

Crypto has taken center stage in global finance



SHARE THIS ARTICLE

Written by
Dave Lee

Reviewed by
Raghav Chopra

Updated 05:18 EST
Feb. 24, 2026

Over the last few months, a decisive shift in digital assets has occurred. Financial systems that operate on blockchain technology have cemented their place as a permanent part of global finance.

For regulators, the pace of change has been dramatic. Instead of reacting after problems occurred, they are now increasingly creating clear legal frameworks in advance. This shift deserves recognition. Authorities have moved beyond merely chasing bad actors and are beginning to actively shape how the crypto industry should function, who can participate, and which standards will govern it.

The United States has led this, with two major laws. The STABLE Act focuses on regulating stablecoins, while the GENIUS Act creates broader legal clarity around how digital assets should be issued, stored, and supervised. Together, these measures have brought long-awaited legitimacy to the stablecoin market, shoring up confidence among institutional investors and large asset managers. Firms that once viewed crypto as a regulatory minefield are reassessing that stance, as political support for digital assets has also become increasingly bipartisan. The creation of a Bitcoin Strategic Reserve, a government-held stockpile of Bitcoin, is being described as digital gold.

Join Our Newsletter

Join

Other governments have followed a similar path. In Europe, the Markets in Crypto Assets regulation, known as MiCA, establishes a unified legal framework in the European Union. MiCA allows crypto businesses to operate across borders without fear of sudden crackdowns.

Japan, historically cautious about digital currencies, accelerated pilot programs for stablecoins backed by the Japanese yen. Elsewhere in Asia, Hong Kong and Singapore introduced comprehensive regulatory systems designed to establish those cities as global centres for digital finance. This reflects a growing recognition that crypto regulation is no longer just about consumer protection, but about financial competitiveness.

Technological advances also made crypto networks easier to oversee. On Ethereum, Layer 2 solutions became widely adopted, making payments faster and significantly cheaper. These improvements help to create predictable transaction flows that are easier for regulators to monitor and supervise.

Another powerful trend is the digitization of traditional financial instruments on blockchain infrastructure. US Treasury bonds, private credit and money market funds are increasingly represented on-chain, with ownership recorded through tokenized structures. By the end of 2025, institutional adoption had pushed billions of dollars of real-world assets on to blockchain systems.

Major financial institutions drove this change. BlackRock has launched a tokenized money market fund, while JPMorgan has expanded a range of blockchain-based financial initiatives. These advances bridge traditional finance with decentralized finance. Regulators are right to welcome this evolution. Tokenized assets offer greater transparency, highly efficient auditing, and a level of stability that contrasts sharply with the speculative excesses of crypto's early years.

Stablecoins have now become part of everyday financial activity. They have evolved into tools for international transfers, settlements and e-commerce. Monthly transaction volumes completed with stablecoins now rival those of major credit card networks.

The growing integration of crypto in the financial system is also evident in traditional capital markets. Industry consolidation has accelerated, with Coinbase acquiring Deribit and Kraken acquiring NinjaTrader, while a number of crypto-native firms have completed public listings. IPOs by companies such as Circle, Gemini, and Bullish underscore that regulated crypto businesses can now operate within conventional market structures.

A few interesting developments will lead to even more mainstream adoption. Bitcoin exchange-traded funds are expanding rapidly, Ethereum investment funds are beginning to incorporate staking, and decentralized financial systems are increasingly relying on AI to automate trading, lending, and risk management. These capabilities raise new governance questions, but they also reinforce the direction of travel.

For regulators, this requires a very delicate balancing act. While heavy handed rules can slow innovation, it must be remembered that insufficient oversight can lead to financial instability. But cryptocurrency is no longer a fringe experiment. Governments that treat it as core financial infrastructure, alongside banks, payment systems, and capital markets, will shape the rules of global finance for the next decade.

Dave Lee is Founding Partner at Aqua Labs

Disclaimer: This content is provided by a third party. Coin Headlines does not endorse any product or service mentioned in this article. Users must do their own research before making any financial decisions.

PREVIOUS ARTICLE

OCC nods in Crypto.com's bank charter despite pushback from banking industry

NEXT ARTICLE

Top 5 Meme Coins price market analysis – Dogecoin, Shiba Inu, Pepe, MemeCore, Pudgy Penguins

Coin Headlines ▶ Community & Insights ▶ Opinion ▶ **Crypto has taken center stage in global finance**

About Coin Headlines

Coin Headlines covers the latest news in crypto, blockchain, Web3, and markets, bringing you credible and up-to-date information on all the latest developments from around the world.

We focus on real-time news updates, market movements, whale transfers, and macroeconomic trends to keep you informed and engaged. Whether it's Bitcoin price swings, altcoin updates, meme coin hype, regulatory changes, or major moves from the world of traditional finance, Coin Headlines gives you what you need to know, right when you need it.

Popular Topics ProofPass wallet ZK-ID Vault Bitcoin halving Liquidity mirage AI integration What is an NFT What is dApps Render Network Public Bitcoin miners

News	Crypto	Tutorials	Community & Insights	Resources	Company
▶ Blockchain ▶ Exclusives ▶ Features ▶ Interviews ▶ Markets ▶ Web Stories ▶ Web3 ▶ Tech & AI	▶ Altcoin ▶ Bitcoin ▶ Meme Coin	▶ Blockchain ▶ Crypto ▶ Web3	▶ Opinion ▶ Announcements ▶ Reports	▶ Videos ▶ Prices ▶ Sitemap ▶ Author	▶ About us ▶ Contact us ▶ Careers ▶ Cookie Policy ▶ Editorial Policy ▶ Terms and Conditions ▶ Privacy Policy

Disclaimer

The articles on Coin Headlines are meant for news and information purposes only, not financial advice. Cryptocurrencies and business investments are risky. Always do your own research before investing.

Latest News



Narrative strength score

Written by **Rita Dfouni** 8 min read

Stripe explores potential acquisition of PayPal: Report says

Written by **Nausheen Thusoo** 3 min read

Why Stablecoins are the real financial stress indicator in crypto market

Written by **Rita Dfouni** 7 min read

Trending News



Epstein emails resurface with another crypto twist; Gensler talks, XRP bets and more

Written by **Nausheen Thusoo** 2 min read

Ripple secures money license in Luxembourg

Written by **Johann Wilfred** 1 min read

Dubai proptech startup Daleel raises \$3 million to transform Gulf real estate market with AI

Written by **Raghav Chopra** 3 min read

HARVARD'S CRYPTO PIVOT

04:58

YouTube

SUBSCRIBE