Press Release

Who Regulates Crypto?

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Recent congressional efforts have sought to provide regulatory guardrails to the nascent cryptocurrency industry; for the most part these efforts have focused on identifying a primary federal agency with responsibility for crypto. In a new insight, Director of Financial Services Policy Thomas Wade examines the patchwork of partial and inconsistent rulemakings by various agencies all vying for regulatory control.

Wade concludes:

> *Who regulates bitcoin? Everyone and no one. While it is hardly uncommon to have multiple regulators, for all the sound and fury of the CFTC and the SEC, they claim surprisingly little ground, where they claim any at all, in the regulatory turf battle that is crypto. Of course, both agencies have made significant advances in annexing new territory, but this has been piecemeal and often contradictory. In September 2021, cryptocurrency exchange Coinbase dropped plans to launch an investment product, alleging that the SEC threatened to sue to prevent the issue. Without a clearly defined regulatory apparatus, the United States cannot continue to foster innovation while protecting consumers and investors.*

Read the analysis