A Discourse Analysis on the Decentralization Narratives of Cryptocurrency

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Abstract: What happens to the promise of decentralization of crypto if, as Latour insists, we have never lived in a world of purified "economy" or "technology," but only in hybrids and networks? This article takes cryptocurrency as a privileged site for pursuing that question. Treating blockchains not as self-contained technical systems but as socio-technical assemblages, I follow how narratives of "crypto" are made and remade across U.S. regulatory hearings, policy reports, industry white papers, journalism, public debates, podcasts, and social-media campaigns around figures such as Donald Trump, Justin Sun, and Changpeng Zhao. Rather than a simple clash between "crypto-as-fraud" and "crypto-as-future," these materials reveal continual translations between state projects, platform capital, and everyday speculation. Dollar-pegged stablecoins and governmental regulations emerge as key devices through which U.S. monetary and legal infrastructures are extended onto blockchains, while Bitcoin's "digital gold" narrative knots together the older paradigm of debt, scarcity, and institutional enclosure. The article argues that cryptocurrencies do not stand outside existing arrangements of power, but reassemble them, offering anthropology a way to rethink how financial futures are technically and politically composed.

1. Introduction

In 2019, a Facebook-led technology alliance launched the ambitious Libra project (later renamed Diem), which many anticipated would lead the market into a new era of decentralized digital currencies. Libra proclaimed its intention to "reinvent money" by overcoming the long-unresolved digital currency price volatility through a basket of sovereign currency reserves to achieve global value stability. This vision reflected the utopian dream of Web3 proponents: using blockchain technology (a public, append-only ledger secured by cryptography and consensus) to decentralize institutions, creating a monetary and financial system beyond government control. However, the reality the market is witnessing now–just a few years later–is quite distant. The dominant cryptocurrencies are almost entirely pegged 1:1 to the fiat dollar, thus maintaining "stable" value (hence known as stablecoins. It is precisely this stabilizing mechanism that deeply embeds them into the existing financial system. In other words, fiat-backed digital currencies are more like fiat monetary sovereignty extended on the blockchain, rather than a replacement. Libra itself was hampered under sovereign pressure, ultimately terminated before it even began—both parties in the United States opposed a global currency outside of governmental control, viewing it as a threat to economic stability. From Libra's collapse to a market dominated by dollar-denominated stablecoins, decentralization appears ever more remote—yet this is only a part of a far more complex landscape. Much felt in my ethnographic study, proponents, skeptics, speculators, pragmatists, and self-declared neutral observers are all engaged in a dialectical game, pulling and pushing the power dynamics of the discourse in ways that could advance their own interests. The tension, then, is not simply between what blockchain and crypto can or cannot do, but between competing claims about what they are *doing*. The critical question becomes: how do such proclamations about "decentralization" themselves help constitute the social reality of crypto?

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2. Methodology

This study approaches cryptocurrency as a Latourian hybrid through a combination of multi-sited digital ethnography and discourse/media analysis[1]. Rather than treating "the crypto market" as a bounded domain, the research follows how specific tokens, platforms, and crises are assembled across regulatory, financial, and popular arenas, asking how decentralization is claimed, qualified, and redistributed in practice. Latour's concepts of network and translation provide the primary orientation: attention is directed to how actors—states, platforms, founders, investors, journalists, and smallholders—link technical devices (blockchains, stablecoins, smart contracts) to projects of sovereignty, risk management, and moral order, and how these linkages travel across sites.

The empirical corpus centers on the period from Facebook's Libra announcement (2019) through the consolidation of a dollar-stablecoin regime and the emergence of projects such as World Liberty Financial (2025). Three overlapping bodies of material structure the analysis. First, regulatory and policy documents: U.S. congressional hearings, SEC and CFTC filings, Federal Reserve and BIS reports, proposed stablecoin legislation, and public comment letters. Second, media and industry texts: mainstream and financial journalism (New York Times, Financial Times, Wall Street Journal, Reuters), crypto-native outlets (e.g., CoinDesk, The Block, TechCrunch), white papers, project websites, and investor decks. Third, digital ethnography of platforms such as Twitter/X, Reddit, YouTube, and podcasts, focusing on debates and promotional content around figures including Elon Musk, Donald Trump, Justin Sun, and Changpeng Zhao.

