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Almost 99% of Terra Investors Want to Destroy UST! But for Good Results

Original:

<https://www.btcc.com/en-US/academy/research-analysis/almost-99-of-terra-investors-want-to-destroy-ust-but-for-good-results>

Terra users voted to burn the UST token and cancel the algorithm stablecoins.

The collapse of the multi billion dollar digital asset Terra spilled a wave of fear and panic among investors in the [cryptocurrency](#) market. With the market in a state of deep sleep, it is quite obvious that after providing countless opportunities to make profits from digital assets, it is time for cryptocurrency to rest and let investors guess the future of their investment.

Although [Bitcoin](#) plunged from a record high of \$67000 in November 2021, lower than anyone expected, Terra also achieved its goal by disrupting its entire ecosystem. With the decline of terraUSD stablecoin, the value of the entire Terra ecosystem will decline. Investors believe that this will be the best time to abandon their cryptocurrency investment and turn to something more stable.

Terra Will Soon Recover

Advocates continue to believe that Terra will soon recover its lost glory if the industry offers another opportunity. Do Kwon, the founder of Terra, proposed several solutions to Terra's existing problems. Recently, his plan to restart Terra was finally accepted by his team, but at the same time, almost 99% of voters chose to burn 1 billion UST tokens, which will help bring the system closer to its original dollar peg.

Terra's fall was quite unprecedented. At that time, the cryptocurrency market was already in turmoil, which was one of the reasons why investors particularly relied on stablecoin to avoid market fluctuations. On the contrary, the terraUSD token has lost its hook, proving that all cryptocurrencies are unstable. It is unsafe for anyone to blindly follow the market trend and make corresponding investment without assessing their own ability. Terra's recent attempt will largely help cryptocurrency and its stablecoin sisters achieve a certain degree of balance, and make investors believe that it is still in the game.



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Terra Will Burn 1.3 Billion UST Tokens

Terra governance system has approved the proposal to burn almost all terraUSD tokens, which are held in the community pool of the project, and UST tokens previously deployed on Ethereum for liquidity incentives. It is reported that this is about equivalent to more than 1.3 billion US dollars, or about 11% of the existing 11.2 billion US dollars supply. This initiative received nearly 99% of the total voters responsible for Terra's development. After this proposal, Terra's core team will advance the implementation of combustion.

It is reported that the whole process will be carried out in two stages. First, the team will send nearly 1 billion UST tokens from the terra community pool to a common combustion module, where they will be permanently removed from circulation. Then, they will manually bring 370 million UST from the Ethereum network to Terra to burn them.

Will These Actions Bring Terra Back on the Map?

In addition to burning UST tokens, Terra also decided to restart the chain and finally issue airdrops. The new Luna 2.0 holders will be entitled to hold Terra based assets, but the new blockchain will not include UST, which means that the company is shelving its plan to include algorithmic stablecoins in its blocks. It seems that the zealots of Terra do have a glimmer of hope to retain their confidence in the network.

In fact, major cryptocurrency exchanges such as binance also decided to give Terra another chance after its decision to restart. These measures may work, but Terra's developers must make great efforts in its development to ensure that the number of its previous investors is restored.