



Venezuela Announces Adoption of Virtual Currency



The President of Venezuela Nicolás Maduro has revealed the implementation of a new scheme to create a virtual national currency, in order to prevent the damage caused by the aggressive US economic war against that South American nation through the domestic moneyed circles that still operate there.

Last August, President Donald Trump announced the introduction of several punitive measures against the country that would prevent Venezuela from using US dollars in its economic transactions.

Such decision added to other punitive measures aimed at disrupting and terminating social programs in support of the lower income population of Venezuela.

The European Union also announced its readiness to join Washington's aggressive schemes against Venezuela, a country that, besides the dollar, could be curtailed in its legal use of euros.

The announcement by the Venezuelan Chief of State aims at defying those threats through a world much extended now a days, that is the virtual world, in which tens of thousands of monetary transactions through the use of virtual money are successfully conducted every day, with the use of several types of virtual currencies.

The best definition was released by the European Central Bank back in twenty twelve when it insisted on the use of digital unregulated currencies, issued and controlled by established



developers and used and accepted among members of an established virtual society.

The major difference between the virtual currencies and paper ones is that they are not subjected to any supervision by governments or financial institutions. In other words, those virtual currencies are different from the US dollar, which is issued and controlled by the US Treasury Department.

Experts, however, consider that there precisely lies the weakness of the US dollar, which depends exclusively on the trust of its bearers.

In the case of Venezuela, President Maduro explained that the Petro, as the new Venezuelan currency will be known, will be backed by the nation's oil reserves, by far the largest in the world, as well as by Venezuela's huge reserves of diamonds and gold. These resources guarantee the solidity and stability of the new Venezuelan currency.

A measure like this one has its background in the nineteenth century, when some investors invented bonds as a weapon to stimulate sales. Another such early decision began as of nineteen eighty with the explosion of the so called plastic money, meaning the credit cards, to conduct transactions without real money.

The Internet later added to this expansion of virtual money, with the possibility of buying and selling everything without actual money.

Now, Venezuela joins this new world to protect itself, develop its commerce and show that life is always richer and more creative than most doctrines foresee.