

A Critical Review of Crypto Innovation in the UAE

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Summary

Distributed ledger technology is highlighted as a solid tool to address social and ecological challenges. Cryptocurrency is seen as a network with a socio-technical structure since the systems are composed of technical infrastructure and the social relations between users of the crypto ecosystem. The sociopolitical ramifications of cryptocurrency are critically assessed to identify key features and conceptualize issues to unlock opportunities to guarantee a sociotechnical approach to blockchains. Despite progressive initiatives, a series of challenges, such as trust, cybersecurity, and scalability, have emerged as cryptocurrency begins to develop its full potential. With these issues, sociotechnical concerns have surfaced regarding how to respond to the possible consequences that such a policy choice would entail, how to govern the crypto economy, and how to create a sustainable crypto ecosystem. We argue that cryptocurrency is a socio-technical system that constitutes new and important objects of social inquiry that must be addressed beyond the myopic context of a financial asset. Crypto technology promises to transform every sector and industry, and the design of cryptocurrency has focused on technical performance or isolated platforms whose stakeholders contribute mechanically by operating algorithmically automated transactions. We propose the significance of sociotechnical dimensions within a broader ecosystem that encompasses a wide range of technical and non-technical conditions. A cryptosystem should be designed by the people, for the people, and of the people, such that it develops in a user-oriented and socially sustainable way to contribute to a more visible and more trusted development, which leads to a significant, positive impact on a clear responsibility.