



The Blockchain Tsunami: Another Wave of Internet Disruption

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Oh dear, what has Satoshi Nakamoto wrought? Resting firmly in the realm of unintended consequences, the invention of Bitcoin, the first cryptocurrency, and its underlying blockchain technology, will soon lead to another paradigm shift in the overall digital ecosystem.

I'm referring to two recent announcements, by Facebook and Microsoft. Both will impact our collective digital future, though one has gone largely unnoticed. Let's start with Facebook's Libra cryptocurrency.

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... "permissioned" consortium of developers and backed by a basket of fiat currencies that allow it to remain stable in value. Thus, a "stablecoin" in crypto speak. The blockchain technology that will underpin the Libra cryptocurrency is not the same as the blockchain underpinning Bitcoin or Ether. Libra will be a "centralized" blockchain solution to digital money. Bitcoin and Ether are not. Anyone can become a "miner" of Bitcoins and/or Ether and lend their computational power to assure the integrity of the overall blockchain. This is not the case with Libra.

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What this means: The attributes (permission-less and decentralized) that create trust in Bitcoin's blockchain — ironically by operating in a cryptographic "trustless" distributed network — are missing with Libra. Bitcoin's blockchain is supported by thousands of "nodes" distributed throughout the world. Libra will be supported only by the "nodes" of its partners in "The Libra Association" —...

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The Bitcoin blockchain has been dubbed the "the truth machine" for a reason — it is decentralized and virtually mathematically impossible to be manipulated or controlled by a single entity. Can...

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It is still astonishing that Microsoft is embracing the Bitcoin blockchain as the foundation of its Decentralized ID (DID) initiative, the most ambitious (and potentially revolutionary) attempt to solve digital privacy.

Microsoft's ION, or Identity Overlay Network, as the name suggests, will be built on top of the Bitcoin blockchain. ION employs "off chain" batching of millions of interactions using these anonymous ID's to create an immutable ledger of ID activity. In theory, ION will permit every...

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... to participate in the ION project? Without the billions of data points Facebook (and others) use to optimize their digital advertising offerings, where would they be? What the blockchain giveth, the blockchain may taketh away.

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