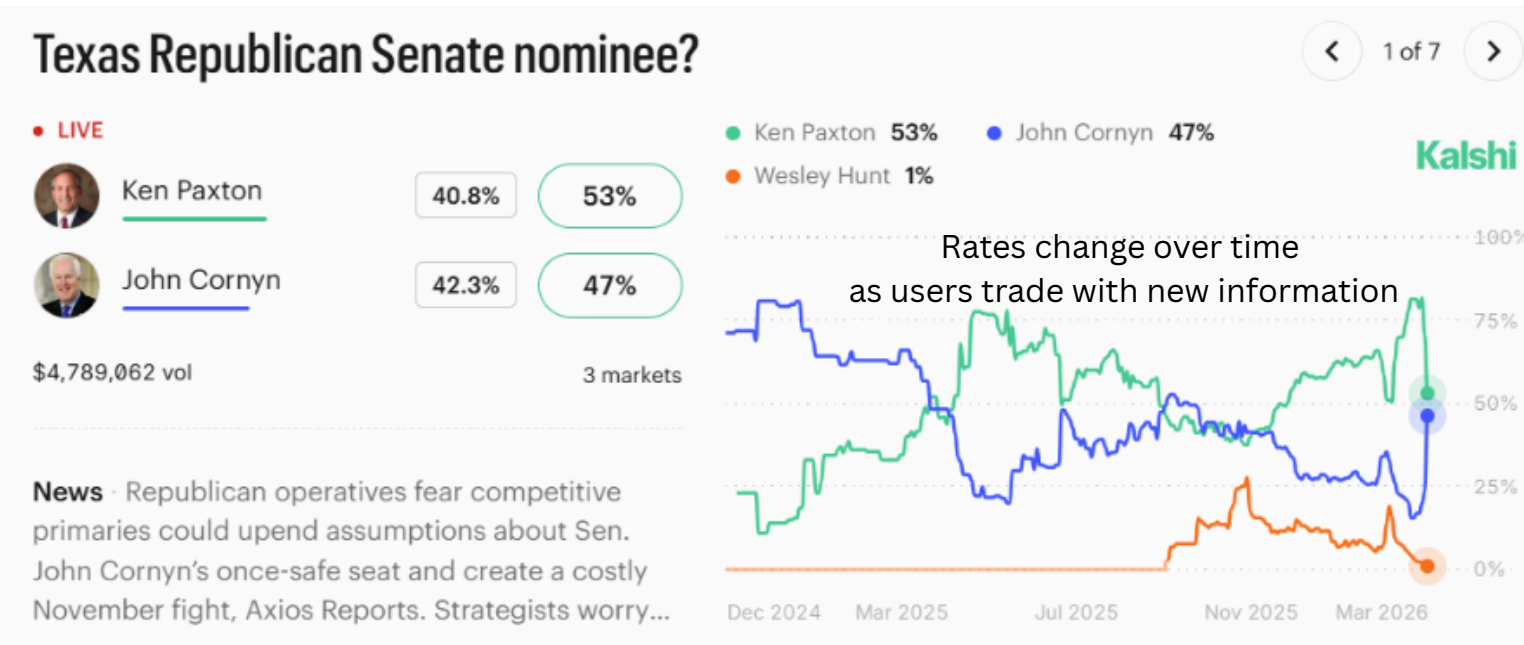


# Prediction Markets, Regulation, and Insider Trading

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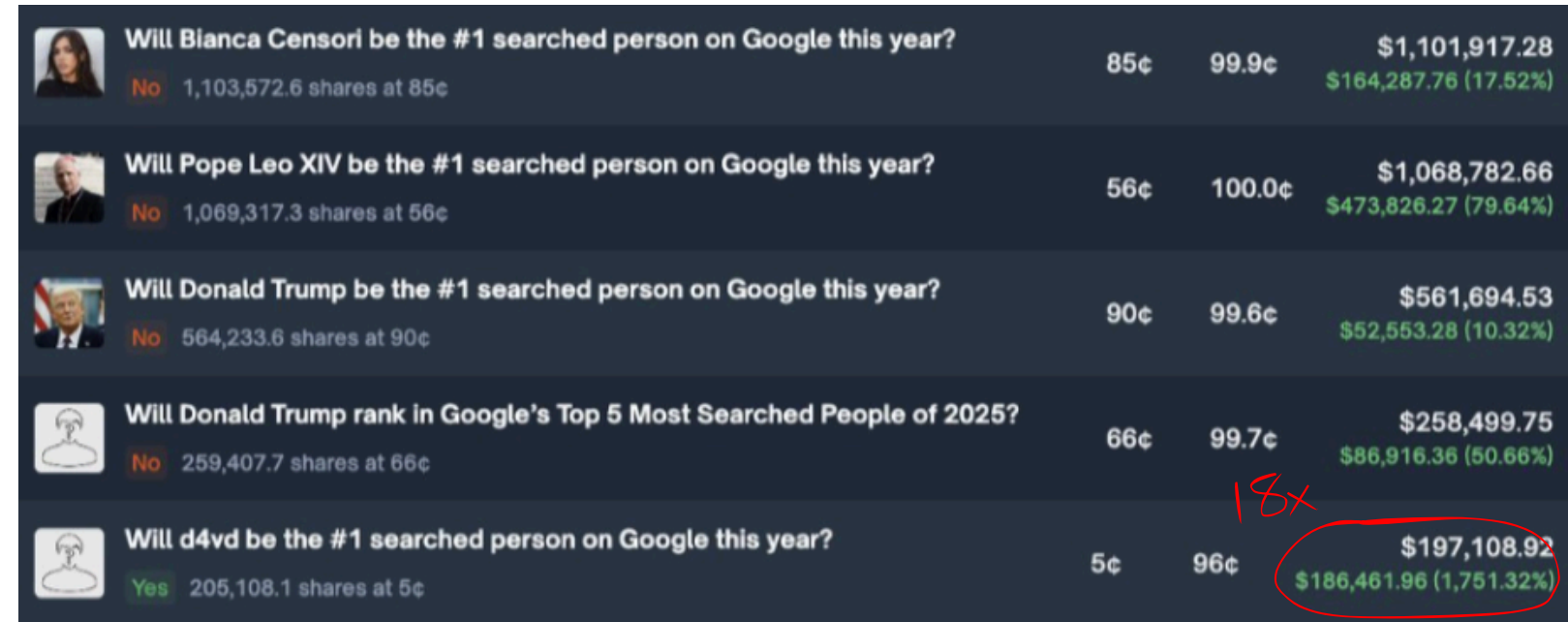