From a socio-political perspective, Graeber's genealogy of debt functions as a master analogy through which this archive is read[2]. His insistence that power in a debt regime lies in the capacity to place others in debt informs the interpretation of how actors talk about volatility, "protection," and obligation. Regulatory speeches that frame crypto as a consumer-protection problem, institutional letters that cast Bitcoin as a hedge against fiscal crisis, and WLFI marketing that promises "patriotic yield" are treated as competing attempts to define who will owe what to whom within an ostensibly novel monetary architecture.

In terms of discourse analysis and media analysis, Lila Abu-Lughod, Donna Haraway, and David Valentine orient how texts and speakers are treated in this study. Following Abu-Lughod's call to "write against culture," the material is not synthesized into a single, coherent "crypto culture," but organized around discrete scenes and read for the asymmetries of voice they stage between regulators, founders, institutional investors, and smallholders[3]. Building on this, Haraway's notion of situated knowledges underpins a treatment of each source as a partial, interested intervention anchored in specific institutional and biographical stances[4]. Lastly, Valentine's analysis of the epistemological inertia in understanding techno-scientific narratives further shapes readings of technical rhetoric–the engineering idiom of white papers and regulatory reports is approached not as transparent descriptions of what blockchains are, but as discursive strategies that fix particular worlds in place, obscuring and redistributing very terrestrial arrangements of risk, obligation, and power[5].

3. A Media Study

3.1 Journalists and Media Outlets

The term "Web3" was coined by Gavin Wood, a co-founder of the crypto reserve and trading platform Ethereum, in 2014 to describe a decentralized internet built on blockchain technology. Wood's vision proposed a shift away from the mega tech corporations who dominate what he calls Web 2.0, creating an internet where users have more control and ownership of their data and content. Web3 promises to give users ownership of digital platforms, cut out corporate gatekeepers, and enable new forms of economic organization - the exact idea that cryptocurrency is built upon. The first and best-known cryptocurrency is Bitcoin (BTC). At the time, Bitcoin is worth ~$86,500 and there are roughly 20 million coins in circulation, implying a market capitalization of ~$1.7

trillion. While some major cryptocurrencies, like BTC, have a relatively stable value, most of them are extremely volatile due to crypto's artificial nature. In November 2021, the creators of Squid Coin, an altcoin based on the Netflix series Squid Game, sold their holdings for $3.3 million and abandoned the project[6]. This manipulative conduct resulted in massive financial losses and made Squid Coin a shitcoin overnight. The aforementioned two instances felicitously resemble how the discourse around cryptocurrency often splits between fervent advocates and sharp skeptics.

On one hand, many outlets frequently describe cryptocurrency as volatile at best and illicit at worst. Early coverage often focused on Bitcoin's association with drug markets[7] and the implosion of the Mt. Gox exchange , establishing a lasting reputation for scandal. Launched in 2010, Mt. Gox was handling over 70% of all bitcoin transactions worldwide by early 2014, when it ceased all operations amid the revelation of being involved in a case of losing hundreds of millions dollars' worth of BTC[8]. Not known to many non-coiners, Mt. Gox made the first case of crypto scam. Years later, many outlets continue to formulate the narrative with cautionary or whistle-blowing stories, recycling the notion that crypto is primarily a speculative casino or a haven for crime. The Guardian, for instance, has repeatedly adopted a wary tone; a 2019 headline on Facebook's Libra project asked whether users should "dare trust Facebook with your money," describing the initiative as "ambitious" yet inevitably "prompting suspicion" given the company's troubled history[9]. If the fall of Mt. Gox and similar crypto scam acts like Squid Coin raised early doubts, the implosion of FTX in November 2022 may have delivered the most damaging blow to public confidence. Reporting on founder Sam Bankman-Fried's arrest emphasized the scale of financial misconduct rather than technological failure, with prosecutors describing the collapse as "old-fashioned fraud" driven by the trading of assets the company did not actually hold[10]. This reversal was particularly striking given FTX's meteoric rise, including its high-profile purchase of naming rights to the Miami Heat arena and sponsorship deals across sports—from Formula 1 to NBA—which once suggested that crypto exchanges were entering mainstream respectability. Across such coverage, outlets routinely foreground themes of consumer protection, fraud, and regulatory oversight, leaving little room for discussion of blockchain's technical properties or legitimate use cases.

