Policy Effectiveness & Welfare Analysis: Multi-Stakeholder Perspective

Policy Effectiveness Matrix
(Effect on Each Objective)

Policy Instruments (category)	Financial Inclusion	Stability	Innovation	Consumer Protection
CBDC	+0.8	+0.6	+0.2	+0.5
Stablecoin Regulation	+0.1	+0.9	-0.4	+0.8
DeFi Rules	+0.0	+0.5	-0.6	+0.6
Crypto Tax	-0.3	+0.4	-0.5	+0.3
KYC/AML	-0.2	+0.7	-0.7	+0.9

Policy Objectives (category)

Effectiveness (score)
(-1: Harmful, +1: Highly Effective)

Hinders innovation

Welfare Impact (ΔW)

Per Stakeholder

CBDC
Cons: +0.62
Firm: +0.40
Regu: +0.57

Stablecoin Regulation
Cons: +0.43
Firm: +0.15
Regu: +0.58

DeFi Rules
Cons: +0.21
Firm: -0.08
Regu: +0.32

Crypto Tax
Cons: +0.01
Firm: -0.14
Regu: +0.14

KYC/AML
Cons: +0.24
Firm: -0.05
Regu: +0.44

Stakeholder

Preferences

■ Consumers

w=Inc:0.4, Stab:0.3, Innov:0.1, Prot:0.2

■ Firms

w=Inc:0.1, Stab:0.2, Innov:0.5, Prot:0.2

■ Regulators

w=Inc:0.2, Stab:0.4, Innov:0.1, Prot:0.3

Key Tradeoffs:

KYC/AML: Security vs Innovation

Stablecoin: Stability vs Flexibility

DeFi Rules: Protection vs Permissionless