

Article Information

Author: Michael Bacina

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Blockchain Bites: Howdy from Austin, TX: Quotes from Consensus 2022

Michael Bacina and Jordan Markezic of the Piper Alderman Blockchain Group bring you the latest legal, regulatory and project updates in Blockchain and Digital Law.

Howdy from Austin, TX: Quotes from Consensus 2022

G'day - or should we say 'Howdy' - from Austin, Texas. The Lone Star state recently played host to the anticipated Consensus 2022 crypto conference that took place between June 9 to 12. Despite the 100-degree plus temperature, Consensus 2022 drew roughly 17,000 people - roughly 8,000 more than Consensus 2018 which was held in Big Apple. The following quotes are a few highlights from the event, that drew speakers from all around the world and various corners of the crypto-asset industry.

Michael Casey, Chief Content Officer at CoinDesk, spoke on the ability for bi-partisan attitudes on crypto:

The spirit of decentralisation allows me to express dismay at Ted Cruz's position on abortion and guns, while cheering him on for his support of a Bitcoin.

Caitlin Long, CEO of Custodia, offered some thoughts on how the venue of Consensus 2022 spoke loudly:

New York has sent a lot of this industry fleeing to places like Austin, Wyoming and Miami. It will be interesting to see if New York makes a comeback.

Long's sentiments were echoed by Austin's Mayor, Steve Adler:

The catchphrase of Austin is 'keep Austin weird'... the real magic of this community is the people who make up this community.

Head of Venture and Growth Investing at Digital Currency Group, Rumi Morales, offered insight into the level of innovation in the blockchain industry:

The level of innovation is greater than I have ever seen in 25 years of being in venture capital... In the last crypto winter there was no defi, no NFTs, no metaverse, this is super exciting now.

Morgan Creek Digital's Managing Partner, Mark W. Yusko spoke on the growth from Web1 to Web3 platforms:

I've been in venture a long time and the good thing about winter is it kills off bad projects and historically it's the best time to be in a space. We launched Morgan Creek Capital in 2018 in the middle of crypto winter... people are incentivised to create more in winter.... On the growth curve Web1 was the base X axis,

Web2 is the knee of the exponential curve and Web3 is the parabolic growth... I've never seen so many people coming into the space... it's like nothing I've ever seen.

Sam Bankman-Fried has become one of the most well-known faces and recognised names in crypto as the CEO of the FTX trading platform and Alameda Research trading firm. Bankman-Fried offered valuable insight into whether the ends justify the means:

[The use of money for effective altruism] involves considering second order effects, not just first order effects... people are often way too narrow-minded about what the consequences are for actions, second order effects can often persist over the first order effects.

Bankman-Fried continued, offering his thoughts on spending up to US\$1B on the next election cycle, and the future of regulation in the crypto industry:

In the end it's the policy that matters more than politics...when you look at having sane economic policies will have massive impact on how government impacts lives.... I'm excited that regulators are coming out with concrete regulatory steps ... we need a single agency to oversee... I'm really excited about this.

On the UST and Luna situation in May 2022, CIO at Selini Capital, Jordi Alexander, said:

We are looking at experiments in DAOs and what gets people's attention. With Terra it was ... a saving account, which retail [people] understood. We are going to stand on the shoulders of giant mistakes and the lessons learned will help the next leap forward... there's so many finance professionals who have been drawn into the space and they bring so many skills.

Edward Snowden, the former computer intelligence consultant who leaked classified information from the National Security Agency and current President of Freedom of Press, said:

I'm worried about our identity being used against us. I'm worried about our money being used against us... I don't encourage anyone to put money into cryptocurrencies... I encourage people to use the technology to transfer value.

Consensus also had some Australian representation among the panelists, with Leah Callon-Butler, Director at Emfarsis, interviewing Neal Stephenson, Author, and Jaron Lanier, Scientist et al. Stephenson said:

To see the growth of the gaming industry grow and to see people around the world working in their homes to create elements for games, the globalisation and decentralisation of that is incredible and if we can keep that viable we will see incredible things in coming years.

On the use of pseudonymous identities, Michael Casey said:

We thought about Privacy at Coindesk and we decided that people have reputation under their pseudonymous NFTs and for certain things we will use that as a source.

One of the most prominent crypto investors and NFT collectors, Punk6529, offered his thoughts on pseudonymous identities as well as verification through crypto on online platforms:

Why would I ever need to use pseudonomous identity? Within a year of seeing people start using my Punk as my avatar, my feed was filled with people using accounts under an NFT image... Brands have a persistent presence in your life, a bakery can do things under their name and you don't go look up the shareholders or directors and you don't need to know that...Twitter has a lot of bots... I can prove posts are Punk6529 using

crypto... I could make a Michael Casey account and post fake posts which might be super hard to tell from your account... using crypto to prove I'm the one posting as Punk6529, that's arguably stronger assurance now than other social media.

Consensus will return in April 2023.