

## Russian Blogosphere “Reveals” True Identity of Bitcoin Founder Satoshi Nakamoto

### Description

A convicted Russian fraudster, who once ran the country’s biggest Ponzi scheme, Sergei Mavrodi, has announced plans to relaunch his digital currency ‘mavro’ on the Ethereum platform.

“The time for change is now! We can do a lot!! Financial apocalypse is inevitable,” Mavrodi posted on his website, with a countdown before the launch of the new digital token, scheduled for December 29.

The decision to relaunch the virtual currency, which first saw the light at the end of 2016 with nearly 33,000 followers, was reportedly fueled by the unprecedented surge of cryptocurrencies this year. The new mavro was trading at 14 cents per token at 9:00 GMT on Friday, marking nearly a 75 percent decline since March 2017, when CoinMarketCap started tracking it.

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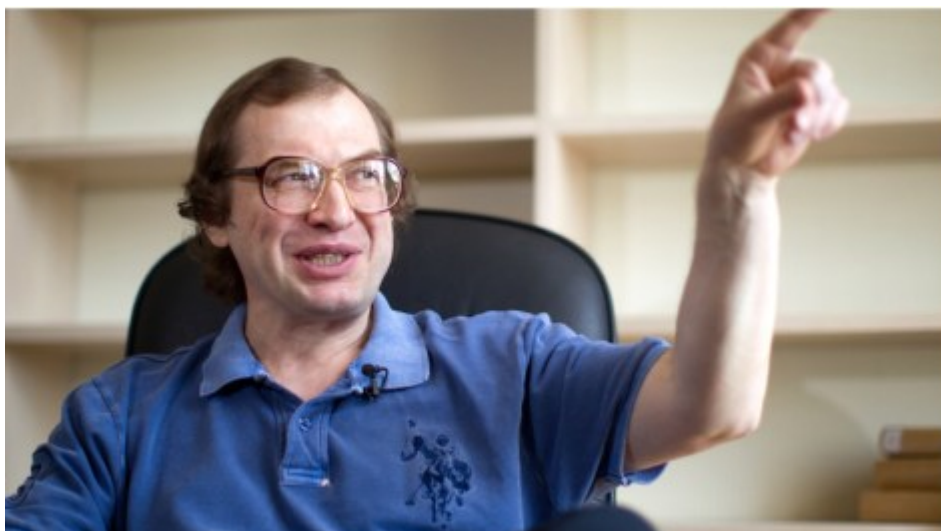


Mavrodi is offering to replace “outdated” cryptocurrency with the “new mavro,” based on blockchain Ethereum, “which is almost impossible to destroy,” Russian media quote Mavrodi as saying. The founder is reportedly urging investors to get rid of old tokens by selling them at \$0.50 per coin.

Sergei Mavrodi achieved notoriety after founding MMM (Mavrodi Mundial Moneybox), a financial pyramid in post-Soviet Russia in the early 1990s. Up to 15 million people thirsting for easy cash reportedly fell victim to the scheme losing all their savings. Investing in MMM shares promised returns of up to 300 percent per month. At least 50 investors in the scheme reportedly committed suicide after the pyramid collapsed.

Mavrodi was arrested in 1994 after a lengthy police investigation was eventually sentenced to four-and-a-half-years in jail. He was released from prison in May 2007.

In January 2011, the fraudster tried to relaunch the pyramid but failed. After Mavrodi’s second attempt to set the scheme in 2012, Russian authorities opened another criminal case. He is currently on the law enforcement wanted list.



Sergei Mavrodi © Iliya Pitalev / Sputnik

In 2014, Mavrodi launched the MMM Global Republic of Bitcoin, the so-called social-financial network. The scheme promised monthly returns of 100 percent. Mavrodi suspended the project in 2016, but his other projects like MMM South Africa, MMM China, MMM JAPAN and MMM Global USA are reportedly still functioning. They promise investors a return of 30 percent per month.

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Self-appointed troll “detectives” from the recesses of the Russian internet say they’ve discovered the true identity of Bitcoin founder Satoshi Nakamoto, posting a screenshot of the mysterious figure’s face online.

Bitcoin, the digital currency which has been on a [rollercoaster ride](#) of explosive growth followed by spectacular collapse over the past few weeks, has rocked the financial world, making and shattering fortunes in an instant and leaving analysts concerned that the Bitcoin craze is all just one big speculative bubble.

Eight years have passed since the decentralized cryptocurrency’s introduction, and probably biggest mystery surrounding it is still the true identity of Satoshi Nakamoto, the pseudonym used by its founder or founders. Now, Russian trolls say they have uncovered the digital currency pioneer’s true identity, posting a screenshot of the shadowy figure they say is Nakamoto online.



*“The founder of Bitcoin, Satoshi Nakamoto, becoming the richest man on the planet, has finally appeared in public.”*

The image immediately led a stream of users born after the year 2000 rushing to try to figure out the identity of the man in the photo. But older users instantly remembered him as Sergei Mavrodi, the infamous conman and founder of MMM, a pyramid scheme which wiped out the savings of millions of Russians in the mid-1990s.

Established in 1989 as an office equipment importer, MMM switched to full-time Ponzi scheming in 1994. Mavrodi, a mathematician and programmer by trade, set up his MMM pyramid promising fantastical yearly returns of up to 3,000%, leading upwards of 10 million Russians, struggling to make ends meet in the economic chaos following the collapse of the Soviet Union, to put the last of their savings in the scheme.

MMM shares, featuring Sergei Mavrodi's face

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© SPUTNIK/ VLADIMIR FEDORENKO  
MMM shares, featuring Sergei Mavrodi's face

MMM came complete with an aggressive advertising campaign, featuring 'ordinary Russian guy' character Lyonya Golubkov.

"I'm not a freeloader, I'm a partner! — That's right Lyonya, we're partners. AO MMM."

Bitcoin coins

Image not found or type unknown

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[Bitcoin Rollercoaster: What Happened, and Why?](#)

The scheme attracted an estimated \$15 billion in cash from unwitting investors and short-term speculators before the Russian government intervened, listing MMM as an illegal issuer of unregistered securities and charging the company with tax evasion. The chaos in the aftermath of the company's downfall led to mass protests, lawsuits, and even threats of self-immolation. MMM declared bankruptcy in 1997 and Mavrodi went on the lamb, creating several more pyramid schemes, including an online scheme called "Stock Generation," until his arrest in 2003. In 2007, he was sentenced to four and a half years in a penal colony. Released in 2011, he started up several new classic pyramid schemes, in Russia, India, and China, and has attempted to expand into Europe and the Western Hemisphere.

In the run-up to Bitcoin's spectacular rise and fall this month, several blog writers and forum users actually [compared](#) Bitcoin to Mavrodi's scheme, or [suggested](#) that Bitcoin's rapid rise earlier this month was driven by the Russian conman's efforts.