

# Facebook Plans to Launch New 'Libra' Cryptocurrency, Backed by 28 Companies, Including VISA, MasterCard and PayPal

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Visa, Uber, Mastercard, PayPal and Stripe will invest approximately \$10 million each in a consortium to back Facebook's new cryptocurrency, Libra. The goal of the new cryptocurrency is to create a new payment system for purchases on Facebook and across the Internet, as Facebook has 2.4 billion members who are active each month. There are reports that the investors will run nodes and will have full access to Facebook users' financial data.

It is unknown whether Facebook's future cryptocurrency will ultimately function more like anonymous cash, or more like a traceable credit card transaction. In the wake of the cultural breakdown that is developing, disruptive technology of this magnitude must be evaluated instead of Facebook's "move fast and break things" approach.

Social media giant Facebook is expected to reveal its new digital cryptocurrency next week, backed by Visa, Mastercard, Uber, and others.

The *Wall Street Journal* **reports**

that social media giant Facebook plans to reveal its new Libra digital cryptocurrency next week with backing from over a dozen other companies. Visa and Mastercard are reportedly quite invested in the currency while other Silicon Valley firms such as PayPal, Uber, Stripe, and Booking.com are fully supporting the currency.

Each of these firms will invest around \$10 million to fund further development of the currency and become part of the Libra Association. The association will act as an independent group which will govern the coin independently from Facebook. The involvement of Visa and Mastercard is interesting as cryptocurrency can act as a viable alternative to the

services offered by these firms and could be direct competition, some have suggested that the firm's involvement is an attempt to keep track of Facebook's currency, while others have implied alternative motivations.

Byrne and Storm lawyer Preston Byrne suggested that the firm's involvement is due to the greater access they can gain to Facebook's user data.

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List of 28 investors: VISA, MasterCard, Pay U, PayPal, Stripe, Andreessen Horowitz, Creative Destruction Lab, Thrive Capital, Ribbit Capital, Union Square Ventures, Coinbase, Xapo, Anchorage, Bison Trails, Women's World Bank, Kiva, Mercy Corps, Facebook, Calibra, Iliad, Vodaphone, FarFetch, Ebay, Mercado Libre, Uber, Lyft, Spotify and Bookings Holdings.

<https://www.theblockcrypto.com/2019/06/14/facebooks-cryptocurrency-partners-revealed-we-obtained-the-entire-list-of-inaugural-backers/>

Additional source:

<https://www.zerohedge.com/news/2019-06-20/libra-launch-facebook-trying-become-virtual-country>