



Written by [Veronika Kyrylenko](#) on March 26, 2025

Trump-linked Company Launches Dollar-backed Stablecoin Amid Federal Crypto Push

[World Liberty Financial](#) (WLFI), at which President Trump and his sons Donald Jr., Eric, and Barron hold leadership positions, has launched a new crypto venture. WLFI introduced USD1, a U.S. dollar-pegged stablecoin “inspired by President Donald J. Trump.”

According to [the announcement](#), USD1 will be “100% backed by short-term US government treasuries, US dollar deposits, and other cash equivalents.”

The token will launch on Ethereum and Binance Smart Chain, with plans to expand. Each token is intended to hold a 1:1 value with the U.S. dollar, supported by reserves that will be audited regularly by a third-party accounting firm.

“USD1 provides what algorithmic and anonymous crypto projects cannot — access to the power of [decentralized finance] underpinned by the credibility and safeguards of the most respected names in traditional finance,” said the company’s co-founder, Zach Witkoff.

He added:

We’re offering a digital dollar stablecoin that sovereign investors and major institutions can confidently integrate into their strategies for seamless, secure cross-border transactions.

The stablecoin’s reserves will be custodied by [BitGo](#), a leading regulated digital asset custodian. BitGo Prime will also support USD1, offering access to liquidity and trading from “insured and regulated qualified custody.”

The company made it clear that USD1 will not offer interest to holders. Instead, it emphasized a conservative approach, saying the token avoids “complex yield-generating mechanisms” often found in riskier decentralized finance products.

WLFI also offers a second token, WLFI, alongside USD1. Just days before Trump’s inauguration, both Donald and Melania Trump launched their own memecoins, \$TRUMP and \$MELANIA, respectively, further expanding the family’s crypto footprint.

Embracing Digital Money

Upon taking office, Trump issued an [Executive Order](#) positioning stablecoins as a key pillar of his crypto strategy. On March 6, he [ordered](#) the creation of a “strategic bitcoin reserve and U.S. digital asset stockpile.” The goal is to strengthen America’s position in the global digital currency race while



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leveraging seized Bitcoin as a strategic financial asset. The order says,

President Trump promised to make the United States the “crypto capital of the world,” emphasizing the need to embrace digital assets to drive economic growth and technological leadership.

Bills are now moving through Congress (see [here](#) and [here](#)) aiming to codify the executive order. They would mandate Bitcoin acquisitions through the Federal Reserve and formalize a national digital asset reserve.

Not-So GENIUS Act

In addition to the Bitcoin bills, there’s the GENIUS Act ([pdf](#)). Advanced by the Senate Banking Committee on March 13, it marks Washington’s biggest move yet to regulate crypto. But not everyone’s cheering.

The bill creates a legal path for stablecoins under federal or state licenses. It separates stablecoins from securities and commodities, shielding issuers from the U.S. Securities and Exchange Commission (SEC). But in exchange, it layers them in compliance: audits, registrations, and reserve mandates. Big issuers fall under federal oversight. Smaller players stay with the states.

On paper, it looks like a step toward clarity. In practice, it’s programmable money in a government-sanctioned shell. It normalizes stablecoins as financial infrastructure, while reinforcing the dollar’s central role.

Critics say these controls won’t just “protect consumers.” They’ll enable monitoring, permissioning, and control, just like banks — only faster, and digital by default.

The GENIUS Act may legitimize stablecoins. But it also brings them into a system where surveillance isn’t a glitch. It’s the feature.

The Real Risk: Programmable Power

The government frames its crypto push as a path to freedom, decentralization, and a challenge to the Fed’s monopoly. But critics warn it’s really a digital reset designed to tighten control, not loosen it.

Investigative journalist Whitney Webb has long warned about the dangers of digital currencies tied to state or corporate power. In a [February interview](#), she argued that stablecoins may actually erode decentralization by making money “surveillable, seizable, and ultimately programmable.” These same concerns, she said, have made people reject Central Bank Digital Currencies (CBDCs.)

Webb also points to how stablecoins can be used abroad. U.S.-linked institutions such as the IMF and World Bank, she said, can deploy them to covertly dollarize fragile economies — especially in the global South. Many of these countries, Webb noted, have been intentionally destabilized by U.S. sanctions. This helps the United States maintain dominance — while debt at home balloons. The goal? Expand control without overt intervention. In her words, it’s the quiet work of the “financial arms of the U.S. empire.”

Catherine Austin Fitts, former HUD official, echoes those concerns.

In her 2020 essay *The Injection Fraud*, she warned,

The first and most important goal is the replacement of the existing U.S. dollar currency



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system used by the general population with a digital transaction system that can be combined with digital identification and tracking. The goal is to end currencies as we know them and replace them with an embedded credit card system that can be integrated with various forms of control, potentially including mind control.

She also blasted the idea of a Bitcoin reserve. In a 2024 article recently [republished](#) by *The New American*, she called it a bailout for the crypto elite, giving political cover to a speculative exit strategy funded by taxpayers. “If the government can afford to buy crypto,” she wrote, “it can afford to cut taxes instead. Citizens don’t need Bitcoin to fight inflation — they need lower taxes, infrastructure, and public services that support a productive economy.”

Crypto Ties Inside the Administration

The Trump-aligned crypto surge isn’t happening in a vacuum. It’s backed by insiders with deep ties to finance and tech.

Commerce Secretary Howard Lutnick, chairman of Cantor Fitzgerald, holds a financial stake in Tether, the largest dollar-pegged stablecoin. His firm manages a significant portion of Tether’s U.S. Treasury holdings. Tether has also collaborated extensively with U.S. government agencies, including the Department of Justice (DOJ), the Federal Bureau of Investigations (FBI), and the Secret Service.

Elon Musk, a major government contractor with immense political influence through the Department of Government Efficiency ([DOGE](#)), is [working](#) to turn X into a WeChat-style “everything app.” He recently [partnered with Visa](#) to roll out digital payments on the platform. The initiative, branded X Money, [aims to support](#) crypto transactions, including stablecoins. That raises fresh concerns about private financial systems tightly integrated with state power.

Another big figure is Trump’s “crypto czar,” venture capitalist David Sacks. Through his firm Craft Ventures, Sacks has backed several crypto companies and funds. He recently divested \$200 million in crypto holdings to comply with government ethics rules.

Finally, there’s Treasury Secretary Scott Bessent. A prominent hedge-fund manager with ties to Soros and founder of Key Square Group, he actively promotes digital assets and supports deeper crypto integration into U.S. financial policy. Ahead of taking office, he divested \$521 million in crypto holdings.

Together, these connections signal more than industry momentum. They mark a public-private merger of money, tech, and political power — under the banner of innovation, but with the architecture of control.



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