

In the Land of the Jewel, co-mingling of Aztec, African, and European has produced a bold blue-blooded people. Now El Salvadorans have added another layer of eclectic vibrancy to their emblem - the orange Bitcoin.

/by Charlene Brown

El Salvador

Bitcoin Base Camp

I can't say I know too many El Salvadorians, my former co-worker Doug Ruiz at Southern California Edison, and my former staffer William, with his El Salvadorian twist on my Jamaican recipes.

William's touch created a gastronomical fusion at my island restaurant in Mililani, Hawaii.

I must say, his good natured and no-problem-man attitude kept our

customers returning for lunch and for dinner, or, it might have been the food.

The cuisines that connected us, though called by different names, share the same ingredients.

My favorite Pupusas, sweet plantanos, fried yuca root, oxtail stew, trip and beans - were gone before the lid was off the pot.

That was 2015. At the time, while every other Salvadorian we knew were western-unioning a significant chunk of their paychecks back home, William was saving for his new baby.

Nearly two million Salvadorans remitting millions of dollars daily from the US to El Salvador is one of the major drivers of the country's gross domestic product.



Back in the 1990s, around the time when William was born, El Salvador had been going through civil war after civil war. No need to enumerate all the destruction, turmoil and instability war breeds on any country, much more the smallest country in South America of 20,000 kilometers squared.

El Salvador rises steeply, sloping more than 30 degrees off the Pacific Ocean floor. Adventure calls, as those watersheds make for the most serene pools at the bottom. At the same time a drop of rain can cause massive mudslides.

The government had struggled to get a handle on its currency's supply and distribution.

To make it through ever increasing trade restrictions and embargoes, El Salvador had to privatize its banking sector. The decimation of its dollar was largely driven by an over-run remittance industry pouring in with requests for foreign exchange.

Overnight, a monsoon of massive liquidity had flooded the country with US notes faster than El Salvador could print its own bills.

A shortage of physical local currency, left banks unable to supply the exchange pools. Under extreme monetary pressure, in 2001, El Salvador switched to the USD as its national currency.

Precisely 20 years later, on September 7, 2021, El Salvador adopted Bitcoin as its legal tender, attracting more private money investments to its coasts.

The bigger moment was June 5, 2021 when Jack Mallers stepped on stage at the Bitcoin conference and introduced President Nayid Bukele who announced via video stream that El Salvador would be banking on Bitcoin.

Three days later, June 8, 2021, at 7:49PM, Bukele posted a tweet of his signature and presidential seal on the bill that officially made Bitcoin the supreme global currency.

/by Charlene Brown



President Bukele's invitation wasn't only to crypto companies, El Salvador opened for any all business.

Since that moment, more than one billion dollars of investments have rolled into the country.

Bitcoin Day, September 7, 2021, El Salvador air-dropped \$30 in Bitcoin to every citizen. In an instant, 6.5 million El Salvadorians experienced "financial inclusivity," which according to Mallers is a "basic human freedom."

Bitcoin week is turning into Bitcoin month and from here on out

El Salvadorians will massively shift from 70 percent unbanked to 100 percent Bitcoin owners.

Contrasting that same timeline when China expelled foreign-owned Bitcoin mining operations from the republic, dragging more than 40 percent of Bitcoin networks offline, and crushing Bitcoin's hash rate.

In a matter of moments Bitcoin nose-dived from it's \$64,000 highs to somewhere under \$29,000.

In mere months the whole world shifted, not just platectonically but the global monetary system positioning is teeter tottering on a dime. and

guess who is well positioned to grab on to the opportunity on multiple fronts.

Not only is El Salvador making Bitcoin legal tender a matter of currency dominance, the country is now the singularly the best place on the planet for Bitcoin mining and stability of the entire blockchain structure.

The argument about Bitcoin and clean energy is answered by El Salvador.

The issues with sovereignty and cross border payments are addressed by El Salvador.

The debate on whether Bitcoin will take over the USD is already solved, duh, Bitcoin is trading near \$50,000 to \$1USD.

/by Charlene Brown



We could explore each of these fronts separately, but time is gone, and after pulling the magazine off the press for the third time, we must go to print. And so I am jamming as much as I believe you can tolerate into this one

article, knowing full well that I'm leaving you in a maze with no exit, and you'll mentally be twisting and turning to find a way to get out of this story,

but the intrigue is too vivifying. Here would be a good spot to stick a book marker or crease the edge of this page. I'll be here...



iHeart Charlene
@iheartCharlene

Move over @elonmusk, the #realBitcoinDaddy comes home @nayibbukele!