By contrast, many crypto projects are sustained by highly optimistic technology enthusiasts who see coin ownership and rapid trading as a path into a new financial order. TechCrunch's introduction of Libra highlighted Facebook's "audacious bid to create a global digital currency," emphasizing potential benefits such as financial inclusion, built-in privacy features, and low transaction costs rather than worst-case scenarios[11]. Justin (Yuchen) Sun, CEO of the crypto trading platform Tron, has been a strong advocate for crypto and is known as the issuer of TRX (a crypto based on Tron). In 2019 he paid a record $4.57 million at a charity auction to have lunch with long-time crypto skeptic Warren Buffett, an event that was first postponed due to what his team described as kidney stones and finally took place in Omaha in early 2020, where Sun presented Buffett with a phone loaded with Bitcoin and TRON[12]. Media outlets and Sun's own posts framed the meal as evidence that "even Buffett" was now in contact with crypto, helping to cast TRX as something serious enough to sit at the same table as one of the most famous investors in the United States. Since 2024, Sun has also become closely connected to the Trump family's DeFi project, World Liberty Financial (WLFI), which targets U.S. and global retail traders. Reporting indicates that Sun invested around $30~75 million into WLFI and was named an adviser to the project[13]. Public breakdowns suggest that insiders, including Trump family members and affiliates, received a very large share of WLFI's 100 billion-token supply, while the public accessed a much smaller float at valuations in the billions[14]. New revelations about the Trump family's entanglement with Bitcoin and other crypto ventures appear almost daily, reinforcing a now-familiar contrast between "crypto-as-fraud" and "crypto-as-future." Policy reports and popular commentary routinely stage this as a binary: on one side, a utopian promise of "individual economic sovereignty" and financial inclusion; on the other, a dystopian scene of speculation, gambling, and

predatory inclusion[15]. From an anthropological standpoint, however, both the idea of a singular "crypto culture" and this neat two-camp framing are misleading.

3.2 Politicians and Businessmen

Zooming in on these figures through digital and media ethnography, the neat "for vs. against crypto" storyline quickly breaks down into a series of contingent, interest-laden turns. Elon Musk, for instance, has repeatedly amplified and then walked back his engagement with crypto. His jokey Dogecoin memes and high-profile Bitcoin announcements have been shown to move crypto markets by staggering amounts – for example, when Tesla reversed its decision to accept Bitcoin in May 2021, roughly $300 billion in value was erased from the crypto market within minutes. Musk's tweets and promotions often sent prices soaring[16] (a February 2021 tweet-polled "Dogecoin to the Moooonn" spiked DOGE by 35% in a day), only for reversals to trigger equally dramatic crashes. By late 2021 he struck a more skeptical tone, even deleting some of his crypto-hype posts and dismissing Web3 as "more marketing buzzword than reality right now."