## What is a Prediction Market?

A platform where users buy and sell shares based on forecasted outcomes.



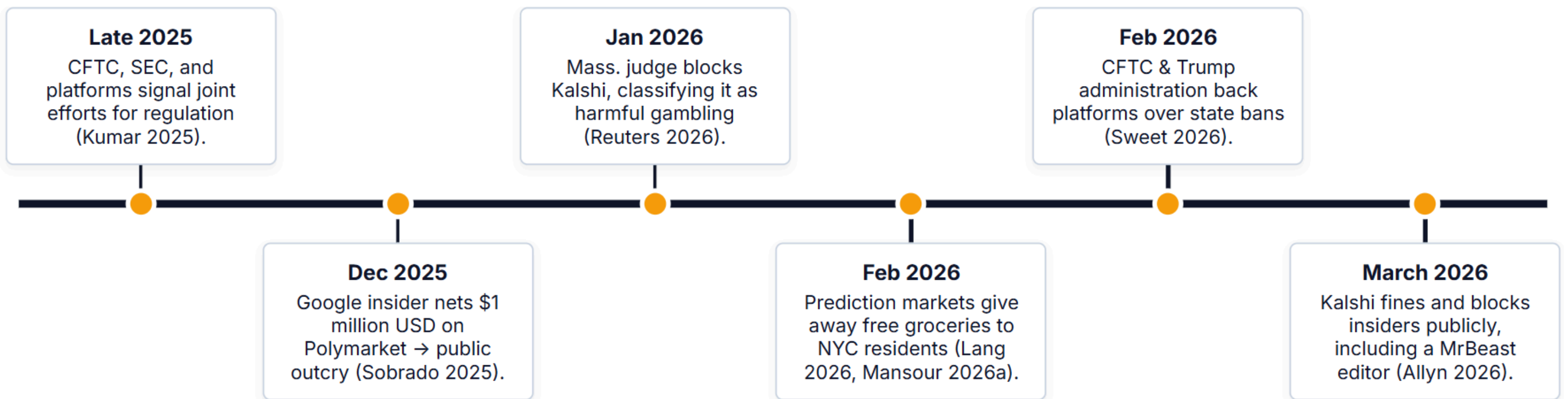
## What is Insider Trading?

