



## Cryptocurrency and new financial instruments: unquantified public health harms

Public health harms from gambling are now well recognised. Public Health England estimates societal gambling-related harm in England exceeds £1.27 billion. Australian research estimates that the years lost to disability from gambling exceeds that of diabetes.<sup>1</sup> Policy makers have begun to take action; gambling advertising and sponsorship is banned in Italy, and English football clubs and the UK government are currently considering sponsorship bans for the Premier League.<sup>2</sup>

However, there are an array of newer financial products yet to receive substantial public health research or policy attention. Although traditional long-term stocks and shares have underlying assets and might pay dividends, other products such as high-frequency trading have features of gamblification; they lead most investors to lose, they attract people at risk of experiencing gambling-related harm, and either encourage high frequency of use or promise sizeable imminent wins.<sup>3</sup>

The trading of cryptocurrencies—volatile decentralised digital assets—is likely to meet the conditions of gamblification. Research shows cryptocurrency trading is associated with problem gambling.<sup>4,5</sup> It can hold higher risks than gambling, as these speculative tokens are largely unregulated, despite 12% of Britons who own a cryptocurrency believing they are protected by financial authorities, according to the Financial Conduct Authority.

Furthermore, public demand for these new financial products is being generated through endorsements in sports, by celebrities, and through mainstream advertising. Many cryptocurrency marketing strategies are reminiscent of those pursued by the

gambling industry to target people at high risk of gambling harm: young men. For example, 19 of 20 Premier League teams in the 2021–22 season had sponsorship affiliations with cryptocurrencies.

Although gambling harm is increasingly appraised through a public health lens, researchers and policy makers should also consider new financial instruments that have features of gamblification when seeking to research or reduce the burden of harm of gambling. Otherwise, new harmful products might fill the space left by public health and regulatory measures taken against traditional gambling products.

We declare no competing interests.

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For more on the **Public Health England estimates** see <https://www.gov.uk/government/publications/gambling-related-harms-evidence-review>

For more on the **Financial Conduct Authority research** see <https://www.fca.org.uk/publications/research/research-note-cryptoasset-consumer-research-2021#f-chapter-id-overview-of-key-findings>