

THE BIG PICTURE

BEHIND THE SCENES

REUTERS JOURNALISTS ALL ACROSS THE GLOBE ARE PROVIDING UNMATCHED COVERAGE ON CRYPTOCURRENCIES. GET AN INSIDE LOOK AT REUTERS IN-DEPTH “CRYPTO CASINO” SERIES WITH GLOBAL INVESTIGATIVE REPORTER **STEVE STECKLOW**.

HOW DID YOU GET STARTED ON THE “CRYPTO CASINO” SERIES?

I started looking into the so-called “dark web” – the hidden part of the Internet that is rife with crime – and became intrigued that it was enabled by bitcoin. At the time, the cryptocurrency was trading around \$1,000 and little attention was being paid, especially when it came to investigative reporting. I recruited several colleagues from across the globe who cover fintech – including Anna Irrera in New York and Brenna Hughes Neghaiwi in Zurich – as well as Alexandra Harney in Shanghai to help me develop a series. We spent eight months and produced four in-depth stories.

WHAT DID YOUR REPORTING REVEAL?

We documented in detail how cryptocurrency exchanges have become magnets for hackers, fraud and deception; how one of the biggest initial coin offerings (ICOs) had descended into acrimony and disarray; why creditors of the bitcoin exchange Mt. Gox, which collapsed in 2014, have yet to recover a single crypto-cent; and how one of the most successful crypto-entrepreneurs has pumped up the value of his investments through clever use of social media. The recurring theme was how investors are offered very little protection.

WHAT WERE THE MOST CHALLENGING PARTS OF THE REPORTING?

This is a relatively new financial sector, and it lacks transparency. It takes a lot of work simply to figure out who is running an online cryptocurrency exchange where billions of dollars worth of cryptocurrencies are traded daily. For many of these companies, there is no such thing as an “About us” page. The subject also is very technical with lots of jargon. And many people in the space believe in digital currencies almost like a religion and aren’t used to being asked tough questions.



TELL US ABOUT THE IMPACT OF THE SERIES.

The impact from our work has been far-ranging:

- At least four class-action lawsuits were filed in the United States against the organizers of the Tezos initial coin offering on the basis of our reporting.
- New York’s Department of Financial Services said it would “take appropriate action” against Poloniex, a U.S. exchange that Reuters found had accepted New York state residents as customers despite lacking a required state license.
- In recent months, regulatory bodies throughout the world, including the Securities and Exchange Commission, have said cryptocurrencies need to be regulated.
- The series was widely praised, including by the Financial Times which wrote of our first story, “We should celebrate Reuters’ richly-produced Chaos and hackers stalk investors on cryptocurrency exchanges.”