5:03 PM · Sep 16, 2021 · Twitter Web App

/by Charlene Brown

El Salvador is on its way to replace the USD with Bitcoin as its national currency.

The impression is that on September 7th El Salvadorians woke up and were told to burn the USD bills. No, Bitcoin was adopted as legal tender, a completely different language than making Bitcoin its national currency.

People gradually migrating to cryptos, isn't the worry. When governments adopt Bitcoin as legal tender or even consider minting their own national coins, it threatens the International Monetary Fund, a bank.

Without getting into the mechanics, El Salvador has a credit line of \$287 Million with the IMF.

Upon El Salvador's June 5th Bitcoin, the IMF was shocked at the news, but they were more irked at Bukele's mic-dropping moment.

The IMF was in on-going talks with El Salvador around that time.

During a briefing, ahead of a June 10, 2021, meeting with Bukele, when confronted an empurpled Gerry Rice, spokesman at the IMF laconically responded

about the IMF's position on El Salvador going crypto: "What I would say is that adoption of bitcoin as legal tender raises a number of macro-economic, financial and legal issues that require very careful analysis," Rice stated.

The IMF maintains that "crypto assets pose significant risks," but has yet to define those risks or what measures are being used to evaluate Bitcoin's risk levels in arriving at such alarming conclusions.

The IMF posture leans toward impeling lawmakers into drafting unchartered "regulatory measures," against cryptocurrency and tokens, which the IMF wishes would grant traditional banking agencies more authority in "dealing with them," Rice curtly stated.

Banking on Bitcoin, though, El Salvador is already hinting it could get out from IMF dependency. Projected annual GDP growth could rise over 5 percentage points during year-one roll out.

For El Salvadorians themselves, Bitcoin adoption has been quite natural. Mind you El Salvadorians had been using Bitcoin and other non-banking mechanisms to trade long before crypto was popularized. Bitcoin was the people's choice.

For a people whose income streams and everyday spending rely as heavily on remittances, Bitcoin migration and adoption comes down to basic economics.

If William sends \$100USD to his mother in El Salvador, after fees, fees, and more fees, when she collects the bills at the remittance counter, she might take home \$63.

And that's after William has already paid the extra \$7 to send the money in the first place. Walmart charges around \$4 per \$100 in remittance fees, but still once the money hits the shores of El Salvador, every local entity from national to municipal must get a portion of that remittance, as well as the trading post must collect their cut.

In his speech (minus the cuss words), Jack Mallers, stated that he will make it a non-debatable choice for the people of El Salvador to use Bitcoin because of Strike, a fee-less technology he developed for sending around the globe, instantly. Using Strike, Bitcoin and crypto trades settle on the blockchain instantly and free globally.

The issues of banking, though, were not the only concerns weighing heavily on Mallers mind during his first 3-month residency in El Salvador.



Presidente de la República de El Salvador

Nayib Bukele would have been crowned King Nayib, of Bitland June 1st, 2019. had his kingdom been a monarchy.

As President of the Republic of El Salvador, a democratic state, Nayib will serve a 5-year stint, not a life span wearing a royal crown.

Months into his presidency, that coronation did come. Nayib and his wife Gabriela welcomed their first child, a darling girl, Layla, August 2019, making that the year Nayib rose to power as president and the year he took flight into fatherhood.

/by Charlene Brown

His own late father, Armando Bukele, was an El Salvadorian businessman of Palestinian heritage. His mother, Olga Ortez de Bukele, prepared Bukele for the challenges and the jubilation of the journey.

