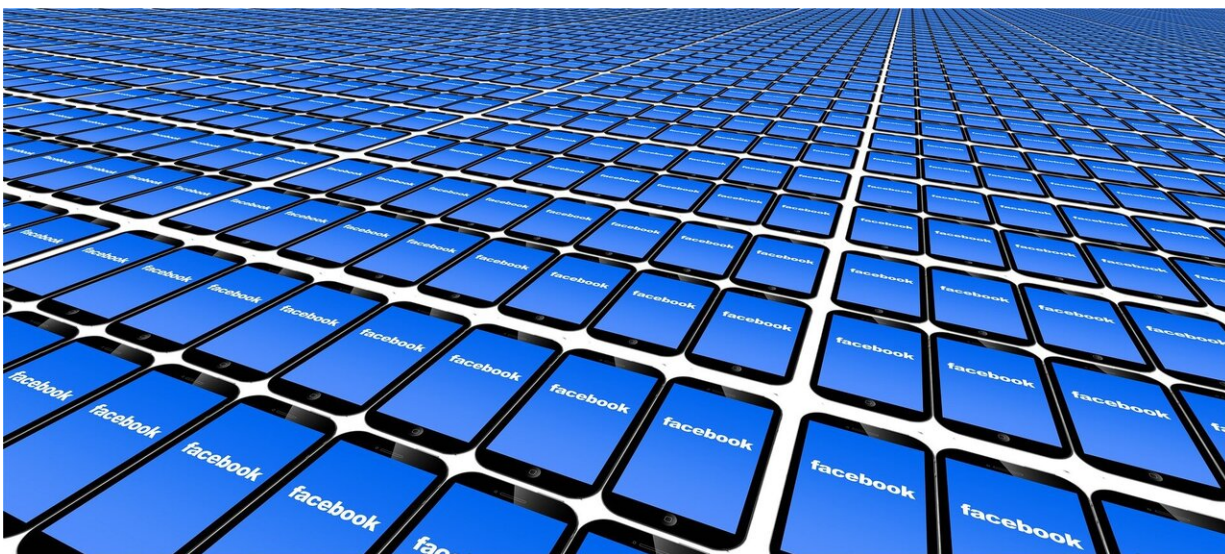


Trump warns Facebook over its plan to create a digital currency

July 12 2019, by John Harney, Bloomberg News



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President Donald Trump on Thursday night warned Facebook Inc. over its plan to create a digital currency, the Libra.

"Facebook Libra's ['virtual currency'](#) will have little standing or dependability. If Facebook and other companies want to become a bank, they must seek a new Banking Charter and become subject to all Banking Regulations, just like other Banks," Trump said in a series of posts on Twitter.

The president expressed skepticism of digital currencies in general.

"I am not a fan of Bitcoin and other Cryptocurrencies, which are not money, and whose value is highly volatile and based on thin air," Trump wrote. "Unregulated Crypto Assets can facilitate unlawful behavior, including drug trade and other illegal activity."

Facebook did not respond to a request for comment on Thursday night.

The company has faced questions from regulators and politicians in both parties since it announced that it planned to enter the cryptocurrency market.

Testifying before the House Financial Services Committee earlier this week, Federal Reserve Chairman Jerome Powell said the proposed coin "raises many serious concerns regarding privacy, money laundering, [consumer protection](#) and [financial stability](#)."

Committee Chairwoman Maxine Waters expressed concern about the social networking giant's plans for the token and questioned Powell about the Fed's thinking on it. Waters and other Democrats have been critical of Facebook's strategy, and she said the company may ultimately want "to establish a parallel banking and monetary policy system to rival the dollar."

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Citation: Trump warns Facebook over its plan to create a digital currency (2019, July 12)
retrieved 5 May 2024 from <https://phys.org/news/2019-07-trump-facebook-digital-currency.html>

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