

Coinkite CEO Heavily Criticizes Editable Blockchain by Accenture



1394 Total views



Coinkite co-founder and CEO Rodolfo Novak (<https://twitter.com/nvk>) heavily criticized the multi-billion dollar research firm Accenture's newly designed Blockchain concept "Editable Blockchain," by questioning the cryptographic basis and mathematical fundamentals of the invention.

Earlier this week Accenture patented a technology the company calls an “editable Blockchain,” (<http://fortune.com/2016/09/20/accenture-blockchain/>) which enables enterprise-grade platforms and banks to create private Blockchains which grant access to central administrators for regulation purposes.

An administrator of the Accenture editable Blockchain network would essentially have the authority to edit or delete transactions or the settlement of assets in the Blockchain network, establishing a central authority in the supposed decentralized network.

Issue with Accenture's technology

The core issue with Accenture's patented technology is that it attempts to eliminate the most important and valued characteristic of any cryptographic networks - not just Bitcoin which is the world's most popular cryptocurrency - which is decentralization.

Cryptographic networks like Bitcoin are secured by advanced cryptography and mathematical algorithms which secure the network with computing power distributed amongst miners participating in the network. The Bitcoin network, for instance, is protected by miners located around the world who contribute their computing power to verify and authenticate transactions in the network.

This distributed protocol of the Bitcoin network allows it to store data in a irrefutable and unalterable ledger, which is virtually impossible to breach and hack due to the hashrate of the Bitcoin network. However, when a centralized Blockchain network is created and deployed, its security measures and protocols have to be significantly impaired, as, in theory, the data will be stored in a centralized server.

If data sets are stored in a centralized Blockchain in a centralized server, it poses no difference than traditional databases which are maintained by a central authority. Thus, Accenture’s “invention” is basically a traditional database launched in a cloud network which is centralized to grant central authorities complete control of the network.

Rodolfo Novak, CEO of Coinkite, criticized the stupidity behind this project, which goes against the fundamentals of any cryptographic networks and projects, including Bitcoin.



Rodolfo Novak
@nvk



Don't think I heard anything more stupid than "Editable Blockchain", we should also try "Disconnected Internet" –wait CompuServe#[blockchain](#)

3:03 PM - 22 Sep 2016

  64  75

Banks' interest in Blockchain






According to Business Insider, the spending on Blockchain is growing at a rapid rate, with banks and financial institutions spending hundreds of millions of dollars in the development of the technology.


Jaime Toplin, BI Intelligence’s research associate, states (<http://www.businessinsider.com/accenture-patents-editable-blockchain-2016-9>):


“Spending on capital markets applications of Blockchain is expected to grow at a 52% compound annual growth rate (CAGR) through 2019, according to Aite Group, to reach \$400 million that year.”

This explains the motivation behind a top research firm’s efforts in attempting to duplicate the merits of Bitcoin by creating a private and centralized version of it.

Cryptographic network aren’t very difficult to create. It is growing and scaling it that are difficult and it requires a tremendous amount of effort from developers and an open-source community to make it work.

-  [Coinkite \(/tags/coinkite\)](/tags/coinkite)
-  [BlockChain \(/tags/blockchain\)](/tags/blockchain)
-  [Rodolfo Novak \(/tags/rodolfo-novak\)](/tags/rodolfo-novak)
-  [Banks \(/tags/banks\)](/tags/banks)
-  [Accenture \(/tags/accenture\)](/tags/accenture)


[\(http://www.businessinsider.com/accenture-patents-editable-blockchain-2016-9\)](#)

[\(http://www.businessinsider.com/accenture-patents-editable-blockchain-2016-9\)](#)

[\(http://www.businessinsider.com/accenture-patents-editable-blockchain-2016-9\)](#)

[\(http://www.businessinsider.com/accenture-patents-editable-blockchain-2016-9\)](#)

[\(http://www.businessinsider.com/accenture-patents-editable-blockchain-2016-9\)](#)

[\(http://www.businessinsider.com/accenture-patents-editable-blockchain-2016-9\)](#)

1394

Total views

Did you enjoy this article? Read also:


- [Australia to Make Blockchain Voting App a Global Democratic Movement \(/news/australia-to-make-blockchain-voting-app-a-global-democratic-movement\)](/news/australia-to-make-blockchain-voting-app-a-global-democratic-movement)
- [Rothschild Family Dumps U.S. Dollar For Gold & ‘Other Currencies’, Bitcoin? \(/news/rothschild-dumps-us-dollar-for-gold-other-currencies-bitcoin\)](/news/rothschild-dumps-us-dollar-for-gold-other-currencies-bitcoin)
- [Blockchain Breakthrough: Peerplays Creates Open-Source Fee Sharing Module \(/news/blockchain-breakthrough-peerplays-creates-open-source-fee-sharing-module\)](/news/blockchain-breakthrough-peerplays-creates-open-source-fee-sharing-module)
- [Federal Reserve’s Facebook Page Launched, Trolled by Bitcoin Fans \(/news/federal-reserves-facebook-page-launched-trolled-by-bitcoin-fans\)](/news/federal-reserves-facebook-page-launched-trolled-by-bitcoin-fans)
- [Bank of England Statement on Future Digital Currency and Blockchain Tech \(/news/bank-of-england-statement-on-future-digital-currency-and-blockchain-tech\)](/news/bank-of-england-statement-on-future-digital-currency-and-blockchain-tech)

Hottest Bitcoin News Daily

For updates and exclusive offers, enter your e-mail below.


Email Address


Subscribe




Cointelegraph

18,487 likes

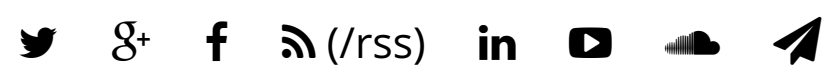
 Like Page

 Share

Be the first of your friends to like this



Follow @Cointelegraph (https://twitter.com/intent/follow?screen_name=@Cointelegraph)



[Terms of services and Privacy policy \(/terms-and-privacy\)](#)
© CoinTelegraph 2013-2016