
Venezuelan petro, the first steps to replace the US dollar

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The mass use of the petro marks a new stage in the protection of revenues for Venezuelans, as the crypto-currency is taking its first steps to become a financial alternative to the US dollar.

One week after President Nicolas Maduro assigned the petro to state workers and pensioners, and that the government said that commercial establishments were allowed to do transactions in that crypto-currency, people's skepticism about its use has been overcome.

Although resistance to change and some technical and organizational difficulties still hinder the Venezuelans' interest in doing transactions in petros, at least thousands of people are acquiring products and services in that currency, which is quoted at roughly 1.38 million bolivars (nearly 30 US dollars).

A few days ago, when announcing the measure, Maduro pointed out that this new, unique and exceptional experience can be an example for the world that is getting born. The petro is being born in the framework of the new multipolar world and, economically speaking, it paves new ways to the peoples' development'.

With the creation of the petro in 2018, Venezuela became the first country to use a crypto-currency as a viable alternative to eliminate the dollarization of its economy.

Based on a proposal by Commander Hugo Chavez in 2009, the new currency is backed by 30 billion barrels of oil from the Ayacucho 1 Block, which account for 1.5 billion dollars.

A year later, amid the severe blockade by the United States, which has affected the national economy, the State certified 180 billion tons of briquetted iron before the National Superintendence for Crypto-Assets and Related Activities (SUNACRIP) to back those operations.
