



“Shot Heard Around The World” — El Salvador President Pushes Bill To Adopt Bitcoin As Legal Tender

Description

EL SALVADOR: In a pre-recorded video, El Salvador President Nayib Bukele made a somewhat shocking announcement in the final hours of the Bitcoin 2021 conference in Miami on Saturday afternoon.

Bukele said Saturday he will send a bill to the Central American country's Congress next week to **make bitcoin legal tender**.

[#Bitcoin](#) has a market cap of \$680 billion dollars.

If 1% of it is invested in El Salvador, that would increase our GDP by 25%.

On the other side, [#Bitcoin](#) will have 10 million potential new users and the fastest growing way to transfer 6 billion dollars a year in remittances.

— Nayib Bukele ?? (@nayibbukele) [June 6, 2021](#)

If the legislation is passed by lawmakers (***Bukele does have a majority of votes in El Salvador's congress***), **El Salvador would become the first country to formally adopt the digital currency.**

“In the short term this will generate jobs and help provide financial inclusion to thousands outside the formal economy,” Bukele said.

As *Decrypt* reports, Bukele's video played during a talk by Jack Mallers, founder of Strike, a crypto wallet built on the Lightning Network.

Mallers said on stage that he had lived in El Salvador for three months and discovered that some **70% of the population there does not have a bank account, and 20% of the country's GDP comes from remittances sent by migrants to family members.**

Strike launched in El Salvador in March, and Mallers said the app has been “onboarding” 20,000 El Salvadorans per day.

He framed Bukele's forthcoming legislation as the next step in a partnership between Strike, which will open an office in El Salvador, and the local government there.

Mallers called the announcement a “shot heard 'round the world for Bitcoin.”

“What's transformative here is that bitcoin is both the greatest reserve asset ever created and a superior monetary network.”

VC and Bitcoin flag-waver Tim Draper praised it as **a “brilliant government move” and said “entrepreneurs and investors will be on the next flights to El Salvador.”**

Caitlin Long of Avanti Bank & Trust in Wyoming called it a **“historic day in Bitcoin”** but also predicted a “knockdown fight” to get approval because recognizing Bitcoin as legal tender would likely give it the same status as foreign currencies by banks, a level of legitimacy for the top cryptocurrency that many do not want to see granted.

We hope that this decision will be just the beginning in providing a space where some of the leading innovators can reimagine the future of finance, potentially helping billions around the world.

— Nayib Bukele ?? (@nayibbukele) [June 6, 2021](#)

Bitcoin advocates see the move as both an important precedent for developing nations and a breakthrough for cryptocurrency, which many countries have fought.

“There is not a dry eye on bitcoin Twitter tonight,” podcast host Daniel Prince said.

“El Salvador adopting bitcoin as legal tender in order to escape the tyranny of central banks to rescue their people is what this is all about.”

There is not a dry eye on #Bitcoin Twitter tonight.#ElSalvador adopting #Bitcoin as legal tender in order to escape the tyranny of central banks to rescue their people is what this is all about.[@JackMallers](#)

Speechless. pic.twitter.com/mXBKe55rc9

— Daniel Prince.sov (@PrinceySOV) [June 5, 2021](#)

Bukele didn't go into details on how the policy would work. But he said it would be **used alongside the U.S. dollar, which the nation has used as its official unit of currency [since 2001](#).**

By Tyler Durden

Date Created

06/09/2021