Getting started with Blockchain: -

Chapter 1: - Why it all Started

“A lack of Transparency results in distrust and a deep sense of insecurity.”

More important than learning about any technology or working on any project is its, why?

When the reasons are clear we tend to learn fast.

So, A proper Financial system started around the 3000 B.C when Chanakya an Indian mentor and guru created a system of first documented accounting system. That was the Single Ledger system. This system did fine, up until the 1600 A.C. when trade was mostly national, and no international business or routes were laid. Then the mankind took a leap forward we started exploring. Columbus started exploring the Central and South American coasts. Trade started between nations and sea routes were developed.

It was the time a little distrust among the people arose. Let us say that England had to do business with France, so one ledger system fails here as there is no central authority between the England and France. They both were separate identities.

This was the time when Double ledger system developed by Romans in 70 AD “Tabulae Rationum” come into the action. This system kept two separate records one for disbursements and other for the receipts, and trade went fine till the day both these match and people knew something is missing on ledger mismatch.

Then the Blockchain come to life when in 1992 Haber, Stornetta and Dave Bayer theorised the Merkle tree and incorporated it to the designs. Although, the first blockchain was incorporated by Satoshi Nakamoto in 2008 in the form of a digital currency called Bitcoin.

Well, I assumed here that you know Bitcoin and Blockchain are different. If not its not an issue we are going to discuss it in detail in upcoming chapters.

This is not a theoretical only textbook but still to clear all the terms and better understanding definitions are provided for important terms.

“Blockchain is a digital record of transactions that represent the trade of underlying asset which can be anything from a cryptocurrency to the land or hospital records, all of which are on a peer-to-peer network that can either be public or private”.

You may not understand it completely though it is indeed the best how blockchain can be defined.

So, the concept of blockchain was there from the 1992 but was only came into light or used for the real-life products after the success of Bitcoin. The first and most powerful blockchain built yet. At the time I am writing this book its $34000 USD.