

**Wednesday, October 30, 2024**

**TO: Blockchain Association**

**FROM: HarrisX Public Policy Research Team – America’s Most Accurate Pollster**

**RE: Blockchain Association SEC Survey – Key Insights**

## **Introduction and Methodology**

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HarrisX conducted a poll to understand how US Voters, Business-Decision Makers (BDMs) and Crypto Voters (those who own cryptocurrency and are likely to vote in the 2024 presidential election) perceive the digital asset landscape in America and the actions taken by the SEC to regulate the industry. Our results show:

1. Americans agree the digital asset industry needs regulating but are uncertain about impact of the current enforcement.
2. More voters believe that the U.S. has taken the wrong approach towards crypto.
3. Voters believe that the SEC has been too heavy handed; they prefer clear rules and regulation over enforcement by a factor of 2:1 – there needs to be more transparency and education over how digital assets operate and are regulated.
4. Two-thirds of voters agree the SEC should wait for clearer guidelines from Congress, and 3 in 4 Crypto Owners think the SEC’s enforcement has been inconsistent.
5. Voters want SEC’s regulations to be fair and think that the SEC should focus on Big Tech & banking, stating that Big Tech & banking sectors should have equal or more scrutiny than Crypto.
6. Voters feel that onshore blockchain development talent needs to be protected amid SEC enforcements, and these concerns are even more pronounced among BDMs and Crypto Voters.
7. Crypto is an up-for-grabs election issue with the power to sway voters: no party currently “owns” the issue, but voters say they are more likely to support and back candidates who support innovations in the digital asset space. Crypto Voters make up 18% of the electorate and are even more winnable on this issue.

**Methodology Overview:** *This survey was conducted online by HarrisX within the United States from October 25-28, 2024, among 1,717 registered voters nationally. The sampling margin of error of this survey is plus or minus 2.4 percentage points. Results were weighted by gender, age, race/ethnicity, income, education, party, and region where necessary to align them with their actual proportions in the population.*

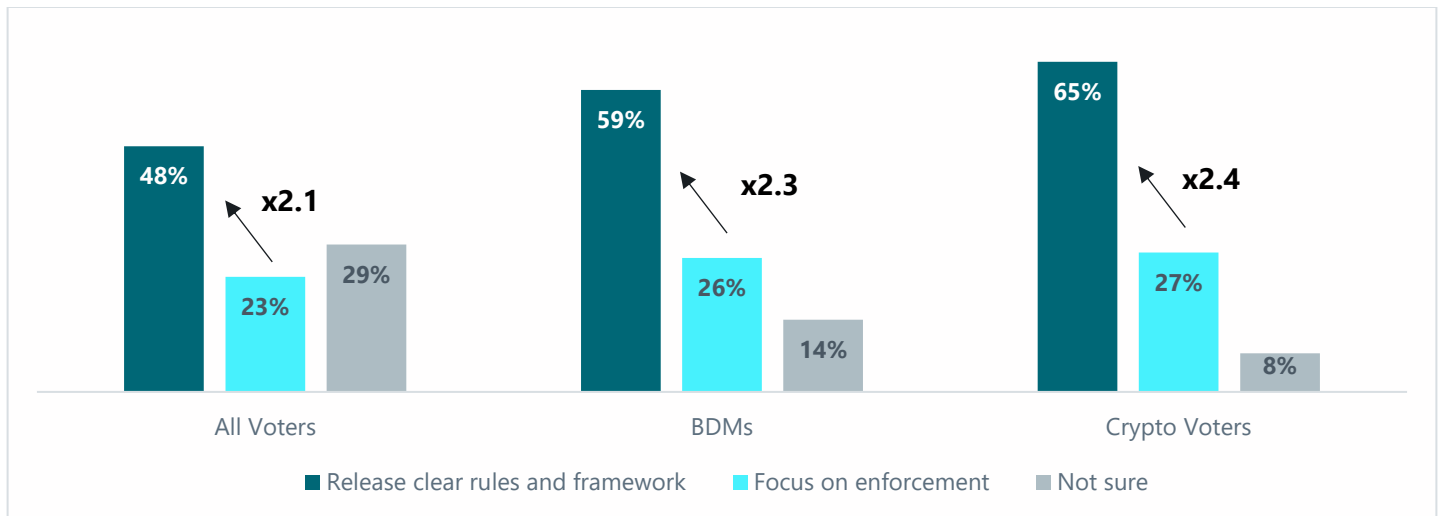
## Americans agree the digital asset industry needs guardrails, but are uncertain about the impact of current regime of regulation-by-enforcement

- Highlighting the **desire for regulatory guardrails around digital assets**, voters expressed a level of satisfaction with the SEC’s approach to regulating the digital asset industry. After reading about the enforcements, 2 in 3 Voters said it was fair rather than unfairly singling out one industry, including 62% of BDMs and 56% of Crypto Voters.
- Despite this desire, most voters are uncertain if the SEC’s current enforcement actions are helping or harming investors (53% not sure vs. 26% helping, 21% harming).
- Voters are similarly unsure whether the U.S. government’s approach towards digital assets is right or wrong (56% not sure). However, **voters are +6 pts on net more likely to say the government has taken the wrong approach** (25% wrong approach vs. 19% right approach).

