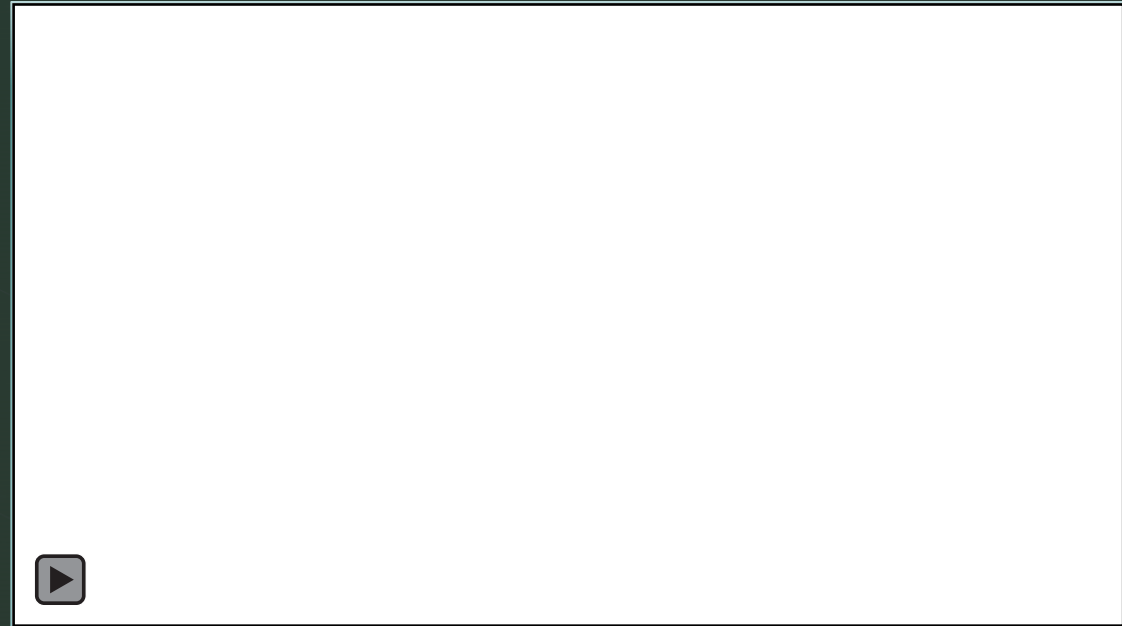


Iris H-Y Chiu, University
College London

Regulating the Crypto- economy Book Launch



Regulating the Crypto Economy

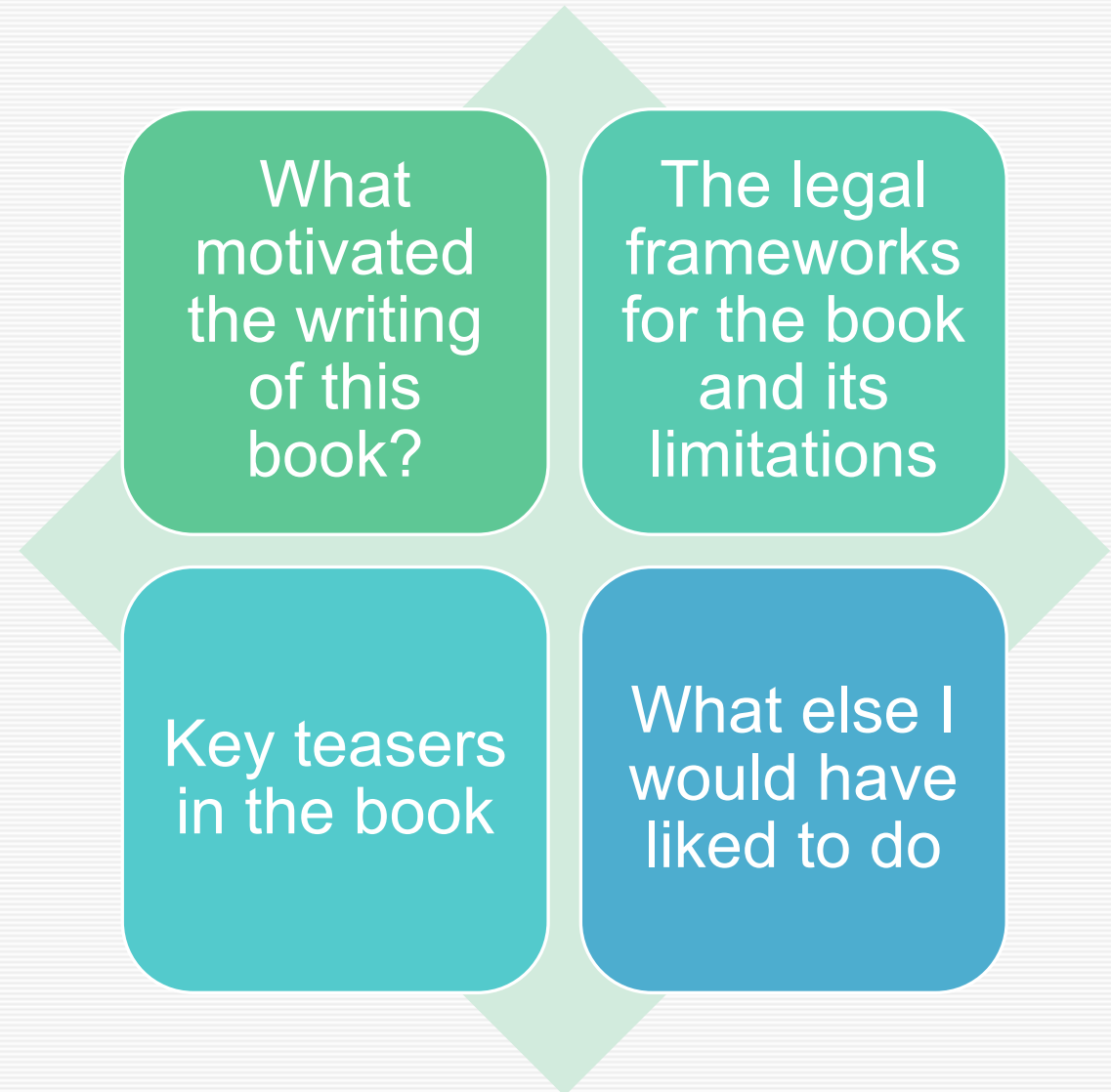
Business Transformations and Financialisation