Using secret, non-public information to place trades with an unfair advantage.



Many extremely profitable trades all on Google search.

## The Regulatory Crisis



## Opportunities vs Challenges

Prediction markets offer great societal and economic benefits, but require solving structural challenges for ensuring public safety.

### Opportunities

- Boosted Civic Engagement
  - Giving the public a financial stake in events → incentives
  - to pay closer attention to news, elections, and global affairs.
- Economic Growth
  - Increases liquidity and velocity of money, generates revenue for the economy as well as growth opportunities.
- Real-Time Forecasting
  - Provides crowd-sourced predictions, thoughts, and opinions
  - on complex world events faster + more reach than regular polling.

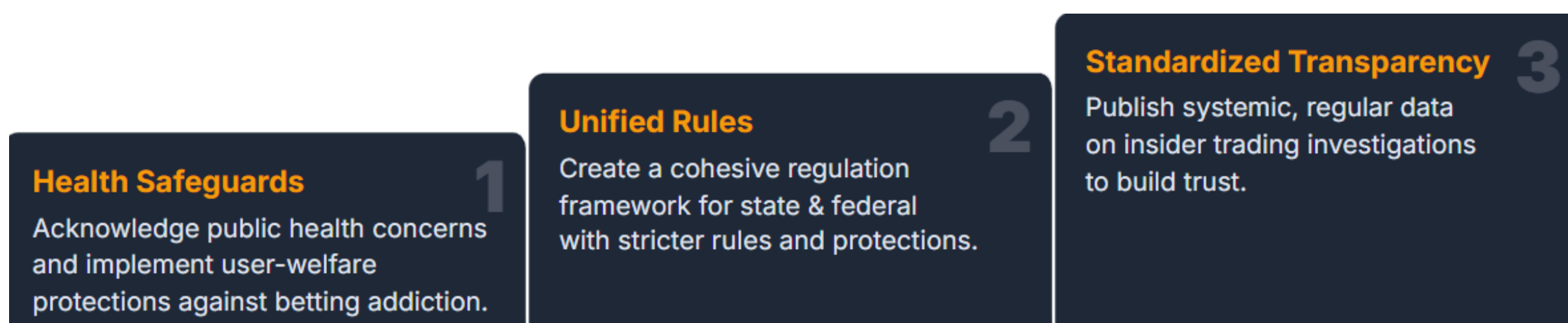
### Challenges

- Market Integrity
  - Insider trading allows those with private information to unfairly capitalize + extract money from everyday users (Mansour 2026b).
- Public Health Risks
  - Gamifying news and daily events exposes a wide audience to gambling risks such as addiction and compulsive betting (Yeola 2025).
- Lack of Transparency
  - Standardized reporting on bad actors would build trust
  - and help the general public understand & trust these platforms.

**These are very similar to opportunities + challenges of gambling and sports betting!**

Prediction markets allow everyone to have the opportunity to bet on what they believe on; reaching more than just sports fans.

## Building a Better Market



View references