## Voters believe the SEC has been too heavy handed and are more than 2x as likely to prefer clear regulation over enforcement

- **Voters, BDMs and Crypto Voters alike favor the government establishing clear rules and frameworks over focusing on enforcement at a 2:1 rate** across the board (e.g. 48% of voters want clear rules compared with just 23% who want the government to focus on enforcement).

**QREG3X:** Do you believe government regulators should focus more on setting clear rules and policy frameworks for investments in digital assets or focus more on enforcement using rules already in place?



- There is **strong demand for increased transparency and education regarding digital assets**, with 8 in 10 voters advocating for the government to provide more education and resources on their risks and benefits (81%). This sentiment is even stronger among BDMs (88%) and Crypto Voters (91%), highlighting the strong need for better understanding in this area.

- **Access to information to learn more** about digital assets was the top item voters said would make them **more confident in investing in digital assets** (29%), followed by improved protection against fraud (27%), consumer protections (24%) and clearer regulations (24%).
- However, **two-thirds of voters – and around 3 in 4 BDMs and Crypto Voters - agree that SEC should wait until Congress provides clearer guidelines** (66%) and that SEC actions are **inconsistently applied** (61%).
- Crypto Voters also view SEC enforcement as overly aggressive, with concerns that it stifles innovation in the digital asset space (73%).
- Voters largely agree that SEC enforcement is necessary to protect investors (78%) and is an effective approach to regulate the industry (72%), with many also viewing it as being aligned with its mandate (69%).

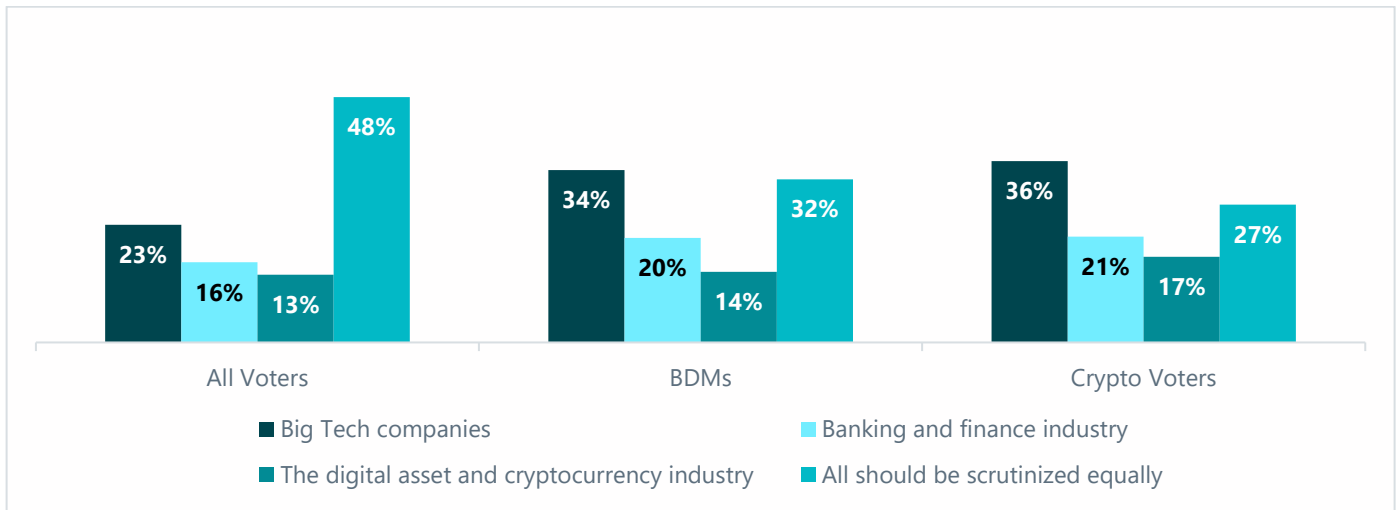
**QSEC11:** How strongly do you agree or disagree with the following statements about the SEC's enforcement actions in the digital asset and cryptocurrency industry?

