

From VOA Learning English, welcome to As It Is! I'm Steve Ember in Washington.

Officials in Japan have been studying ways to set rules for the digital currency known as Bitcoin. The investigation came after a leading Tokyo-based trading house closed suddenly. Today on the program, we tell how Bitcoin is growing in popularity, but also creating concerns. But first, we turn to international efforts to help poor people in Africa. Three United Nations agencies want the poor to become less dependent on aid. But critics are wondering if the UN efforts are having any success. Mario Ritter has more.

## **UN Agencies Attempt to Help Africa's Poor**

The agencies want financial services such as credit, savings and insurance to be made available to everyone. That includes poor people in Africa's rural areas who may live on only two dollars a day.

The agencies believe that if these services reached the rural poor, their lives could improve greatly.

Ertharin Cousin works for the World Food Program, one of the UN agencies involved in the effort. She says the World Food Program's goal is to create opportunity in agricultural production that continues after aid efforts end.

The other agencies are the Food and Agriculture Organization and the International Fund for Agricultural Development. Representatives of the agencies were recently in Ethiopia, a densely populated country of more than 84 million people. But, more than 80 percent of the population lives in rural areas.

The FAO gave seeds and fertilizer to farmers. Local groups then buy what the farmers have grown with money that comes indirectly from the International Fund for Agricultural Development. And the World Food Program gives schools support so they can buy locally-grown food to serve their students.

Organizers hope the programs will help people live without aid. They say farmers and local groups called cooperatives want the program to succeed, so they are working together.

Another part of the program teaches people how to manage their money. The agencies teach those living on a few dollars a day to use part of that money not for daily costs but to save or invest.

Queen Maxima is the UN's Special Advocate for Financial Inclusion. She says knowing how to manage and save money is important if people want to support themselves.

“Eventually, it should come from savings. Eventually, you should unleash domestic savings because of the domestic resources that should be put back into productive loans so that people can actually make the investment, grow the production, increase employment, et cetera, et cetera.”

Ethiopia does not have a strong financial services industry. Only eight percent of the population saves money in a bank. While mobile banking has helped the rural poor in other African countries, Ethiopia has only recently permitted mobile banking.

I’m Mario Ritter.

And I’m Steve Ember. You are listening to As It Is, from VOA Learning English.

## **Bitcoin Faces Increased Scrutiny**

An ever-growing number of people are using Bitcoin to buy goods, pay for services or send money anywhere in the world. They do not have to use traditional banks, credit cards or other financial services when they use the electronic currency. Our economics reporter, Mario Ritter, has more.

Bitcoin is electronically protected, or encrypted. It is bought, sold and transferred like other currencies through trading companies. Transfers happen without governments being involved or regulating the currency.

Jerry Brito is a technology policy analyst at George Mason University. He says Bitcoin is the world's first true digital currency that is not controlled by anyone.

"Bitcoin basically solved a computer science problem that, for the first time, allows just two people to transact online, so it's decentralized. There is no Bitcoin company, there is no government -- it's kind of like email."

However, the very things that people like about Bitcoin are also what criminals like about it. They want to move money from place to place secretly, without governments knowing about it. Law enforcement agencies in the United States recently closed an online market that used Bitcoin.

Marco Santori is the chairman of the Bitcoin Foundation's Regulatory Affairs Committee. He notes that all Bitcoin transactions can be seen by all other computers. And he says the belief that no one regulates the currency is not true.

"Bitcoin is in fact heavily regulated. It is very heavily regulated. Those who exchange Bitcoins for other digital currencies or who exchange Bitcoins for dollars are money transmitters under the Bank Secrecy Act."

The amount of Bitcoin in the system must always be counted and tracked. Users' computers that watch and approve Bitcoin sales and purchases are given new Bitcoins. Mr. Brito says this is how more money is added to the system.

"Every ten minutes there are about 25.5 Bitcoins introduced into the economy and it is given to one of the miners, kind of at random as it were, who are contributing in a competing capacity."

The United States, Germany, and many other governments accept the use of Bitcoins. But some officials have called for stronger regulations on the electronic currency. China recently banned its banks, but not businesses, from trading in Bitcoin.

Since its beginning in 2009, the value of a Bitcoin has increased from just a few pennies to hundreds of American dollars.

And that's our program for today. Be sure to join us at this same time tomorrow for another As It Is from VOA Learning English. I'm Steve Ember. Thanks for listening!