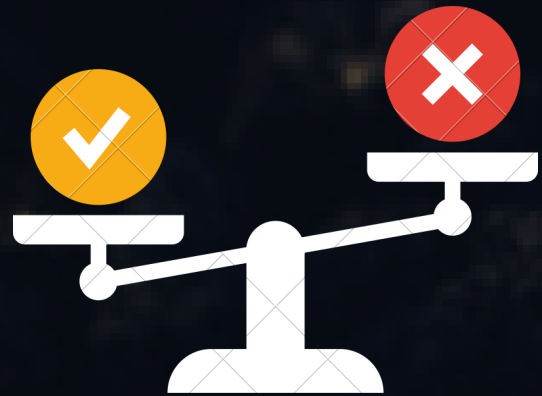


TEAM #2: ETHICAL CONCERNS OF BLOCKCHAIN [1-7]



1

Public and permission-less blockchain services can be misused for illegal and anti-social purposes without proper risk mitigation.

2

Permissioned Blockchain can be influenced by those in power by leveraging data, information etc.

3

Human involvement will induce biases in the systems.

4

Over-hyping and over-promising technologies' capabilities.

5

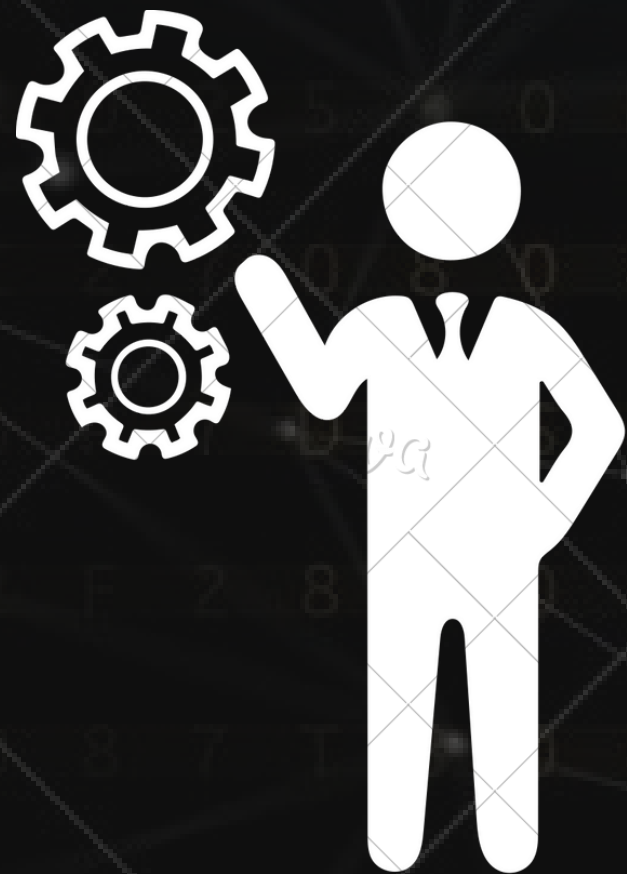
People with malicious intent can leverage defects in the system which puts data confidentiality at stake.

EMPATHETICAL CONSIDERATIONS OF STAKEHOLDERS



- Miners, traders and end-users with insider information can manipulate the blockchain's utilities according to their liking if not moderated enough. [6]
- Entrepreneurs and investors can affect the blockchain system according to their vested interests as in Etheriums' case. [5]
- Researchers and developers will continually challenge the blockchain systems as per their intellectual curiosity and desire to improve the current systems. [4]

OUR PROPOSED SOLUTIONS TO MITIGATE THE RISKS



- Imposing obligation on the system to cross check a blacklist or government agencies.
- Develop legal frameworks and bring cryptocurrency transactions under tax domain.
- Identifying threat scenarios and adding mitigation points in the system.
- Validate data quality before it enters the blockchain.
- Restrict access to members only on a permissioned network.
- Create code of conduct body for influencers in blockchain space.

WHY IS BLOCKCHAIN STILL WORTH PURSUING?

