What Else Can Blockchain Do?

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By now we have all heard about Bitcoin, which seems to be dominating the financial headlines across the globe. While Bitcoin and other cryptocurrencies remains a divisive topic (see our previous blog post "Our Take on Bitcoin"), the technology underpinning them is something that we find to be much more intriguing. This technology is called "blockchain", and though currently associated nearly exclusively with cryptocurrencies in people's minds, the applications of the technology have the potential to be revolutionary across a variety of industries. Continue reading for some examples of other areas where blockchain technology can be applied.

Cloud storage of today has a centralized structure, all the data that we store in "the cloud" is actually stored at physical data-centers owned and operated by companies like Apple or Google. Blockchain can decentralize this system and store encrypted bits of data across millions of interconnected devices all around the world. This also has ties to securing databases containing sensitive corporate and/or personal information. Some of the biggest themes of recent years has been identity theft, and databases being hacked to steal customer information. Decentralizing these systems will leave hackers with no particular targets to pursue as the data they are after will be stored across innumerable sources with no way of tracing how to go about gathering it. This could have prevented major security breaches like those at Equifax and Target.

Additionally, blockchain can be used to cut middlemen out of contract creation, as two parties could enter into verifiable and unforgeable digital contracts with one another, which can also have pre-programmed conditions to be met before the contract is executed. Related applications could include digital voting, and many other processes in which security is high-priority. For example, emerging technologies like the Internet of Things, and self-driving automobiles, could leverage blockchain by registering onto the networks required to support these technologies in a secure manner which isolates them from being exposed to hacking.

The potential areas that could be disrupted or improved through applications of blockchain technology are extremely wide-scope. Below we have included a few links that could be of interest to readers of this blog, including a short video explanation of how blockchain technology works by CNBC, as well as a link to a recent article posted by RBC Wealth Management that explores different applications for the technology.

What is Blockchain? CNBC explains

Sincerely,
Di Iorio Family Wealth