Yet perhaps the most striking illustration of narrative instability is Donald Trump's trajectory. In June 2021 he told Fox Business, "Bitcoin, it just seems like a scam. I don't like it because it's another currency competing against the dollar," presenting opposition to crypto as a defense of U.S. monetary sovereignty[17]. By 2024, however, Trump had reinvented himself as a champion of Web3, making cryptocurrency a pillar of his second-term economic agenda. He openly embraced a family-run DeFi venture WLFI (token $WLFI), in which his business entities secured rights to capture the majority of protocol revenues. Thanks to highly insider-friendly terms, the Trump family took a 60% ownership stake and a claim on 75% of all net token-sale revenues – entitling them to about $400 million of the first $550 million raised[14]. Chinese-born crypto magnates Justin Sun and Changpeng became tightly woven into this political–financial shift. Sun – founder of Tron – was sued by the U.S. SEC in 2023 for alleged unregistered securities offerings and extensive wash trading in TRX, but after Trump's election he invested heavily in World Liberty. In late November 2024 Sun publicly announced a $30 million purchase of $WLFI tokens (the amount the company said it needed to jumpstart operations), and he later said his total investment had risen to $75 million, making him the single largest investor and an official adviser to the project[13]. Soon after, in February 2025, the SEC moved to pause its case against Sun "in the public interest," a turn of events that prompted Democratic lawmakers to cry foul. Senators and Representatives wrote to the SEC questioning whether enforcement had been politicized, noting the coincidental timing of Sun's huge investment in Trump's venture and the agency's suddenly lenient stance. Zhao, meanwhile, pleaded guilty in 2023 to U.S. anti-money-laundering violations at Binance (the exchange he founded) and agreed to step aside, a plea deal that carried a short prison sentence (roughly four months). In 2025, President Trump granted Zhao a full pardon, a decision that immediately triggered congressional outrage and media scrutiny. Senate Democrats introduced a formal resolution condemning the pardon of CZ as blatant "corruption," pointing out that Zhao had boosted Trump's crypto ventures and lobbied for clemency before receiving his reward[18]. House lawmakers similarly decried the move, and investigative reporters began unraveling potential conflicts of interest between the White House and the crypto industry in light of such favors. Against any notion of pure objectivity, feminist theorist Donna Haraway insists that all knowledge is produced from "limited locations," and that only partial, embodied perspectives can yield responsible objectivity philpapers.org. Applied to digital currencies, this means treating every narrative here—whether from political leaders, Silicon Valley tech CEOs, crypto exchange founders, or federal regulators—as a situated practice that condenses particular alignments of power. The cases of Sun and Zhao in particular complicate the notion that media and political discourse around digital currencies is simply polarized between enthusiasts and skeptics; instead, they show how positions are continually recalibrated within shifting constellations of campaign finance interests and regulatory leverage.

Trump's return to power only amplified these dynamics, as his administration's crypto entanglements became a focal point for congressional oversight. When the SEC – newly chaired by a Trump-appointed crypto loyalist – abruptly stayed its fraud lawsuit against Justin Sun in early 2025, lawmakers like Rep. Sean Casten (D-IL) and Sen. Jeff Merkley (D-OR) sounded alarms about possible favoritism. In a September 2025 letter, Casten and Merkley urged the SEC to fully scrutinize Sun's businesses and his $75 million investment into Trump's venture, warning of "serious investor protection and national security concerns" posed by a CCP-linked magnate bankrolling the president's crypto projects[19]. They pointed out that Sun's massive purchases of Trump's memecoin and World Liberty Financial tokens had "directly enriched the President and his family", even as retail investors faced risks from these thinly traded assets. In their view, the timing – Sun's legal troubles evaporating right after his cash infusion into Trump's company – smacked of politicized enforcement and conflict of interest. Congressional Democrats pressed regulators to reveal any communications between the Trump White House and the SEC about Sun, implicitly questioning whether the rule of law had been bent to favor a well-connected crypto baron. This scrutiny from lawmakers cast Trump's crypto boosterism not as a normal policy pivot but as a "roadmap for corruption" (as one watchdog group put it) wherein public power and private crypto interests became dangerously intertwined[20].