ANTI-CORRUPTION

Blockchain has the capability to prevent corruption and protect public registries from fraud and tampering. [1]

DECENTRALIZED SYSTEM

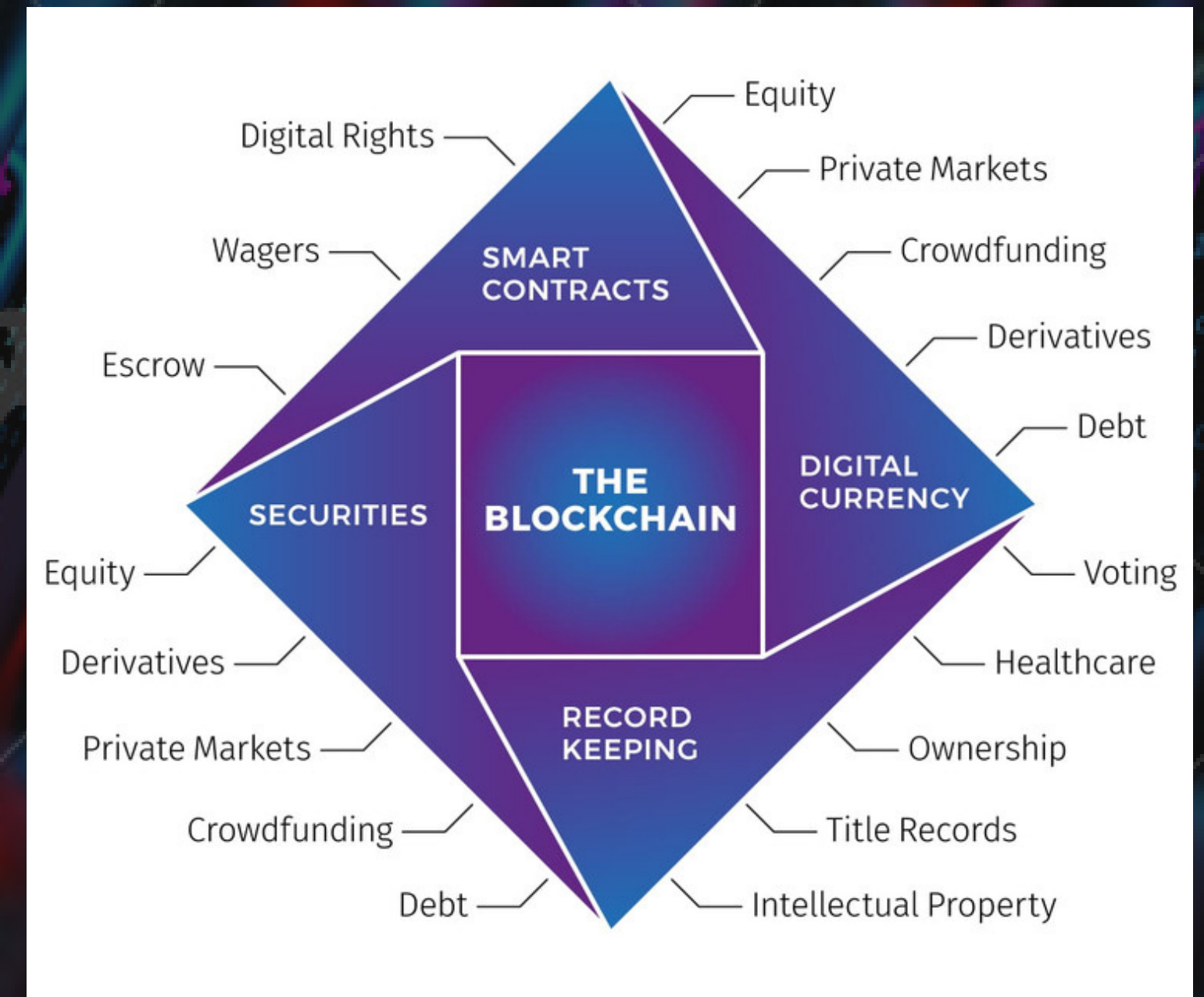
Reduced cost of establishing decentralized systems enables construction of ecosystems which reduces market inflation and monopoly in power. [2][3]

REDUCED COST OF OPERATIONS

Decrease in operations costs allow initiatives and startups to effectively compete with entrenched established parties. [1]

FASTER SETTLEMENT

If a dispute occurs, blockchain can help by automatically blocking payments and triggering alerts that automate dispute processes. With its tracking abilities, it can help quickly unwind disputes and exposures in a trusted way. [1]



EVIDENCES ASSOCIATED WITH ALL CLAIMS

ANTI-CORRUPTION

Countries like Sweden, Honduras, Georgia and others are also developing blockchain based systems, for enabling secured e-governance. [1]

DECENTRALIZED SYSTEMS

IBM, in collaboration with Samsung, has created the ADEPT (Autonomous Decentralized Peer to Peer Telemetry) platform, which employs parts of bitcoin's underlying architecture to create a decentralized network like IOT. [2][3]

REDUCED COST OF OPERATIONS

Distributed ledger technology could reduce financial services infrastructure cost between US\$15 billion and \$20 billion per annum by 2022. [1]

FASTER SETTLEMENT

A PwC study predicts that blockchain's ability to settle faster will contribute US\$962 billion to global GDP over the next decade. [1]



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