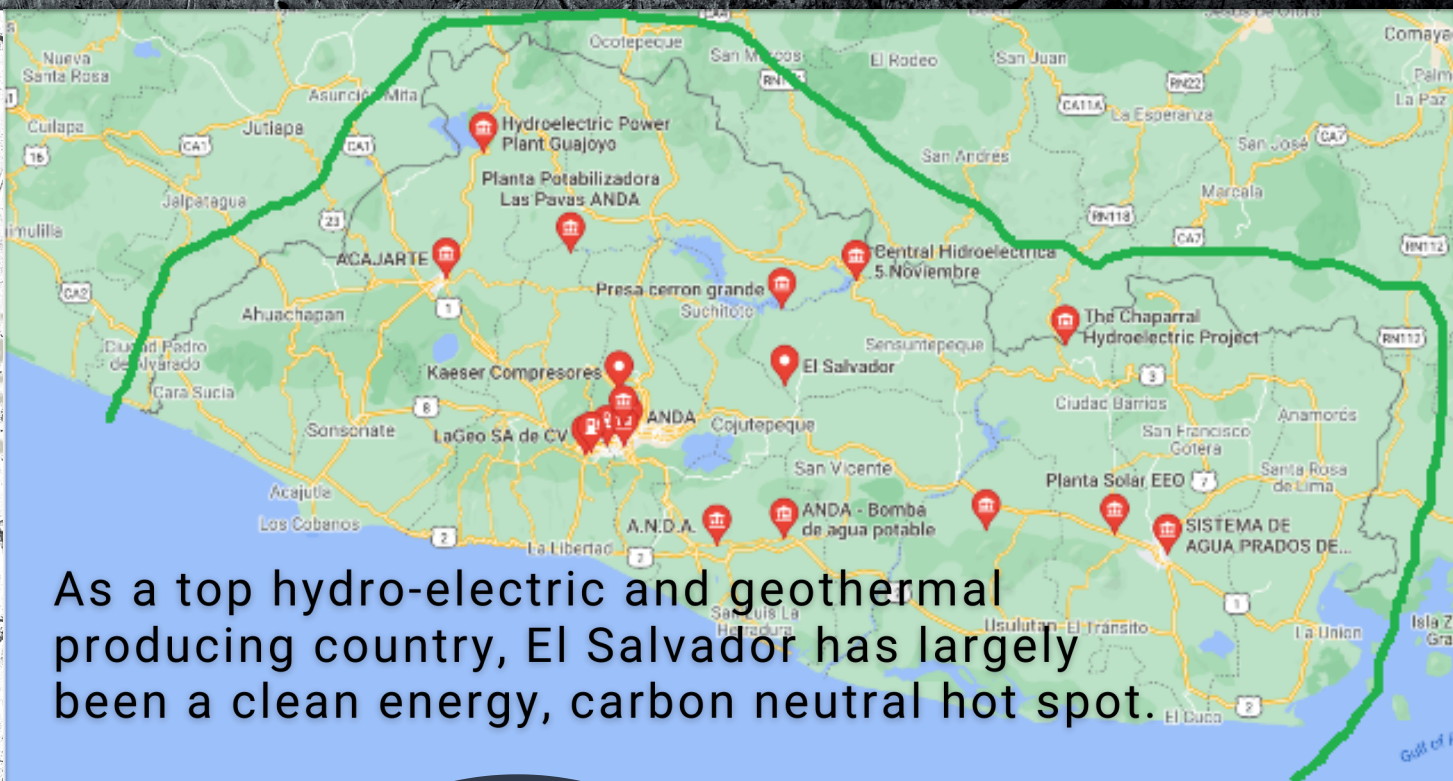
Now 39, Bukele's bold boyishness bequeaths him a free-reign style of leadership that begets much discontent from his political rivals.



The War Over Bitcoin is Over

/by Charlene Brown

/by Charlene Brown



As a top hydro-electric and geothermal producing country, El Salvador has largely been a clean energy, carbon neutral hot spot.

Climatic conditions, not the weather patterns, make El Salvador the place for a pivot shift. Certified Emission Reductions (CERs) are a type of emissions unit which tracks opportunities for reducing pollution from CO₂. This is a mechanism employed by the US Department of Energy, instigated by rules of the Kyoto Protocol on climate change.

Even before President Bukele the Republic of El Salvador had structured itself on the map as a leader in "clean energy for a planet"

According to data collected since 1990 sourced by the Carbon Dioxide Information Analysis Center, Oak Ridge National Laboratory in Tennessee,

carbon dioxide (CO₂) emissions for El Salvadorians is at 1.06 metric tons per capita, compared to the Americans at 15.2 metric tons per capita. To keep this all in perspective, the Caribbean accounts for 5.0 metric tons per capita and strangely enough, the United Kingdom, only records 5.4 metric tons of CO₂ emissions per capita.



Welcome to the Era of Harnessing Clean Energy with Smarter Tech

/by Charlene Brown

Electrifying El Salvador, isn't a tagline or community banner, that's due to the fact that El Salvador has been largely electric since 1958, with its initial geothermal reconnaissance.

Government owned LaGeo Generation operates the country's geothermal plants, producing natural steam that turns turbines to generate electricity and accounts for nearly 22 percent of El Salvador's electricity output.

Clean energy leads its power-mix label with 22.25 percent in hydroelectric; 24.77 percent thermal (straight hot water from the ground); 8.55 percent biomass; and 3.34 percent solar - all being harnessed from mother earth.

Only 19.23 percent of fossil, mainly for reserves, was imported to El Salvador in 2019.

That same year electric generation was nearly 6,482 gigawatt hour, wholesale, making El Salvador naturally a net exporter of clean energy. Its national demand was only about 6,361.4 gigawatts.