Likewise, Trump's highly public intervention in the Changpeng Zhao case provoked bipartisan censure that transcended any simple crypto debate. While Trump painted the Binance founder's pardon as correcting an injustice – even claiming "a lot of people say he wasn't guilty of anything" – members of his own party balked at that narrative. In fact, concern over Binance's misconduct had been building on Capitol Hill well before the pardon. As Senator Warren recounted on the Senate floor[21], Republican and Democratic policymakers alike had been "ringing the alarm" about Binance for years. Back in 2023, a group of GOP senators warned that Binance was facilitating "significant illicit finance activity" and possibly aiding terrorists, and pressed for action. Those warnings proved prescient: Binance's U.S. arm later admitted to Bank Secrecy Act violations and paid over $4 billion in fines, while Zhao pleaded guilty to willfully failing to implement anti-money-laundering controls. By pardoning CZ – barely a month after his release from a brief prison stint – Trump ignited accusations that justice was for sale. Senate Democrats led by Warren, Jeff Merkley, and even normally measured figures like Adam Schiff swiftly introduced a resolution condemning the pardon as an egregious abuse of power. On the House side, Ranking Member Waters blasted Trump for "loyalty to criminals over working-class American families," arguing that Zhao's clemency was a reward for Binance's cozy ties with the Trumps[22]. Notably, some pro-crypto Republicans who ordinarily champion the industry took issue with Trump's move in this instance, underscoring that their support for crypto innovation didn't extend to shielding bad actors. The outcry around the CZ pardon became less about being for or against cryptocurrency per se and more about bedrock principles of rule of law, equal justice, and national security. In this sense, congressional reactions to Trump's crypto dealings revealed a third narrative register – one concerned with integrity and governance – cutting across the usual enthusiasm vs. skepticism divide.

Rather than simply dismissing the "polarization" framework as inadequate, it is more productive to recognize that the two dominant scripts about cryptocurrency do not stand in a straightforward "A vs. B" relation in which one side is unambiguously pro-crypto and the other uniformly anti-crypto. Empirically, these narratives frequently appear in tandem and, at their points of contact, give rise to a third, more pragmatist register. At the recent Binance Blockchain Week in Dubai, for example, Binance CEO Changpeng Zhao and long-standing Bitcoin critic Peter Schiff engaged in a public debate that formally opposed Bitcoin and gold as rival candidates for the next global monetary standard. Zhao advanced arguments for Bitcoin's utility, its provably scarce and auditable supply, and its growing real-world adoption – noting, for instance, that "we don't know how much gold exists globally, but with Bitcoin, the supply is fixed, auditable, and final," making it "the only absolute finite asset humans have"[23]. Schiff, in turn, insisted that tokenized gold (crypto tokens

fully backed by physical bullion) will ultimately constitute a superior store of value, since owning a token is effectively "transferring real gold – actual physical ownership" in a modern form, whereas Bitcoin in his view lacks any intrinsic utility beyond being sold to someone else[23]. Rather than yielding a clear winner or simply rehashing talking points, the event ended up collaboratively articulating a shared problem space around the future of money. In fact, the 40-minute exchange concluded with an unexpected note of pragmatic convergence: CZ invited Schiff to bring his tokenized gold project onto Binance's platform, Schiff agreed (even suggesting Binance could help issue it), and Zhao emphasized that "gold will do well, Bitcoin will do better, and both can coexist." A similar configuration was evident at BTC Prague 2025, where entrepreneur Joel Bomgar systematically contrasted the U.S. dollar system with the Bitcoin system in a keynote titled "A Tale of Two Systems" Drawing on basic monetary history and economic concepts, Bomgar explained how each system operates and where their logics diverge, in order to clarify why those divergences matter for evaluating Bitcoin's significance beyond short-term price movements[24]. In parallel, Zhao's repeated emphasis on how crypto might incrementally reshape everyday practices of saving, custody, and transfer further elaborates a vision of digital assets becoming gradually embedded in ordinary financial life. He often stresses concrete use-cases – for example, showing how a user in Africa reduced a bill payment from three days to under three minutes by using Binance's crypto infrastructure – as evidence of crypto's "life-changing utility" in day-to-day finance. Taken together, these cases suggest that the encounter between promotional and skeptical narratives does not merely reproduce a binary opposition; it also generates intermediate, pragmatist discourses that rework earlier positions into more situated debates about concrete monetary futures and how new forms of money might coexist with or gradually transform the old.

