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Bitcoin's Institutional Shift Sparks Early Adopter Concerns

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The increasing involvement of institutional investors in Bitcoin is raising concerns among early adopters who fear that the cryptocurrency's original ethos may be compromised.

Preston Pysh, co-founder of Bitcoin venture firm Ego Death Capital, expressed apprehension about Wall Street's growing influence on Bitcoin. Speaking on the Coin Stories podcast with Natalie Brunell, Pysh stated, "Part of that culture that brought it to where it is, is looking at where this is all going and saying no, no, no, this is all moving in a bad direction." He emphasised that the culture centred on self-custody and holding assets through market downturns could be sidelined as financial institutions gain greater control.

This sentiment is echoed by analyst Scott Melker, known as The Wolf of All Streets, who argued that Bitcoin has, in part, been "taken over by the very people it was created to hedge against." Melker's perspective highlights the tension between Bitcoin's decentralised origins and its current trajectory towards institutional adoption.

Despite these concerns, institutional adoption continues to grow. A March 2025 report by Coinbase and EY-Parthenon found that 83% of institutional investors surveyed planned to increase their crypto allocations in 2025. The survey indicates a strong belief among institutional investors that cryptocurrencies represent an attractive opportunity for generating risk-adjusted returns over the next three years.

Pysh acknowledged that Bitcoin's use cases are evolving, noting that institutions may approach it differently than individual investors. He remarked, "I think that it's going to move

in a direction where a lot of people use Bitcoin the way they want to use Bitcoin, especially institutions. That's a difficult pill for people to swallow.”

At the same time, bullish forecasts continue to emerge. Leah Wald, CEO of SOL Strategies, recently predicted that Bitcoin could reach around \$175,000 by the end of 2025 and as high as \$1 million by 2030. Bitcoin has already reached highs of approximately \$124,000 this year, marking a significant increase compared to previous years.

The debate over Bitcoin's future underscores the broader conversation about the balance between decentralisation and institutional involvement. As more institutions enter the space, the foundational principles of Bitcoin are being tested, raising questions about its long-term trajectory and the preservation of its original ethos.