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# CFTC Gives Green Light for Employees to Trade Cryptocurrencies

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 Nikhilesh De
 


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 NEWS

The U.S. Commodity Futures Trading Commission (CFTC) has given its employees the green light to invest in cryptocurrencies, according to a report.

Bloomberg [reports](#) today that the CFTC's general counsel, Daniel Davis, gave the go-ahead in a memo earlier this month, apparently in response to "numerous inquiries" from employees about whether they could do so.

While members of the agency can now invest in cryptocurrencies, they are still prohibited from crypto futures or margin trading, and from using insider information gleaned through their jobs, the news source says.

A spokesperson for CFTC chair J. Christopher Giancarlo also told the news organization that employees cannot investigate or participate in regulatory actions involving cryptocurrencies they own due to the "conflict of interest."

Cryptocurrencies are to be traded like any other commodity, according to Bloomberg. Davis' memo also emphasizes the need for employees to act ethically, stating:

"In this environment, the situation is ripe for the public to question the personal ethics of employees engaging in cryptocurrency transactions. Please keep in mind that you must endeavor to avoid any actions creating the appearance that you are violating the law or government and commission ethical standards."

Bitcoin	\$10.8
Ethereum	\$8
Bitcoin Cash	\$1.2
Litecoin	\$
XRP	\$0

Which cryptocurrency would you use to send a transaction you don't want anyone to know anything about?


☐ Bitcoin  
☐ Ether  
☐ Dash  
☐ Monero  
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However, some legal experts are questioning the decision, Bloomberg notes. Angela Walch, an associate law professor with a specialization in digital money and financial stability at St. Mary's University, called the decision "mind-boggling," saying the decision "could absolutely skew their regulatory decisions."

Similarly, Richard Painter, a securities lawyer and former White House ethics lawyer, said cryptocurrencies are functionally more similar to futures than commodities. The CFTC should not be allowing its employees to invest in them, he said, arguing the move "just looks terrible."

Still, a law professor at Washington University, Kathleen Clark, said the move makes sense. Because cryptocurrencies are currently classified as commodities, current "ethics standards seem to be general enough to cover it."

[CFTC sign](#) image via Shutterstock

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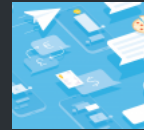
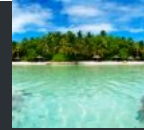
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