4. Discussion

At a purely technical level, cryptocurrencies demonstrate the feasibility of a currency system independent of governments and banks. Bitcoin's design, for instance, allows peer-to-peer value transfer without centralized intermediaries or state oversight, suggesting that a sovereign-free digital money is technologically possible. We might acknowledge, as Gavin Wood did in coining "Web3," that blockchain networks can in principle give individuals direct control over their assets and data, bypassing traditional corporate and bureaucratic gatekeepers. However – and this is crucial – we do not live in a world of pure technology. As Bruno Latour famously observed in his analysis of the ozone layer controversy, scientific and technical innovations are inextricably entangled with social, economic, and political forces, "mixing together chemical reactions and political reactions" in the same story[1]. In other words, there is no pristine technological sphere separate from society's power structures. The case of crypto exemplifies this hybridity: despite its radical tech architecture, the cryptocurrency ecosystem has become deeply embedded in existing financial and political arrangements. What began as an effort to "decentralize" money has reproduced many of the same old paradigms of monetary power, corporate consolidation, and even personal alienation that it ostensibly set out to overcome.

Perhaps the clearest example of crypto's entanglement with the legacy financial order is the rise of stablecoins. Stablecoins are typically defined as cryptocurrencies whose value is pegged to a fiat currency (or a basket of assets) to reduce volatility. In practice, the stablecoin market has become a blockchain-based extension of the U.S. dollar's dominance[25]. As of 2025, the vast majority of stablecoins by market capitalization are linked to the U.S. dollar, with Tether's USDT and Circle's USDC together accounting for the lion's share[26]. On the surface, stablecoins fulfill a crypto-libertarian dream: they enable 24/7, bank-free transactions and programmable money, allowing dollars to move globally on public blockchains outside the direct control of any state or traditional bank. From a technological standpoint, one might celebrate this as a decentralization of currency. Paradoxically, however, these innovations have reinforced the power of existing sovereign

currencies – particularly the U.S. dollar – rather than weakening them. Every USDT or USDC transaction on-chain, in effect, strengthens the global network effects of the dollar as the unit of account and store of value in crypto markets. The Bank for International Settlements (BIS) observed the same phenomenon, describing stablecoins as a gateway that "promises stable value relative to fiat currencies (overwhelmingly the US dollar)" and noting that they are primarily used as a transactional medium bridging crypto and fiat worlds[26].

From a Latourian perspective, these arcs exemplify how a technological artifact becomes a hybrid actor intertwining technical capabilities with state power and corporate strategy. Far from being a neutral financial tool, the stablecoin is simultaneously a piece of software code, a unit in currency speculation, a surrogate of U.S. monetary policy, and a focal point of international political contestation. Again, we see disparate actors – software developers, fintech CEOs, central bankers, legislators – linked through stablecoin infrastructure in much the same way Latour saw chemists, CEOs, heads of state, and environmental activists linked through the material and political controversy of the ozone hole. The stablecoin's value stability might appear to be a technical attribute, but it rests on social institutions: legal contracts, reserve audits, government bonds, and ultimately the credibility of the U.S. Treasury. This prompted the U.S. Congress to pass the GENIUS Act in 2025, establishing federal oversight and 100% reserve requirements for stablecoin issuers, essentially bringing this "shadow dollar" under official control. More than a mechanism for keeping stablecoin issuers within the playbook, GENIUS is a stark signal to the crypto industry that "this is more about technology."

