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with RIC EDELMAN

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CRYPTO CONVERSATIONS ON CAPITOL HILL

Ric Edelman Interviews U.S. Representative Jim Himes

By Ric Edelman, Founder, Digital Assets Council of Financial Professionals

The following are edited excerpts of Ric's conversation with U.S. Representative Jim Himes (D-CT), which aired on Ric's radio show and podcast *The Truth About Your Future*.

Ric Edelman: Your background includes time at Goldman Sachs, where you focused on telecom technology, so I'm not surprised that you have an interest in blockchain and digital assets. Is your interest commonly found on Capitol Hill, or are you solo in your interest in this subject?

Congressman Jim Himes: No, I'm far from solo. Most members of Congress are intrigued by the innovative possibilities that could come out of crypto - including blockchain and NFTs. They are definitely intrigued by the innovative possibilities but also a little concerned.

The government will eventually figure out how to do what it should do, which is to regulate what is a financial market, to make sure you don't have rampant fraud, and to make sure that people who buy and sell cryptocurrencies can have some confidence in who they're dealing with.

Ric Edelman: You've strongly advocated for the U.S. to launch a Central Bank Digital Currency, and you recently wrote a whitepaper on it. Why do you believe we need a CBDC?

Congressman Jim Himes: It helps to start with how currency was developed. A couple of hundred years ago, each state issued its own currency. So did many companies. Eventually, the United States and other countries realized that you had to have one national currency for people to use when making purchases and saving money.

In the crypto realm, I think it's quite possible that there could be a whole bunch of different cryptocurrencies. But there's one thing the government can do: provide a currency that, like a dollar bill, has the backing of the U.S. government. This opens the door to people who may be skeptical of the banking system. For example, let's imagine that banks start issuing stablecoins. There's a percentage of the American population, often immigrants, who aren't comfortable with

banks. So, you can see how a digital representation of the dollars that we carry in our wallets might be valuable to some people who might not trust otherwise the cryptocurrency world.

Ric Edelman: Is there broad support for a digital currency on Capitol Hill?

Congressman Jim Himes: Well, I wouldn't say broad support, but there's a lot of people intrigued by it. We've seen incredible volatility recently, and now it feels like one of those moments where people might say, "Wow, if you could have one of these, it was backed by the government, that would mean something." There are other people who say, "No, look, the government doesn't need to be in the business. Banks and other private entities ought to do it."

So that's still very much a debate, but there's some consensus building because even my Republican friends realize that we've probably got to be smarter about fraud and risk.

Ric Edelman: Are you confident that we'll see crypto legislation over the next year or two?

Congressman Jim Himes: Yes, I have some confidence that Congress will provide some clarity on things like which regulator gets to oversee a particular cryptocurrency or a particular token. The SEC, amongst others, is doing a pretty good job right now of going after fraud. There have been several instances where people have just out-and-out lied about tokens or cryptocurrencies.

But there are a lot of questions about who will regulate: Is it the SEC, the CFTC, or the Federal Reserve? In this country, we're either blessed or cursed, depending on how you think about it, with a lot of different financial regulators. And it's not at all clear right now who has responsibility for the safety and soundness and business practices of all these different flavors of cryptocurrencies.

Ric Edelman: Any advice for retail investors interested in crypto?

Congressman Jim Himes: Members of Congress have no business whatsoever giving people investment advice, but I'll tell you this: people get hurt because they chase the latest thing. Their buddy tells them they should invest in some coin or token and son of a gun, they cash out the 401(k). And the next thing you know, you've lost a lot of money.

Successful investors are folks who invest for the long run, who do a lot of research, and who are prudent. Crypto is highly volatile – and volatility means risk. So, if you want to put a little bit of money to play the game, that's one thing. But this is not a moment to be betting the farm, as they say. If it ain't in a bank account, it's not necessarily risk-free. People need to remember that.

Ric Edelman: Thank you, Congressman Himes.

Read the congressman's white paper on CBDCs, [Winning the Future of Money](#) or visit [Himes.House.Gov](#).

For the full interview, visit [The Truth About Your Future](#).