Column %	All Voters	BDMs	Crypto Voters
They are necessary to protect investors and maintain market integrity	78%	77%	78%
They are overly aggressive and stifle innovation in the digital asset space	52%	61%	73%
They are inconsistently applied, creating confusion in the industry	61%	69%	75%
They are generally appropriate and in line with their mandate	69%	71%	69%
It is an effective approach to regulating the industry	72%	74%	76%
<b>They should wait until Congress provides clear guidelines on regulations</b>	<b>66%</b>	<b>72%</b>	<b>78%</b>

## Voters want digital assets to be regulated *fairly* and feel that onshore blockchain development talent needs to be protected

- **Most voters agree that the SEC should focus on Big Tech and banking and that they should face equal (48%) or more regulatory scrutiny (+10 pts more on net for Big Tech; +2 pts more on net for banking).** Among those who prioritize a single sector, voters believe Big Tech should be receiving closer scrutiny, followed by banking and then digital assets.

**QSEC8:** Which sector do you believe has a greater impact on the U.S. economy that warrants closer regulatory scrutiny?



- **Onshore talent needs to be protected amid SEC Enforcements:** Most voters believe that SEC enforcements are contributing to the decline in blockchain development and innovation within the U.S. (54%), and this concern is even more pronounced among BDMs (62%) and Crypto Voters (63%).

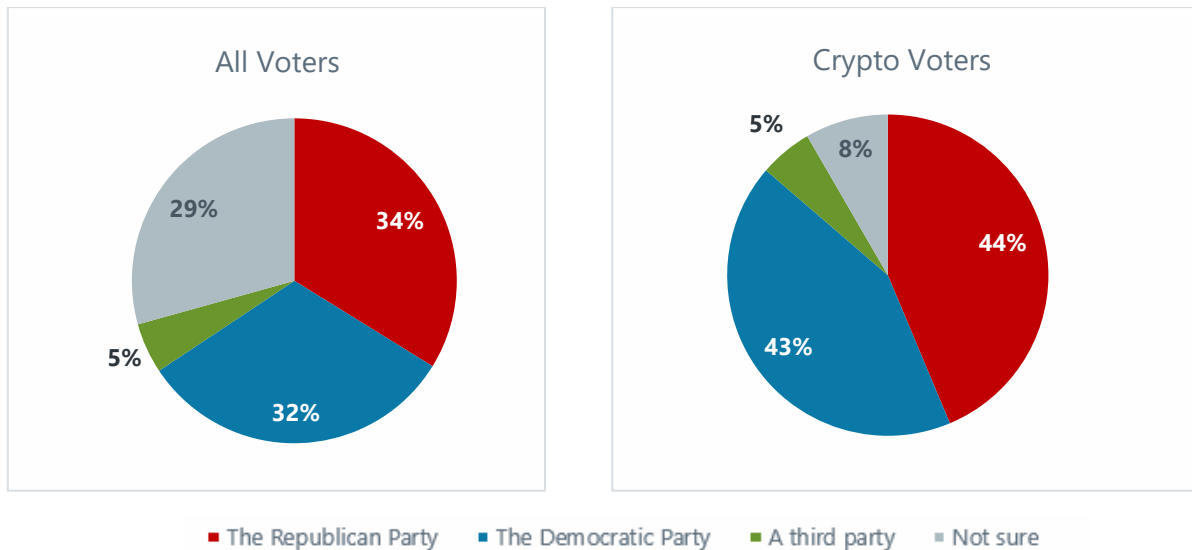
*QSEC7: In 2018, the U.S. share of global blockchain developers was 40%. Since then, this share has seen a 14-point decline, with the U.S. representing 26% of the global share of blockchain developers in 2024. Do you think the SEC's enforcements have played a role in the decline of blockchain development and innovation within the U.S., or do you think this decline is part of a broader shift towards other markets?*

Column %	All Voters	BDMs	Crypto Voters
SEC enforcements have played a role	54%	62%	63%
More representative of a broader shift towards other markets	46%	38%	37%

## Digital assets are an up-for-grabs election issue with the power to sway voters

- **Voters agree it's time to move on regulating the space:** voters are more likely to **believe the U.S. is behind (36%)** rather than ahead (20%) than other countries in regulating digital assets.
- **No party "owns" digital assets or cryptocurrency as an election issue:** Voters are divided on which political party is more likely to support innovation in digital assets, with voters split between the GOP (34%) over Democrats (32%).

*QPOL2: Which of the two main political parties do you believe is most likely to support innovation in digital assets?*



- Candidates have an opportunity to win over voters on this issue: On net, voters are **+17 points more likely to support a candidate who promotes innovation in digital assets** (29% more likely vs. 12% less likely). Similarly, voters are on net +15 points more likely to say they will vote for a candidate who supports digital asset development (30% more likely vs. 15% less likely).
- **Crypto Voters, who make up 18% of the US voting electorate, are even more winnable:** they are **+61 points** on net (68% more likely vs. 7% less likely) to support a candidate who backs innovation in digital assets and on net **+60 points** more likely to vote for one (67% more likely vs. 7% less likely).