Boy Scout eagle, also the symbol of America.

If you're interested in participating, shoot me an email at eric@erickim.com

To be transparent, the strategy is to **create an infinite money machine**, you essentially leverage MSTR microstrategy stock, and then **ultimately the goal is to accumulate more bitcoin**. I encourage you to just open up your own Coinbase account, and start buying bitcoins. Just download Coinbase to your iPhone, from the App Store, connected with your JP Morgan Chase or Bank of America checking account, and start buying bitcoins, you could just buy 10 bucks, 25 bucks, \$100, \$500, \$1000, 10,000, \$100,000, if you like. The good thing on Coinbase is that they recently increased the limit i'm a \$50,000 a day in instant limit, to now doubling that to \$100,000! Thank god.

When is the best time to buy Bitcoin?

Buy it high buy it low buy it in the middle, because **30 years from now when bitcoin is worth \$22 million a bitcoin, the price of what you paid right now won't really matter**. It won't matter if you bought it at \$100,000 a bitcoin, 200,000 a bitcoin, \$75,000 bitcoin, or \$50,000 a bitcoin.

Essentially starting next year will be year one of institutional acceptance. I am almost close to 100% certain that Donald Trump will be elected president, even me, I am a liberal Democrat on the left, and even me... I don't think I'll be voting for Kamala Harris. **Vote orange, vote bitcoin!**. Even worth noting the Donald Trump talk at the bitcoin 2024 conference in Nashville Tennessee, also note that Donald Trump his two sons, Eric Trump and Baron Trump, I believe they're actually really into bitcoin and crypto. Which is good for us, because if you have a president that loves bitcoin crypto and also the US dollar, this will be very very good news for us Americans. And also, good for any holders of bitcoin on the planet.

Bitcoin is the solution for world peace?

I also personally ethically believe that bitcoin can promote peace because it don't matter what country you're from, as long as you own bitcoin, we are all part of the same monetary network.

I think bitcoin is a threat to the international monetary fund, Jerome Powell and the FED, which prints money like cotton candy. Even Donald Trump in his interview with Joe Rogan is talking about paying off the \$35 trillion debt America has, and also Donald Trump says we will never sell our bitcoin.

And also I would not be surprised if maybe, an interesting national strategy; a nation or a nation to purchase bitcoins, which backs their own fiat monetary supply?

Like imagine if America owned 1 million bitcoins, or 2 million bitcoins whatever, and assuming that the US dollar was pegged to the bitcoin or back, then, the US dollar would actually be worth something. People talk that bitcoin is bad for the environment whatever, this is not true. Because bitcoin miners are incentivized to produce bitcoin, at a low financial rate, it will flow into high yield energy sources like nuclear power plants, or electricity which is stranded on the edges of the grid, for example it is cheaper to purchase electricity by building your bitcoin mining rig somewhere in the mountains with access to a hydroelectric dam, where electricity would not be used. For example, if you could somehow capture the hydro power of hydroelectric power, which is essentially free because it is powered by gravity, then, assuming that electricity is practically free in America, certainly this will be very good for bitcoin mining and bitcoin network.

And also besides cheap electricity, or free electricity, There is actually a strong entrepreneur incentive to **create computers which are more efficient**, because contrary to popular belief, bitcoin mining is less about electricity -- **it is more about computer efficiency**.

For example in the early days bitcoin, a lot of bitcoin mining was done on graphics cards, card by Nvidia, then a transition into ASICs, ASIC computers, which is not really even a computer in the traditional sense. It cannot do anything besides solve the mathematically intense cryptography puzzles, which is essentially the proof of work concept.

Also, the reason why proof of work is the path, is that work, like things need to have a real world work in order for it to be worth anything.

For example you do not want to live in your fake virtual reality metaverse, With your fake virtual reality Lamborghini, having sex with your virtual reality girlfriend, with access to your virtual reality money. For anyone who played Diablo II, you know very well that gold is not worth anything in the universe of Diablo; **everyone wants the rare weapons.**

Before there were hacks, this would mean that you as a kid, you have you would have to spend hours upon hours of doing BAAL runs, Trying to wait and cross your fingers that BAAL would drop some sort of mythical item or weapon, for you to equip yourself. And as a kid, this required real work, which meant a lot of time sitting on your computer, clicking around, and investing countless hours of time which is work, to achieve this outcome.

Bitcoin and crypto is the same thing; if there's not real human labor or physical labor or analogue energy which goes into producing the digital asset, it is not worth it. This is why you should not purchase or invest in anything that is not bitcoin -- **nothing else is powered by proof of work and has a hard cap and supply.** And derivatives, don't forget Ethereum was essentially a bitcoin copycat.

Ethereum is not worth anything, don't buy it, sell your Ethereum and buy bitcoin.

The best analogy is that Ethereum is Pepsi. Nobody likes Pepsi. The only reason anyone would drink Pepsi was because somebody gave it to them for free.

Bitcoin is like Coca-Cola, it has always been the best and will always be the best or bitcoin is like the iPhone Pro, everyone wants the iPhone, nobody wants a Google pixel, nobody wants a Samsung. And certainly nobody wants a Huawei, if you're a smart rich Chinese billionaire, come on... You have zero interest in buying a Huawei phone besides supporting the Chinese communist party.

If you are any person with any sense, you would prefer to be wearing Louis Vuitton, Gucci, Balenciaga, wearing YEEZY sneakers, with the newest iPhone Pro, driving your Lamborghini Rolls-Royce whatever.

You would not want to drive a Chinese car, a Chinese phone, or even send your kids to a Chinese university.

You would rather want to send your kid to a Harvard Yale or Stanford, and even... No rich Chinese person actually wants to live in Beijing or Shanghai; they would prefer to live in and own property in Palo Alto, Los Angeles, Calabasas, Beverly Hills, Culver City, or maybe Vancouver.

The Chinese yuan is actually pegged to the US dollar

The only thing that is stopping mainland Chinese is capital controls-- if you have \$1 billion worth of Chinese yuan, you cannot take it out of the country even if you wanted to.

Don't forget that the Chinese yuan is essentially pegged to the US dollar, and I think time has shown that **no no, we are not going to be speaking in Mandarin. English is international protocol** and the international business language.

As long as the US, we have at least 1000 X military supremacy over China, we will be fine. And also, when Donald Trump becomes president, he is all about the tariffs, and he's going to become antagonist towards China, which is good for us Americans because if you put a tariff on Chinese produced goods, **money talks, words weep.**

What does that means is China will not do anything to promote war with America because the rich Chinese oligarchs are still dependent on manufacturing products in China, and selling it to the American market for a profit.

Don't be a dummy boy. Anyone who thinks that China is going to take over the planet is either anti-American, a communist, likes to give fellatio to Karl Marx, is a fakeass woke plant based hippie, spends too much time on Reddit, and pirateBay, spent too much time torrenting and streaming Maria Ozawa pornography (on Google incognito, brave browser incognito), maybe they have an apple Vision Pro and they watch virtual reality pornography on their \$4000 Apple Vision Pro in private. They might be single, they might not be, maybe own a dog, they have no intention of having kids or girlfriends or a serious relationship.

And also they don't own bitcoin.

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