



## Facebook Libra revamp insufficient, warns U. S. lawmaker

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**The Libra Association's thinned strategy to echelon digital disparity of the current currencies has not satisfied at least one United States lawmaker.** The Facebook Libra revamp has not pleased Rep. Sylvia Garcia, who is a member of the Home Monetary Companies Committee. She claimed that the new game plan does not solve the issues she raised earlier.

Moreover, according to Rep. Garcia, it is still unclear as to why Facebook is building a digital currency. **She claims that Facebook has not yet answered how the Facebook Libra revamp will impact the global monetary system and the users.** Additionally, she claimed that Facebook, together with the Libra Association, had the chance to tackle the arguments that she and other lawmakers raised in the original whitepaper.

She cites Facebook CEO's Mark Zuckerberg, last congress hearing last year while asserting that the Libra Association decided not to pay attention to "bipartisan concerns" brought up about the Libra stablecoin project. The remarks by Garcia suggest that Libra's beginnings as a Facebook project is still a political hindrance regardless of the Libra revamp.

Libra Association originally planned for a global stablecoin

Facebook's initial plan was more ambitious compared to the watered-down Facebook Libra revamp. The original idea was to create a universal cryptocurrency pegged to a basket of different fiat currencies. Due to this reason alone, the Libra project became unpopular among politicians, monetary watchdogs, and global central banks. **They were afraid the proposed Libra cryptocurrency would disrupt their financial dominion.**

The issues raised by these bodies resulted in key Libra Association members such as Vodafone, PayPal, and MasterCard to bail on the project back in October last year. In the latest diminished Libra cryptocurrency version announced on April 16, Libra will alternatively roll out a string of stablecoins, each backed by a sovereign fiat currency.

Reactions to the Facebook Libra revamp elsewhere.

According to Diego Zuluaga, a policy analyst at Cato Institute's Center for Monetary and Financial Alternatives, the recent downgrade of the Libra stablecoin should not worry central banks as it is more like PayPal and other popular digital payment methods.

**Besides, David Gerard, through his blog, noted that regulators and the central banks would police the newly revamped Libra.** He adds that the cryptocurrency will not be under the full jurisdiction of the Libra association.

*“Libra is being forced to turn into PayPal-but-it’s Facebook – with the back-end system running on a blockchain, for no reason except to say it’s on a blockchain,” Gerard highlighted.*