

Title: SegWit Activation Push & Scaling Wars Code: NT-101 Author: Gabriel Berlitz Rondon Language: en Date: 2017-01-15 Methodology: foundation_chronicle Tags: #bitcoin #scaling #segwit

Field Notes

Meetups in San Francisco, Seoul, and Berlin doubled as crisis rooms where wallet maintainers compared mempool graphs and rehearsed how to explain SegWit to non-technical executives. Miner representatives openly bargained for block-size concessions, so community organizers backed the user-activated soft fork plan to prove economic nodes would enforce the upgrade with or without mining alignment.

Market Read

Spot desks quoted BTC between \$800 and \$1,200, yet fee revenue regularly surpassed the 12.5 BTC block subsidy, a talking point we used with payment processors suffering hour-long backlogs. Lending desks saw demand for short-term BTC borrows as arbitrageurs anticipated volatility once signaling thresholds neared, effectively pricing in governance risk.

Technical Moves

BIP141, 143, and 147 were bundled to deliver SegWit's witness discount, script versioning, and malleability fixes. Litecoin's successful activation in May became ammunition for advocates, while Bitcoin Core 0.13.2 shipped watch-only wallet improvements to ease the transition to bech32 change outputs. Node operators rehearsed BIP148 enforcement on testnet to verify that non-signaling blocks would indeed be rejected.

Open Questions

Could exchanges coordinate enough economic weight to make a user-activated fork credible, or would miners simply mine empty legacy blocks to stall activation? If segregated witness paved the way for Lightning, how quickly could wallets integrate channel support without overwhelming less technical users?