

2. Risk of Lack of Stakeholder Buy-In

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A major risk confronting the U.S. CBDC is the lack of Stakeholders' "buy-in". The [Stakeholders](#) for a U.S. CBDC is far beyond just the Federal Reserve. The definition is applied to the U.S. CBDC is a large and spreading network of other U.S. Government Departments and Agencies, the current financial institutions that participate in the U.S. Financial system, the U.S. Executive and Legislative Branches of the U.S. Government, international governments and institutions, the citizens and residents of the U.S, and for that matter, almost everyone on the planet since the U.S. Dollar is the dominate [Reserve Currency](#). Obviously, it is not possible to invite everyone to sit down at a table and have discussions about a U.S. CBDC. Most people will rely on elected officials, government organizations, etc. to represent them.

In the Object Management Group's (OMG) CBDC WG response, we tried to help enumerate the U.S. CBDC in section [4.1 Stakeholders](#). Table 1 is a summary of the list identified so far that could be considered potential Stakeholders.

Table 1: Summary of the estimated number of Government Stakeholders for the CBDC.

Potential Oversight Authorities	No. of Stakeholders
U.S. Federal Government Oversight Authorities	14
non-U.S. Federal Government Oversight Authorities	19
Total	33

Although a U.S. CBDC is something new, it will also be part of the U.S. monetary system that is already established. The U.S. population relies on the monetary system and has expressed its aspirations for the monetary system through laws and regulations already in effect to control the monetary system. These laws and regulations have evolved since the founding of the U.S. and are generally a response to negative impacts on the U.S. people. Therefore, a major way to include the people as Stakeholders is to follow the laws and regulations of the U.S. The same can be said for the potential international stakeholders who rely on international treaties and agreements between the U.S. and their countries.

In the Object Management Group's (OMG) CBDC WG response, we tried to enumerate the U.S. and U.S. State laws and regulations that are concerned with Privacy in section [4.4 National Privacy Considerations](#). Table 2 is a summary of the list of Laws and Regulations identified so far for the U.S. and U.S. State laws covering Privacy.

Table 2: Summary of the number of laws and regulations covering National Security Considerations.

U.S. Privacy Consideration	No. of Laws and Regulations
U.S. Federal Laws and Regulations	10
U.S. State Laws and Regulations	6
Total	16

Here are some examples of "resistance" to a U.S. CBDC from potential stakeholders:

- WASHINGTON – Sen. Chuck Grassley (R-Iowa), a member and former chair of the Senate Finance Committee, and Sens. Ted Cruz (R-Texas) and Mike Braun (R-Ind.) have introduced new legislation to prohibit the Federal Reserve from issuing a central bank digital currency (CBDC) directly to

individuals. Specifically, the legislation prohibits the Federal Reserve from developing a direct-to-consumer CBDC, which could potentially be used as a financial surveillance tool by the federal government – similar to what is currently happening in China. ¹⁾

- People have a wide range of views when it comes to digital assets. On one hand, some proponents speak as if the technology is so radically and beneficially transformative that the government should step back completely and let innovation take its course. On the other hand, skeptics see limited, if any, value in this technology and associated products and advocate that the government take a much more restrictive approach. Such divergence of perspectives has often been associated with new and transformative technologies. ²⁾

1)

Chuck Grassley, News Release, 31 March 2022, Accessed: 24 April 2022, <https://www.grassley.senate.gov/news/news-releases/grassley-colleagues-introduce-bill-to-prohibit-unilateral-fed-control-of-a-us-digital-currency>

2)

Janet Yellen, The U.S. Department of the Treasury, Remarks from Secretary of the Treasury Janet L. Yellen on Digital Assets, 7 April 2022, Accessed: 24 April 2022, <https://home.treasury.gov/news/press-releases/jy0706>

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