

Bill Gates Says NFTs Are Based on 'Greater Fool Theory'



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NFTs and crypto don't get Bill Gates's approval.

The tech billionaire dismissed digital assets – particularly NFTs – as “100% based on greater fool theory” while speaking at a climate conference hosted by TechCrunch on Tuesday. In essence: the assets will only go up in price so long as enough investors are willing to pay more for them, making the assets void of any real value when investors aren't present.

Gates went on to jokingly slam the once-prized Bored Ape NFT collection, saying, “Obviously, expensive digital images of monkeys are going to improve the world immensely.”

While his vocal disapproval of crypto comes during a particularly low point in the market, Gates has previously criticized the nature of digital assets – even when they were thriving.

In early 2021, Gates voiced hesitation about regular investors shelling out fortunes for Bitcoin. “I do think people get bought into these manias who may not have as much money to spare,” said Gates in a 2021 interview. “My general thought would be that if you have less money than Elon [Musk], you should probably watch out.”

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At the time, Bitcoin was soaring and would soon reach its peak of \$64,000 later that year – before steadily declining and dipping to over half of its value since the start of 2022, trading at a base near \$20,000.

When it comes to investing, the Microsoft co-founder still believes in the value of putting money towards assets with tangibility, “like a farm where they have output, or like a company where they make products,” further reiterating his disbelief in the inherent value of digital assets.

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As cryptocurrencies continue to fall, Bitcoin was trading at a new low of \$20,166 on Wednesday, according to Coinbase data – meaning the currency has fallen about 70% in value since its peak just last year.

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