His first year in office, Bukele's parliament has already passed a bill in September 2020 for zero import tariff on electric and plug-in hybrid cars coming into the country and zero VAT on buying and selling EVs. That's in addition to government subsidies on EVs.

But as it goes, if you can already afford an electric car, do you really need to be subsidized by the taxpayer, be exempt from vehicle registration fees, get free parking, free electric charging stations, and what I call the green carpet rolled out for you? But that's what EV owners look forward to in El Salvador and other places.

The price per kilowatt hour would remain dirt cheap (outside of profit-making schemes). Currently, priced at 20 cents per kilowatt hour for residential and 16 cents for commercial consumption, mining crypto makes sense in El Salvador. Not in Hawaii, at 33 cents per kilowatt hour, the highest cost per kilowatt for electricity in the United States, ahead of California at 22 cents. In Utah, where this laptop is running, the cost per kilowatt hour is under 11 cents.

Though Utah has always been good ground for mining Bitcoin, when several mining operations shut down after just a few years on the network, what made the news was the gigantic electric bill the next tenant inherited. A story for another time.

However, we couldn't go on with this article without mentioning that El Salvador still generates significant amounts of electricity from several biofuels and anaerobic bio digestion plants totalling 551.58 megawatts across the country.

When it comes to wind, though viable, it's still not necessary for fast popup crypto mining operations in El Salvador. There is nearly 500 megawatts of photovoltaic electricity standing idly, or being grounded offshore. Solar and wind are just for looks, we will get into that at another time.

We haven't talked about the AMP networking protocol that makes crypto settlements instant by bypassing time and place. Neither have we the time to dive into the Chivo wallet, the hiccups and chokeholds it has on the \$30 airdropped Bitcoin to all El Salvadorians.

We didn't have time to touch on crypto-Cuba. Twitter is a flurry with mimeographed laser-eyed leaders from Latin American and the Caribbean. Argentina, Brazil, Mexico, Panama, Paraguay have all gone crypto.

Besides laser eyes, an abundance of compilations like the 2021 Chainalysis Global Crypto Adoption Index, ranks countries based on Bitcoin and crypto transactions.

Vietnam headlines the top 20 chart, while the United States ranks eight.

Not making predictions, but we could safely make a wild guess that El Salvador will flip the 2022 chart.

We're not limited to a single pathway to the solutions that will bring the whole world out of financial oppression. El Salvador means more than just buying and selling using Bitcoin.

It means more than William sending \$100 worth of Bitcoin and his mother collecting \$100 Bitcoin on the other end. It's more than backing out of the USD as national currency.

When you consider the possibility of tapping into natural resources to harness clean energy to supply smart cities, using smarter technologies, and when you realize that we have an abundance of wealth to make it happen fast, you can't help but get excited to part of this new Era of Harnessing.

There are precious coins to be mined in the Land of the Jewels, and Tokens.

/by Charlene Brown

| Country | Index score | Overall index ranking | Ranking for individual weighted metrics feeding into Global Crypto Adoption Index | | |
|--------------------|-------------|-----------------------|---|--------------------------------|---------------------------|
| | | | On-chain value received | On-chain retail value received | P2P exchange trade volume |
| Vietnam | 1.00 | 1 | 2 | 4 | 3 |
| India | 0.37 | 2 | 3 | 2 | 72 |
| Pakistan | 0.36 | 3 | 12 | 11 | 8 |
| Ukraine | 0.29 | 4 | 5 | 6 | 40 |
| Kenya | 0.28 | 5 | 28 | 41 | 1 |
| Nigeria | 0.26 | 6 | 10 | 15 | 18 |
| Venezuela | 0.25 | 7 | 22 | 29 | 6 |
| United States | 0.22 | 8 | 4 | 3 | 109 |
| Togo | 0.19 | 9 | 42 | 47 | 2 |
| Argentina | 0.19 | 10 | 17 | 14 | 33 |
| Colombia | 0.19 | 11 | 23 | 27 | 12 |
| Thailand | 0.17 | 12 | 11 | 7 | 76 |
| China | 0.16 | 13 | 1 | 1 | 155 |
| Brazil | 0.16 | 14 | 7 | 5 | 113 |
| Philippines | 0.16 | 15 | 9 | 10 | 80 |
| South Africa | 0.14 | 16 | 16 | 18 | 62 |
| Ghana | 0.14 | 17 | 37 | 32 | 10 |
| Russian Federation | 0.14 | 18 | 6 | 8 | 122 |
| Tanzania | 0.13 | 19 | 45 | 60 | 4 |
| Afghanistan | 0.13 | 20 | 38 | 53 | 7 |