

Where Harris and Trump stand on cryptocurrencies—and how it could sway some American voters

August 17 2024, by Denis Schweizer and Juliane Proelss



Credit: Pixabay from Pexels

[Donald Trump's recent embrace of cryptocurrency](#) at the Bitcoin 2024 conference in Nashville marks a significant shift from the former U.S. president's earlier skepticism.

Once a vocal critic, Trump now positions himself as a champion of digital assets, reflecting the broader convergence of politics and crypto in what is [increasingly referred to as "PolitiFi."](#)

[But even though Trump's pivot garnered significant attention](#), it's essential to explore how stances on cryptocurrency regulation could influence some voters in the United States leading up to the 2024 [presidential election](#).

Biden's evolving crypto stance

Historically, President Joe Biden's administration and prominent Democrats, including [Sen. Elizabeth Warren, have expressed concerns about cryptocurrencies](#), focusing on risks related to consumer protection, [financial stability](#) and the potential for money laundering.

Gary Gensler, chairman of the U.S. Securities and Exchange Commission, has played a key role in this stance. [He's advocated for treating many crypto assets as securities](#), thereby subjecting them to strict regulations similar to those governing stocks and bonds.

But the rising influence of cryptocurrencies has led to a shift within the Democratic Party. The passage of the [Financial Innovation and Technology for the 21st Century Act \(FIT21\) in May 2024—with considerable support from Democrats](#)—indicates a growing recognition of digital assets' importance. Despite the Biden administration's initial opposition to FIT21, there is now a willingness to work with regulators to develop a balanced regulatory framework for cryptocurrencies.

Vice President Kamala Harris, the Democratic presidential nominee, [has not yet taken a definitive stance on crypto policy](#). [But her campaign has engaged with crypto representatives](#), and there is increasing pressure from pro-crypto Democrats for her to adopt a more favorable approach.

This push is part of a broader effort to ensure that Trump does not dominate the crypto issue, which has become increasingly significant in the election due to its potential impact on campaign financing and voter engagement.

Competing Democratic perspectives

The Democratic Party is divided on cryptocurrency regulation. While figures like Warren continue to emphasize the dangers of digital assets, others within the party are advocating for a more open approach.

Congressman Brad Sherman, for instance, has [expressed concerns that FIT21](#) could create a competitor to the U.S. dollar that might be exploited by criminals. On the other hand, [pro-crypto Democrats are urging Harris to recognize the potential of digital assets](#) and engage with the industry in a more constructive manner.

This internal debate within the Democratic Party reflects the broader tension between innovation and regulation. As cryptocurrencies gain traction, the challenge for the party is to balance these competing interests while safeguarding consumers and the financial system. Harris's stance on crypto regulation could determine whether wealthy industry leaders contribute to her campaign and could help mobilize younger, tech-savvy voters who are increasingly engaged with digital assets.

The establishment of [Crypto4Harris](#), a group dedicated to enhancing Harris's appeal on cryptocurrency issues, underscores the importance of this topic in the upcoming election. The group's efforts, including

organizing town hall events with high-profile supporters like billionaire Mark Cuban, aim to counter Trump's influence on the crypto issue and strengthen Harris's ties with the digital asset community.

Tim Walz, Harris's running mate, has not yet made a public statement on cryptocurrency, though his past interactions with the industry, [including returning donations from FTX executives](#), suggest a cautious approach.

Trump's transactional approach

While Trump's embrace of cryptocurrency has been widely publicized, it is important to consider the context of this shift. Trump's newfound enthusiasm for digital assets could be [more transactional than ideological](#), as much of his political activity is driven by opportunism.

His pivot to a crypto-friendly stance comes at a time when he is seeking to energize his base and attract campaign contributions from wealthy industry leaders who are heavily invested in the crypto space. This approach highlights the intersection of cryptocurrency regulation and campaign financing, with Trump trying to position himself to capture the financial support of the digital asset community.

However, it's worth noting that Trump is [facing ongoing legal challenges](#), and [his poll numbers are declining](#), raising questions about the sustainability of his political strategy. Nonetheless, his focus on cryptocurrency could appeal to younger voters who are engaged with digital assets.

Long-term implications

The 2024 election is shaping up to be a pivotal moment for the future of [cryptocurrency](#) in the U.S.

While Trump's embrace of digital assets has brought the issue to the forefront, there are broader political dynamics at play. Biden, Harris and other key figures are all grappling with how to approach this rapidly evolving industry.

As the lines between technology and politics continue to blur, the decisions made in the coming months will most likely have far-reaching implications for the future of digital assets and their role in the global economy.

This article is republished from [The Conversation](#) under a Creative Commons license. Read the [original article](#).

Provided by The Conversation

Citation: Where Harris and Trump stand on cryptocurrencies—and how it could sway some American voters (2024, August 17) retrieved 17 August 2024 from <https://techxplore.com/news/2024-08-harris-trump-cryptocurrencies-sway-american.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--