Iris H-Y Chiu

The Book

- Available at
<https://www.bloomsbury.com/uk/regulating-the-crypto-economy-9781509935758/>

Introduction





What motivated the writing of this book?

- The crypto-economy has been perceived principally through a financial lens, but what attracted me to the area are the possibilities for innovation and new entrepreneurship, the 'enterprise lens'.
- Crypto-economy- a convenient short-hand term for the space for economic activity that is taking place in permissionless blockchains, mainly the Ethereum blockchain
- Room for regulatory policy to play a constructive steering role, in the framework of 'regulatory capitalism' where regulation is not regarded as the antithesis to enterprise and innovation but as constructive supporter, providing a useful order that markets may fall short of
- In unpacking what is desirable regulatory policy, book identifies key areas that would benefit from regulation, but focused on areas of my expertise. Hence regulatory policy comes back round to focus on business structures and financial regulation



The Importance of the Financial Lens- A stocktake

- Crypto-economy developments have been wrapped in 'financial framing' but this should not obscure the innovative and commercial activities that are arising in this space
- Financial framing includes:
 - Cryptocurrency ether being the private money of the Ethereum blockchain, as it is the native token of the blockchain protocol, transforming in terms of monetary and investment functions?
 - ICOs and fund-raising- which is also the point in time the book proposal was conceived and accepted
- But fund-raising is just the start to an 'enterprise' lens of the crypto-economy- real question is what Dapps would do and how this leads to economic transformations
- However, 'twinned' phenomenon of commercial and financial development at the same time, eg stablecoins, NFTs and their financialisation
- Book was premised on 'locating' finance as supporter, intermediary and going alongside commerce/economic transformations, an idea which is perhaps debatable!

The Enterprise Lens

- Interesting and novel Dapps
- What policy may support new forms of peer-to-peer commerce that can be alternative and competitive
- What effects on the development of such commerce if we merely leave the market to work, with its financialized focus?

The logo for iungo, featuring the word "iungo" in a blue, rounded, lowercase sans-serif font, followed by a blue icon consisting of three connected circles of varying sizes.

Regulatory Agenda

- Promoting entrepreneurialism
 - Need to sift out 'wheat' from the chaff- regulatory criteria can distinguish genuinely Dapp businesses and provide a bespoke regulatory framework for starting a business and raising finance
 - The story about 'Sponzy'
 - Failed ICO flogging business development documents on ebay
 - Business idea vague but collection of charitable donation proceeds can be done by a dot.com, why is a blockchain needed?
 - Is there a need for there to be standards for a blockchain-based peer-to-peer business application so that entrepreneurs do not contrive to fit into the hype, and ill-intentioned people do not mislead well-meaning investors?

Key Teasers

- Book deals with the need for blockchain enterprise laws? There is also a potential for meaningful regulatory competition amongst jurisdictions
- Fund-raising laws for pre-development projects, earlier than start-up financing. SEC enforcement in the US and its effects: are we content with ICOs being funded by accredited investors and financial institutions, such as VC capital? Should these businesses, which are meant for broad peer-to-peer participation become dominated by financiers and the wealthy?
- Should private money and payment systems be subject to regulation and how? Can regulation/CBDC be responses?
- What is DeFi for and does it defy financial regulation?

Limitations of the Book

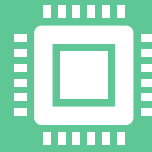
Not a book that deals with the uses of permissioned blockchains and their mobilization in the conventional economy

Not a book that seeks to apply existing regulatory policy especially financial regulation to the different crypto-finance developments we see

Not a book that assumes that market order is sufficient and hence extensively analyses private law and rights in order to see how market participants' interests may be sufficiently or insufficiently catered for

The crypto-economy raises various implications that cannot be fully covered in the book such as role of competition law, digital and data regulation, consumer protection laws and regulation and sectoral-specific issues other than finance

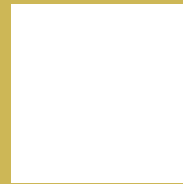
What else I would have liked to do



There is the possibility of dedicating a chapter or two to the development of virtual worlds from centralized gaming operators to decentralized blockchain platforms, and how the virtual world economy poses specific novelties for the crypto-economy and their needs



The development of NFTs took off right at the end of the book writing and it would be disruptive to re-organize the book but trends can be discerned in terms of NFTs as a gateway to financially mobilizing real and virtual world assets



effect of the SEC's enforcement actions against ICOs would channel development funding into accredited investor avenues.- how accredited investor/financial entity ownership shapes business development in the crypto-economy is an important area for empirical research

Concluding Thoughts



Hopes for book to contribute to policy thinking even if developments in the cryptoworld are rapid



Thinking along enterprise lines and what is truly economically productive and transformative is important and for the common good



Plea to financial regulators to consider policies holistically, including the Enterprise lens