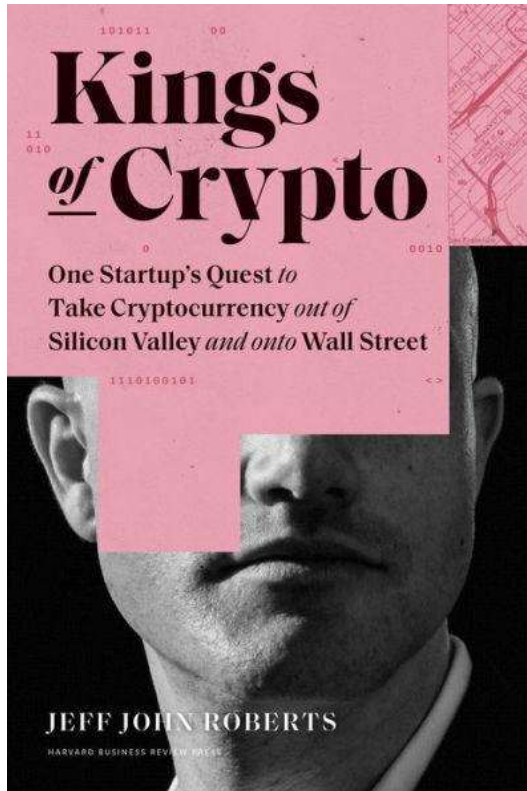


Roberts offers captivating lesson on cryptocurrency

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“Kings of Crypto: One Startup’s Quest to Take Cryptocurrency Out of Silicon Valley and Onto Wall Street” by Jeff John Roberts. Boston: Harvard Business Review Press, 2021, 256 pages, \$30 (hardcover).



“But for all bitcoin’s technical elegance and brilliance, there’s still one more bit of engineering – this time social – required to make bitcoin go,” Jeff John Roberts explains in “Kings of Crypto: One Startup’s Quest to Take Cryptocurrency Out of Silicon Valley and Onto Wall Street,” his attempt to explain a somewhat mysterious and still-evolving technology to those who will ultimately decide its fate. “Bitcoin’s blockchain and reward system is clever – brilliant, even. But that doesn’t explain why bitcoin are worth anything in the first place. After all, bitcoin aren’t even coins. They amount to no more than wisps of computer code you can’t see or touch.

“But that doesn’t matter,” he continues. “Bitcoin is currency, and currency is trust. What matters is that enough people agree bitcoin are worth something and will give up something of value to get them. In this sense, bitcoin is no different than any other currency people have used over the course of history: shells, chunks of yellow metal, pieces of paper printed by a bank or government. Right now, tens of millions of

people believe bitcoin is valuable – and will pay thousands of dollars to own one coin.”

So begins one of the more captivating manuscripts I have had occasion to peruse in recent memory. Most of us have at least heard of bitcoin, the most widely discussed incarnation of cryptocurrency to date. Let me go out on a limb here, however, and assert that relatively few of those reading this review have more than a cursory understanding of how it works or even why anyone would want to use it for buying and selling tangible goods and services. Well, if you fall into the category of those who want answers to these questions, you’re definitely in luck. By the time you finish “Kings of Crypto,” you won’t be an expert on the subject, but you will know enough to appreciate what all the fuss is about.

The narrative follows the creation of Coinbase, one of the key players in the race to create and develop cryptocurrency into an accepted – and even preferred – method of payment between parties interested in conducting business. The struggle for credibility, as they say, has been real and it continues to the present day. Now a multibillion-dollar enterprise, the road to success has been fraught with landmines at every turn, from the Justice Department, which initially saw the innovation as a way to conduct untraceable illegal transactions, to the titans of Wall Street, who were quick to recognize the inherent threat cryptocurrency posed to their more traditional – although at times no less imaginative – mechanisms for accumulating wealth. Oh, and on this journey you will be exposed to a group of characters who give new meaning to the phrase “out there.”

Roberts draws from a variety of sources in constructing this meticulous yet inherently captivating account of the ongoing crusade by the leading true believers to take this new form of electronic commerce mainstream. Much of the insight he provides comes from direct interviews with key players in this still-burgeoning industry; other conclusions are drawn from a meta-analysis of the existing literature on the topic at hand. He seems particularly adept at reading between the lines and making connections that seem to have eluded others exploring the same genre; his ability to synthesize a new understanding of where we currently are in the evolution of the “business” is somewhat unique – as is his aptitude for predicting what the future likely holds for an innovation that has the potential to be highly disruptive to the prevailing economic landscape.

Structurally, the manuscript consists of 17 chapters arranged in three major sections: “Part One – From Open Secret to Civil War,” the first six chapters; “Part Two – From Boom to Bubble to Bust,” chapters seven through 12; and “Part Three – From Crypto Winter to the Crypto Future,” the final five chapters. The author also includes an epilogue, which I found to be especially poignant.

The writing style is fairly straightforward and even conversational; those who are well-versed in the subject matter will find that they still have a lot to learn. Those who are relatively clueless about the Brave New World the purveyors of cryptocurrency are attempting to lead us to will find it to be an enlightening and somewhat frightening primer on what may be just over the horizon.

As is usually the case with paradigm shifts, especially when an idea starts to catch on, conflict is inevitable. Looking for the proverbial “holy grail” is not a quest for the faint of heart. As the number of competitors increased – each hoping to get in on the ground floor – so did the ruthlessness of their tactics and schemes. Witness the following from “Power Struggle,” the 15th chapter and one of my personal favorites:

“Rather than build it, they bought it. In February, Coinbase triumphantly announced the acquisition of Neutrino, an Italian analytics startup known for its work analyzing blockchains in Europe. Unfortunately, Neutrino’s founders also headed up a company called Hacking Team, which had colluded on spying operations with some of the nastiest governments around the globe, including the Saudi intelligence unit that orchestrated the murder of Washington Post journalist Jamal Khashoggi. Reporters Without Borders had labeled Hacking Team an ‘enemy of the internet’ for spy work it had conducted on behalf of despots in Somalia and Morocco. It was clear that Neutrino’s founders were cold-blooded mercenaries. And now they were Coinbase’s newest employees.”

So you just fire them, right? You might want to think about that particular course of action before answering.

Although Roberts writes primarily for Fortune Magazine, his articles have been featured in BusinessWeek, Reuters and The New York Times, and he has appeared on the BBC, CNN and NBC. He is considered an authority on technology and the law and regularly investigates issues related to patent reform, blockchain technology, hacking, cybersecurity and privacy. This is his second book; the first being an e-book on the Google Books project based on his master’s thesis.

I thoroughly enjoyed “Kings of Crypto.” My sense is that if you are even remotely intrigued by where technology is taking us economically, you’d find this one hard to put down. Highly recommended.

Reviewed by Aaron W. Hughey, University Distinguished Professor, Department of Counseling and Student Affairs, Western Kentucky University.