Early Web3 rhetoric imagined a struggle between sovereign individuals or small online communities and an ossified "old system" of banks and states. DeFi protocols, in this story, were grassroots tools that could route around legacy finance altogether. But once stablecoins become the indispensable collateral of DeFi and are pulled under a statute like GENIUS—with 100% reserve requirements, federal licensing, and bank-style supervision—the main conflict is no longer "Crypto vs. Wall Street," or "Crypto vs. Federal Reserve," but "large platforms and quasi-banks vs. regulatory and antitrust regimes." The compliance costs, legal risk, and data-reporting obligations created by such legislation are manageable for a few well-capitalized issuers and exchange groups, but prohibitive for smaller experiments. DeFi money markets that appear horizontally distributed at the smart-contract layer end up vertically dependent on a tiny set of state-approved stablecoin providers. What circulates on-chain looks decentralized; the balance sheets and legal entities that underwrite it are anything but. Seen through a Marxian lens, this trajectory is not accidental but follows the classic tendency of capital to concentrate and centralize. As Marx argues, competition among many small capitals, combined with the need for ever-larger fixed investments and risk management, pushes wealth and control into the hands of a shrinking minority[27]. Regulatory frameworks like the GENIUS Act do not overturn this logic; they often stabilize it by defining who is allowed to operate at systemically important scale. Capital-intensive firms that can maintain dollar reserves, hire compliance teams, and lobby in Washington become the "real" infrastructure providers, while ordinary token-holders and small developers contribute liquidity, code, and attention without retaining structural power. The ideological promise of crypto—that anyone can be their own bank—thus gives way to a more familiar configuration in which a few issuers, exchanges, and custodians own the critical pipes, extract fees and seigniorage, and can negotiate directly with the state. In Marx's terms, the surplus generated by this new financial machinery accrues primarily to those who control the means of circulation (the platforms, reserves, and legal entities), not to the mass of participants who must take prices as given.

Not only that crypto is bundled with the legacy financial and political system, its proponents and participants are, therefore, also trapped in the old paradigm. In Marx's terms, the creative labor of early cryptographers in building decentralized networks and economies is co-opted by external forces that come to dominate them. Marx wrote that under capitalism, "the object that labor produces… confronts [the worker] as something alien, as a power independent of the producer"[27].

We can draw a striking parallel to the early adopters of Bitcoin, Ethereum and other crypto projects. Many were motivated by a radical vision: "Cancel the Federal Reserve." They invested their time, coding skills, and often personal savings to build open-source communities around blockchain protocols. Yet as cryptocurrency has boomed, much of the value and control has migrated to large, external actors – be it venture capital funds, Wall Street trading firms, or centralized exchanges – who now wield outsized influence over the market. Bitcoin evangelists in 2010–2015 enjoyed a technology pureland despite Bitcoin has little to no real-world purchasing power. Fast forward to the late 2020s, Bitcoin's price is heavily swayed by macro hedge funds and institutional investors; its market cycles are dominated by the likes of BlackRock and Goldman Sachs trading futures and ETFs, while ordinary holders find themselves at the mercy of volatility and periodic crashes.

