

# Less buzz, Less show

As bitcoin gyrates, less euphoria in evidence at blockchain gathering

Last year's Consensus blockchain conference took place just four months after the virtual currency hit almost \$20,000, spawning a legion of bitcoin millionaires who rode in swanky luxury cars and partied in over-the-top soirees



● **Blockchain is a digital ledger that is the underlying technology of bitcoin with broad applications in finance and many industries**

New York, United States

The vibe at a gathering this week for blockchain enthusiasts felt decidedly less exuberant than its predecessor a year ago after dizzying swings in bitcoin.

Last year's Consensus blockchain conference took place just four months after the virtual currency hit almost \$20,000, spawning a legion of bitcoin millionaires who rode in swanky luxury cars and partied in over-the-top soirees.

Despite bitcoin's latest bounce, this year's gathering, again held at a hotel in New York, featured less ostentatious displays of wealth and a more sober sensibility.

The shift is partly a reflection of bitcoin's dramatic price swings, as well as a sign of the evolution of blockchain technology into more real-life, less trendy applications.

"It's definitely less buzz, less show," said Wes Fuldord, chief executive at Bitfarms Technologies, a cryptomining operation based in Quebec. "But it's reflecting signs of a more mature market."

Blockchain is a digital ledger



Bitfarms founder and president Pierre-Luc Quimper, right, and CEO Wes Fuldord are seen at their bitcoin mine in Magog, Que



Deloitte demonstrated blockchain-based cybersecurity technology at the Consensus 2019 conference in New York

that is the underlying technology of bitcoin with broad applications in finance and many industries that permit multiple users to share data and information in real time. The technology is considered secure because the

data cannot be altered.

"In 2018, we just had a lot of powerpoint presentations," recalled Francois-Xavier Thoorens, founder of blockchain company Ark. "This year, we have real products."

Display stands at the event included a Deloitte product of three screens that employs blockchain for cybersecurity, and an application from startup Riddle & Code that authenticates expensive watches.

Speakers included representatives of Pfizer and AstraZeneca, who discussed blockchain applications in pharmaceutical research, and Microsoft, which is marketing a blockchain-based "decentralized identity" to secure personal data.

Attendees also discussed solutions to manage the ownership of digital assets and the various legal and regulatory issues that have surfaced.

This year's conference, sponsored by the digital media company CoinDesk, follows a turbulent year for bitcoin, which bottomed out at \$3,200 in December in a decline that sparked skepticism on the potential of blockchain.

## Mysterious bitcoin rally

The recent rally in bitcoin -- doubling to \$8,000 from \$4,000 in late March -- failed to push conference attendance to the 2018 count of 8,000. This year's event drew just 4,800 people.

The volatility in bitcoin prices as especially troubling for some observers. Fuldord said some smaller players have exited the market, leaving it to more established companies.

"Some of the hype has slowed down in the back of price weakness in 2018," Fuldord said.

Some blockchain experts have

questioned whether the latest rise in bitcoin as a result of financial market uncertainty due in part to protracted US-China trade talks, with investors seeking "refuge" in the crypto market.

But for many the rally in the digital currency remains a mystery.

"We're still at the stage with bitcoin of alternating between euphoria and despair," said Thoorens, adding that more attention from regulators should with time lead to a more normalized market.

Thoorens noted that the crypto universe has come a long way from one that only two years ago could lead to banks closing an account linked to a crypto trading platform.

"All technologies go through the same steps, from fringe, to frontier, to mainstream," said Margaret Rosenfelds, an attorney who specializes in blockchain at K&L Gates.

At this point, finance is the most seasoned when it comes to understanding cryptocurrencies and using blockchain, she said.

But many other sectors are looking at applications, and devotees still expect to see growth is expected, even if the technology remains a bit abstract to a non-specialist.

Comparing it to the technology underlying email and many other now-common applications, Rosenfelds said, "The average person don't need to understand how it works to adopt and use it."

# Trump lifts steel, aluminum tariffs on Canada, Mexico

● **The 25 per cent tariff on steel and 10pc on aluminum -- became a major stumbling block to ratifying a new North American trade pact**



"I'm pleased to announce that we've just reached an agreement with Canada and Mexico and will be selling our product into those countries, without the imposition of tariffs"

DONALD TRUMP

Washington, United States

President Donald Trump on Friday announced a deal to lift US tariffs on steel and aluminum imports from Canada and Mexico that had created friction between the neighbors and blocked a new North American free trade agreement.

His statement came moments after Canada released the text of the agreement between Ottawa and Washington in which they agreed to eliminate US tariffs on steel and aluminum, and Canada's retaliatory measures, within no more than two days.

Mexico confirmed it had reached a similar agreement with the United States.

"Trump's strategy has worked," US Commerce Secretary Wilbur Ross said in a statement, crediting the tariffs with reviving US steel and aluminum manufacturers.

The steep US tariffs imposed last year -- 25 percent on steel and 10 percent on aluminum -- became a major stumbling block to ratifying a new North American trade pact negotiated last year by the three countries.

Canada and Mexico initially were exempted from the tariffs Trump enforced using a national security argument, as part of his hardline trade tactics.

Once America's neighbors were included, the levies drew

retaliation with tariffs on a host of US products.

Even after the governments agreed to a revised free trade deal -- the US-Mexico-Canada Agreement, or USMCA -- the tariffs remained in place, but officials in Ottawa and Mexico City said they would not sign unless Washington removed the metals duties.

## Not making sense

Speaking to reporters in Ottawa, Canada's Prime Minister Justin Trudeau said there was a shared recognition that "these tariffs were harming workers and consumers on both sides of the border" and "didn't make a lot of sense" in the context of a new free trade deal.

"Obviously these continued tariffs on steel and aluminum and our countermeasures represented significant barriers to moving forward with the new NAFTA agreement," he said, referring to the 24-year-old North American Free Trade Agreement.

"Now that we've had a full lift on these tariffs we are going to work with the United States on timing for ratification but we're very optimistic we are going to be able to move forward well in the coming weeks," Trudeau said.

Mexican chief trade negotiator Jesus Seade likewise tweeted that the lifting of tariffs "clears

the way towards ratification of USMCA."

Some key members of the US Congress had said they would not agree to vote for the three-country free trade pact unless the Trump's metals tariffs ended.

"Hopefully Congress will approve it quickly," said Trump.

Democratic US Senator Chuck Schumer applauded the decision to remove the metals tariffs, but said there are other concerns about the USMCA.

"It is a good thing these tariffs will be lifted, and we should urge our allies to join us in preventing China's predatory practices," Schumer said in a statement.

However, "There are still many other issues that are outstanding before Democrats would support the USMCA."

According to the agreement, Canada and Mexico will withdraw all complaints lodged against the United States at the World Trade Organization.

The two countries also agreed to monitor imports of steel and aluminum to ensure metals that are sold at "dumped prices" -- below the cost of production -- are not purchased in or shipped through Canada and Mexico.

In addition, they agreed to a provision to reimpose steep duties if imports of the metals "surge meaningfully beyond historic volumes of trade over a period of time."

The US Trade Representative's office said the agreement "provides for aggressive monitoring and a mechanism to prevent surges in imports of steel and aluminum."

"This agreement is great news for American farmers that have been subject to retaliatory tariffs from Canada and Mexico," USTR said. US tariffs on steel and aluminum from Europe remain in place, as does the EU retaliation. Some countries, including South Korea, accepted export quotas to avoid the tariffs.



A man works in a steel distribution factory in Monterrey in northern Mexico