

BLOCKCHAIN, THE GREAT DISCOVERY OF BITCOIN

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In recent years there has been a lot of talk about [Bitcoin](#), the digital currency that operates without a bank or central authority. However, it is the *Blockchain* technology that supports Bitcoin that is being presented as the great discovery that can transform the economy, more than the cryptocurrency itself. [Blockchain](#) is a system of recording, or "ledger" of digital events, decentralized, immutable, that allows users to make transactions securely, eliminating the need for a *trusted* authority that manages and stores the data,

such as the government, a bank, or a notary. A *distributed consensus-based information record-keeping system*, offering greater privacy and security than any centralized database, has [possible applications in many sectors](#), beyond digital payment.

For the time being, Blockchain technology can be used to find the solution to big problems that stop the arrival of the Internet of Things to the general public, in terms of the need for real-time authentication of billions of transactions between "things" . Large companies such as [IBM](#) see blockchain as an "elegant solution" to this problem. Continuing in the field of IoT, the German startup Slock.it has developed, for example, "smart" physical locks that can "open" an apartment or a bicycle through blockchain management, which may suggest an *"economy". collaborative atomized*" without intermediaries like AirBnB.

In the field of public institutions, the blockchain promises new systems for voting and citizen participation, offering security guarantees and the possibility that participation may be more frequent. A [UK government report of 2016 contemplates the potential of technology to streamline bureaucracy in tax collection or the delivery of identity documents, or in general "ensure the integrity of government records and services."](#) On the other hand, in the traditional banking sector, which could have been the declared enemy of [Bitcoin in principle](#), firms like R3 are being asked to develop [private registry systems that take elements of the blockchain for transnational interbank transfers.](#)

The system associated with Bitcoin has been used for activities with a very dubious reputation, but Blockchain applications for noble causes are also being considered. The Peruvian economist [Hernando de Soto](#), An anti-poverty activist, he sees it as an opportunity for the five billion people in the world who live without proper documentation or

records of their identity, property or economic activities, placed in a weak position to open a bank account, request a loan, or access insurance.

Regardless, Blockchain development must first overcome scalability hurdles. The gigantic size of a chain active for years, the total number of transactions processable per minute, or the waiting time while the transaction is sent and accepted, are questions to be resolved.

There are no comments yet.