

Distrust or Digital Gold

Discussion
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Overview

- Take a deep look at Survey of Consumer Payment Choice (SCPC).
- Use the survey to explore demographics of those engaging with crypto.
- Answer a pointed question about distrust.
- Attempt to measure hodling.
- Provide some policy recommendations.

Exciting Findings

Distrust in money and the banking system is not correlated with cryptocurrency investment.

Looks clear from the analysis.

Why is this so interesting?

It debunks a myth, but what were the implications of that myth?

What are the implications of the facts you see?

Marginal correlations

I like this analysis and think it's important.

Provide odds ratio or give the percentage of the reference group!

(i.e. "Men 2pp more likely" doesn't sound like much if you don't know that woman have a 1% chance of owning crypto!)

Multivariate Analysis

Rather than analysing the binary case and the count case separately, why not analyze together with a zero-inflated count model?

Although I think the count is probably not very interesting and the binary has all the info, really.

Multivariate Analysis

A linear relationship with "Age" seems unlikely. Your robustness check with "retirement" seems more reasonable.

Why not either A) include polynomial terms or B) just make discrete age buckets to capture non-linearities?

Overall, not much else interesting pops out of the multivariate from the univariate (besides better evidence for your claim about distrust). Why not use something that can perform variable selection and look at interactions - i.e. a tree model?

Scams / policy concerns / gender / age

- The fact few old people participate, does not mean that it is not a threat to old people.
- Men are less risk-averse. Is there other studies on gender that could be useful here? Scams / pyramid schemes?
- Education - those involved in the 2008 financial crisis were also highly educated. Pump and Dump fears?
- **Centralisation** seems orthogonal to the data and main points of the paper. Shouldn't there be policy recommendations more related to your findings?

Random concerns

- **Digital Natives:** I like the idea of using "finds traditional banking inconvenient" as a proxy for "digital native" - can you explore this more?
- **Hodling:** Are you just looking at "holding crypto", even if it's not the same crypto? That's what it seems like and it doesn't seem like it measures hodling.

Details

- There's no endogeneity problem, since these aren't causal claims, and this anyways doesn't solve the problem (*Since education and income are jointly influenced by an unmeasured third variable (latent variable), they are included separately in each regression. This a way of dealing with the possible endogeneity problem*)
- "Representativity of the sample" - nothing is just "representative", it is only representative across selected variables and selecting the right variables is a problem-specific issue. Describe across which variables this survey is representative and why it makes sense for your problem.
- (related) - look at the effect of weighting in robustness checks.