



A Quick Recap of the Past 10 Years: As Finance and Technology Became Cryptocurrency and AI



Stefano Virgilli
VP Digital Initiatives
DWF Labs

December 24, 2024

As I celebrate my tenth anniversary writing for the Oman Observer, I find myself reflecting on the profound technological shifts that have taken place over the past decade. When I first began contributing columns, my focus was primarily on startups and traditional businesses, drawing from my experience as a mentor to small and medium enterprises with Riyadhha. Gradually, I expanded my scope to include finance and technology, and by 2018, I found myself writing increasingly about blockchain and cryptocurrency.

I vividly recall a column in which I explored the potential utility of blockchain technology, envisioning a future where passports, educational records, and medical data would all be migrated to blockchain-based systems. At the time, I believed that blockchain held the key to solving many of society's issues. However, as the years have passed, I've come to realize that while blockchain and cryptocurrency can indeed support

advancements in technology and finance, their impact on the world may not be as immediate or revolutionary as I once naively believed. If blockchain is to become the prevailing technology, it will likely take decades to truly transform our lives, if it ever does.

In stark contrast, the rapid rise of artificial intelligence (AI) has demonstrated just how quickly a low-hanging-fruit technology can penetrate every aspect of our existence. Within a mere two years of the public release of Chat GPT, there is virtually no one in the world who doesn't know what AI is and broadly what it can do for society. From children to the elderly, people everywhere are discovering tangible ways to interact with AI technology.

The creative industries, in particular, have blossomed thanks to AI. Tools like Adobe Sensei and Canva's AI-powered features enable designers to quickly generate layouts, color palettes, and design elements, streamlining the creative process. AI-based platforms such as AIVA and Amper Music allow musicians to create original compositions and complete unfinished songs. Video editing software now incorporates AI-powered tools that automate tasks such as color grading and object removal. Game developers use AI-assisted tools to create more realistic non-player characters, while AI writing assistants help writers refine their work and overcome creative blocks.

Programmers, too, have become exponentially more efficient with the help of AI. Tools like DeepCode and Codota provide real-time suggestions for code optimization and bug fixes, helping programmers write cleaner, more efficient code in less time. AI-driven testing tools automatically generate and run test cases, reducing the time and effort required for manual testing. Natural Language Processing libraries and frameworks enable programmers to more easily incorporate advanced language understanding capabilities into their applications.

News media outlets have also embraced AI, with entire sections now dedicated to AI-generated content. Media giants like The Washington Post and The Guardian use AI to automate the creation of routine news stories, freeing up journalists to focus on more complex and investigative pieces. News aggregators employ AI algorithms to curate and recommend personalized content, while fact-checking tools help identify and flag potential misinformation. AI-assisted data visualization tools enable journalists to quickly create interactive and visually compelling data-driven stories.

Meanwhile, blockchain technology, despite being around for well over a decade, has struggled to make a clear statement about its efficacy and necessity in any industry. The world continues to function without widespread blockchain adoption. The most well-known element of blockchain technology is undoubtedly Bitcoin - not the fastest, most flexible, or best blockchain solution, yet it has become the standard by which

everyone gauges what blockchain is. Ask a child or an elderly person about blockchain, and you'll likely be met with vague, lost expressions. But ask about Bitcoin, and everyone nowadays will tell you "\$100k."

Money, it seems, is by far the most tangible way to measure a technology's impact, as it awakens in everyone the desire to become rich overnight. Bitcoin has paved the way for hundreds of other cryptocurrencies to play that role in many lives. However, it's crucial to understand that the cryptocurrency market is highly volatile. BTC didn't reach its previous all-time high of nearly \$70,000, neither the most recent at \$105,000 overnight; it took 15 long years of ups and downs to get there. In fact, very recently in its history, Bitcoin's price plummeted from around \$67,000 to \$14,000, leading many to believe that the cryptocurrency was finished.

When these collapses in price occur, people tend to ignore the entire industry for months on end, sometimes missing out on the potential upside opportunities. It's important to note that I am in no way attempting to advise anyone on their finances, but if we were to draw a comparison to the real estate market, prices go up, and sometimes prices go down.

The real estate market has experienced its fair share of volatility, often driven by external factors such as financial crises and pandemics. For instance, the global financial crisis of 2007-2008, triggered by the subprime mortgage crisis in the United States of America (USA), had a profound impact on real estate markets worldwide. As credit markets froze and foreclosures soared, property prices plummeted, leaving many homeowners underwater on their mortgages. It took years for the market to recover, with some regions experiencing a more gradual rebound than others.

More recently, the COVID-19 pandemic has had a significant impact on the real estate market. The initial uncertainty and economic downturn caused by the pandemic led to a temporary slowdown in the housing market. However, as lockdowns persisted and remote work became more prevalent, many people began to reassess their living situations, leading to a surge in demand for larger homes and properties in suburban and rural areas. This shift in preferences, combined with historically low interest rates, has driven up prices in many markets, creating a seller's market despite the ongoing economic challenges. In the middle of the crisis I was offered to buy an apartment in a condo in Malaysia at exactly 50% of its current price in 2024.

The real estate market's ups and downs demonstrate that there is always a reason why any market will fluctuate. A financial crisis, a pandemic, another financial crisis, a war, and yet another war—all of these events can have a significant impact on market sentiment and prices. As humans, we tend to get excited when prices rise and turn our heads when they fall.

However, it is clear that the best deals are often made when prices are down because the upside potential is higher. Conversely, the best time to sell is when prices are high, as that's when it's time to reap the rewards. The same principles can be applied to the cryptocurrency market. While the volatility can be intimidating, it also presents opportunities for those who are willing to do their research and invest wisely.

In the case of Bitcoin, the cryptocurrency has experienced multiple boom-and-bust cycles over its 15-year history. Early adopters who bought Bitcoin when it was trading for just a few dollars per coin have seen their investments grow exponentially, despite the market's volatility. However, those who bought at the peak of a bull run, such as in late 2017 or early 2021, may have had to wait years to see a return on their investment, if at all.

The key takeaway is that market fluctuations, whether in real estate, cryptocurrencies, or any other asset class, are a normal part of the investment landscape. While it can be tempting to get caught up in the hype when prices are soaring or to panic when the market plummets, a long-term perspective and a disciplined approach to investing can help navigate the ups and downs. As with any investment, it's essential to conduct thorough research, assess your risk tolerance, and make informed decisions based on your financial goals and circumstances.

Disclaimer: The information provided in this article should not be considered financial advice. The cryptocurrency market remains dynamic and carries risks. It's essential to conduct your own thorough research and consult with qualified professionals before making any investment decisions.