David Graeber provides another lens on how exactly the old paradigm preserves. Graeber's theory of debt posits that modern economies operate as "debt empires" wherein credit and obligation are used as tools of social control. Historically, as Graeber documents, debt has been a frequent means by which free persons fell into servitude or bondage – many ancient slaves were formerly debtors, and societies often had to abolish debts periodically to prevent wholesale enslavement of the poor[2]. In other words, debt creates asymmetric power: creditors gain leverage over debtors and can dictate terms. As an extension of this standpoint, Graeber suggests that true power in a debt-dominated system lies in the capacity to put others in debt – and to escape indebtedness oneself. Modern banks hold vast sums not merely to store wealth, but to continually lend and thus place others in debt, reinforcing their authority and influence over borrowers. Likewise, individual wealth isn't just about affording goods – it symbolizes the potential to remain debt-free and to extend credit to others. As Graeber notes, the rich and powerful have always understood that debts are negotiable and, when it suits them, even dispensable. For "lesser mortals," debt is rigid and moralized, but elites routinely forgive each other's debts or dodge repayment when it's in their interest[2]. This dynamic – the power to indebt and the freedom from being indebted – forms the hidden architecture of what Graeber calls the contemporary empire of debt. Crucially, this power is about potential more than actual cash on hand – a fact underscored by common business practices. Companies often never truly get "out of debt"; instead, they roll over obligations indefinitely. For example, a firm might continuously juggle short-term and long-term loans, using borrowed funds to acquire assets that increase its net worth, which in turn justifies taking on even more debt. As long as assets grow alongside liabilities, the business appears healthy and can refinance or borrow further. In this way, debt itself becomes a tool for growth and power rather than a trap to escape. Graeber's point is that in a debt-based society, paying off all debts isn't the ultimate goal – maintaining the capacity to pay (or to not pay when it's opportune) is what confers power. Being able to pay off a debt if one chose to – even if one never does – is what makes governments and wealthy actors formidable. An intriguing but brutal fact is that, if a small country owes money, that country is at the mercy of its creditors; but if a superpower owes money, it's the creditors who have the problem, because they cannot force repayment. In this empire of debt described by Graeber, stability rests on creditors believing debtors could pay, while savvy debtors use that belief to keep borrowing and accumulating assets. The result is a system where debt grows perpetually but is carefully managed to avoid outright default – a delicate balance of power and promise.

Taken together, it is therefore not surprising that many critics argue today's "Web3" is not truly Web3 at all. Signal founder Moxie Marlinspike, after experimenting with building dApps (distributed/decentralized applications), concluded in 2022 that "Web3 is not as decentralized as it appears," precisely because control in the crypto industry had recentralized into a few key hubs[28]. He pointed out that nearly all Ethereum dApps rely on just two companies (Infura and Alchemy) to interact with the blockchain, that a handful of exchanges (Binance, Coinbase) and wallets (MetaMask, OpenSea) dominate transaction flows, and that even the stablecoin layer is effectively beholden to one company (Tether). Thus, the new Web3 in practice resembles the old Web 2.0 – or

even Web1.0 – in its oligarchic concentration of infrastructure and power. If we use Gavin Wood's terminology, the reality of crypto in the market today might be better described as "Web 2.0+", a slightly evolved extension of the existing system rather than the genuinely decentralized Web3 of ideology. Indeed, scholar Jose Miguel Alonso-Trabanco argues that projects like Libra (and WLFI for sure) exemplified an "oligarchical plutocracy" of tech-finance elites: a consortium of giant corporations effectively trying to mint their own private money in order to consolidate transnational power. Such ventures were less about democratizing finance than about creating new levers of control for those already powerful.

5. Conclusion

Web3's utopian promise of decentralization sought to loosen the monopoly of states and capital over economic life, returning power to individuals. Yet the trajectory of stablecoins and the broader crypto ecosystem reveals a recurring disillusionment: behind the rhetoric, "new" infrastructures often re-embed themselves in the old order, sometimes becoming its extension. This is partly a problem of discourse—public understandings of crypto are frequently shaped less by scrutiny than by high-profile actors and prevailing narratives. Read through Latour, cryptocurrency is best approached as a sociotechnical hybrid: while protocols can appear self-contained (consensus rules, cryptography, software clients), their value and survival depend on networks of developers, validators, venture capital, traders, platforms, journalists, and—crucially—regulators, courts, and banks. Most users engage crypto through centralized exchanges, wallets, and ETFs tied to existing payment rails, while liquidity and volatility track macro conditions, interest-rate policy, and global risk appetite. "Crypto," then, is an assemblage in which code, markets, law, and culture co-produce outcomes; we "have never been modern" in any clean separation of the technical from the social. Still, this does not negate Web3's potential: cryptographic tools can support privacy and forms of community governance. But realizing that promise requires treating decentralization as a political-economic project, not just a idealized trajectory—preventing capture by incumbent power, ensuring participants share in gains rather than absorbing speculative harms, and balancing global financial experimentation with local sovereignty and equity.

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