Senator Warren,

Recent statements made regarding cryptocurrencies failing to meet their promise & being better under centralized authority have greatly perplexed & disappointed me. I have always been a big fan of your work but I am gobsmacked at how terribly wrong you are in most of these statements. It is precisely because you fight for an equal playing field & stand against corruption that I’ve always revered you. This topic can be intimidating, complex, counterintuitive, & sometimes even silly. I would like to make a few points that may deepen your understanding of this growing field. At the very least, I hope I can persuade you that this is a much deeper & recondite issue than you initially realized with farther reaching implications than most can conceive. Being such dense material, I have made effort to condense & focus only the most pertinent points.

First, I strongly caution against painting everything with the Bitcoin brush. All cryptocurrencies are not Bitcoin & Bitcoin is not all crypto. This is a forgivable but amateurish mistake made by the casual or dismissive. The reason there exists such a vast array of Blockchains/Crypto is due to the ever expansive problems they aim to solve & the equally extensive & diverse properties of each. Some focus on the art/collectible world, some endeavor to be carbon neutral, some are going after the gaming economy. There are new flavors of blockchains/crypto constantly. Whatever ones interest or values, there is likely a segment of the industry dealing with those. Bitcoin was the first & opening salvo in what will presumably change everything. It garners much respect for its ingenuity but is far back in the evolution of this exponentially advancing technology.

Next, climate change is important. A pressing issue that should dictate our every action. The carbon emissions by large-scale mining operations is one the industry has acknowledged need to change. Many blockchains have plans to resolve this. Many have started the process. Many were built with this as the main motivator. I know of no Industry that is, as a whole, confronting this issue as much as crypto is. Even those that don’t believe in climate change realize that they can’t operate inefficiently from a exponentially regulatory point. The current is moving towards green & naysayers would rather not swim against it.

Then we come to the issue of market dynamics. Market manipulation, theft, scams, & rug-pulls are as prevalent as other similar industries. Bad actors are everywhere, in every industry, & it’s a constant battle. Always has been. As for would-be SEC (or internationally adjacent) violations, that is a regulatory complex issue & I do not envy those responsible for the legislation. My only advice is to hear positions & opinions from
those with knowledge & understanding in the industry. I caution that someone from traditional finance (i.e. Wells-Fargo, Chase, Robinhood) is definitely NOT the council I would seek. Benjamin Franklin once said “Democracy is two wolves and a lamb voting on what they are going to have for lunch.” Traders, Brokers, Hedge-funders, & Financial Lobbyists are going to say whatever they must to keep the price & prestige of admission high. They want to continue eating lamb-chops. What interest would they have in allowing an entirely new menu? They understand only greed. Greed at the expense of everyone & everything.

Speaking of founding fathers, this brings forth my next point. Someone as intelligent, educated, & well-versed as you should be astutely aware of how against Centralized Banks our Founders were. History being particularly close to my heart, this one hurt. Jefferson, in his Retirement Papers, very aptly explained:

“If the American people ever allow private banks to control the issue of their currency, first by inflation, then by deflation, the banks and corporations that will grow up around them will deprive the people of all property until their children wake up homeless on the continent their Fathers conquered.... I believe that banking institutions are more dangerous to our liberties than standing armies.... The issuing power should be taken from the banks and restored to the people, to whom it properly belongs.”

Many forget we only adopted “The Fed” system in 1913, a relatively modern development. The phrase “More dangerous to our liberties than standing armies” should be permanently at the fore of any American intelligently discussing “Central Banks”. The system we have is already so tenuously playing with fire. We have to be extremely careful with how much control we give our already too powerful Centralized Authority. That’s not to say the United States shouldn’t issue a stablecoin. I think we should have already been exploring what China, Russia, & other nations initially endeavored into years ago. MakerDAO (DAI), USDC, & USDT are just a few examples that stablecoins pegged to a specific value can & will work. This is the perfect segue to the next point, De-centralization.

In all of the crypto/blockchain industry there is little as exciting, promising, fair, & optimistically full of potential as the still incipient “DeFi”(Decentralized Finance) community. Currently the closest thing to a “Free Market” in modern history. New ideas & opportunities are a nigh daily occurrence. The really exciting thing though, is how it’s altering the way people think about finance, credit, ownership, & more. If one believes in a “equal playing field” this should be of particular interest. One of its primary motivating factors seems to be to rid finance of the ‘too big to fail’ predatory, over-confident, & economically manipulative Capital-Titans. The goals are closely aligned, I believe, with
the economic goals professed by the Democratic Party, the left in general, & those who use phrases like “The top one-tenth of 1 percent”. My opinion is DeFi is the best chance of attaining that end. A Main Street answer to the corrupting tentacles of Wall Street.

Next, we have the ‘hot-button’ issue of illegality & the movement of profits thereof. This is one that crypto really doesn’t talk about as much as it probably should. Likely, because of the libertarian idealism at the core of much of the industry. Perhaps, because it is rooted in science & mathematics. Both inherently, ethically & morally agnostic disciplines. Personally, I believe many take it for granted that everyone realizes that dirty money has always found new methods of movement. NAZIs used gold. The IRA used fuel. Cosa Nostra used Art. Cartels used Black Market Peso Exchanges. Prohibition breeds booming criminal markets. This has & will always be true. One may reason anything is much easier to regulate when it isn’t pushed underground but that is a whole different argument for another time. The answer for this is complex but it is likely similar to the answer for Gold, Diamonds, Cash, Art, etc.

This is a fertile & burgeoning field. I am not alone in the opinion that it can change the modern world in extremely positive ways. I’m not saying it will be easy. There will be hurdles, bumps, & fallbacks along the way but we can & will overcome those together. This is an endeavor we should embark upon not out of international one-upmanship or fear of the unknown but the optimism, hope, & sense of fair play that I, as well as you, know Americans are fundamentally imbued with. I appreciate your consideration in this matter & thank you for your continued service in Government.