

# Blockchain Looks To Change How To Do Business Online

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ROBERT SIEGEL, HOST:

Now we're going to hear a little more about blockchain, the technology behind **bitcoins**. Don Tapscott is a management professor at the University of Toronto and co-author of a new **book** on blockchain. He says it is the greatest innovation in computer science in years, a vast digital ledger that can be shared by everyone.

DON TAPSCOTT: On it, there's not just information but anything of **value**. Money, titles, deeds can be stored and moved and managed securely and privately. And this is achieved through some clever **code** and through mass collaboration.

SIEGEL: Give us a real-world example of how blockchain might or already has improved the world.

TAPSCOTT: Well, Anna Lee Domingo (ph) is a Filipino **husky** and nanny in Toronto. She gets her paycheck. She goes to the Filipino mall where there's a Western Union office, and she sends her remittances to her mom in Manila. And this takes her about **five** hours a month. She gets charged 10, 11 percent. Six months ago, Anna Lee Domingo started using a tool called Abra, and she types in \$200 and her mom's ID. And the **money** is transferred in a millisecond. The fees are a quarter of a percent.

SIEGEL: Now, where was her \$200 before it was transmitted to the Philippines?

TAPSCOTT: It's on her mobile phone, and she got it there by going to a bitcoin teller or to a bank or on the **internet**. And this has now changed her world a lot.

SIEGEL: I understand the incentive to pay a much **more** commission for a transfer than you have to pay now. On the other hand, I was trying to think, in reading a little bit about this, whether

I really mistrust my bank that much apart from issues of cost. Do we need this if we feel fairly

about the bank we use?

TAPSCOTT: Well, overall, these intermediaries do a pretty good job, but there are limitations. They all take a fee, but there are other problems. They capture our data. And here we have this biggest asset from the digital age, . But we create it, but we don't get to keep it. And it's not just that we can't monetize it, but this data is often used to undermine our privacy.

SIEGEL: Does somebody own ? How would you describe that?

TAPSCOTT: No, it's open source. First of all, there are many blockchains. The bitcoin blockchain is the biggest. There's one called Ethereum that uses a currency called Ether. And I was in London recently, and I was speaking to the Ethereum . Ethereum has a whole suite of software development tools. And in that room were people  companies to replace the stock market, to replace the audit function of corporations, to build a whole new  of identity so that we can each own our own identity rather than governments, big social media companies and others.

There was a company creating an alternative to Uber. And most of what Uber does can be replaced by what are called smart  and smart contracts on a blockchain. And the drivers get all of the value. This technology is the single most important technology of our time because it  us to collaborate together in the world as peers. And through that, maybe we can create a new kind of environment for the better.

SIEGEL: Well Don Tapscott,  for talking with us about it today.

TAPSCOTT: My pleasure.

SIEGEL: Don Tapscott is the author along with Alex Tapscott of "Blockchain Revolution: How The

Technology Behind Bitcoin Is Changing Money, Business And The World."