

## Will Blockchain Show Its Full Promise?

Getting the most out of blockchain will entail collaboration among interdisciplinary teams and disciplines, said SIMBA Chain's Anjon Roy during the NACM and FCIB webinar, *Blockchain Technologies & Decentralized Finance*.

"I think we're only scratching the surface of what's possible," Roy said.

Presently, about 80% of the conversation around blockchain is dominated by people in the technology field and 20% in other domains such as supply chain management, he added. "For blockchain to show its true promise, we need to reverse that trend to achieve a higher level of impact."

More opportunities will materialize as other fields, including business-to-business credit, work with the technologies supporting blockchain, he explained. "That's when the opportunities really become apparent."

Wasson and Roy touted the benefits of blockchain technology, including its promotion of transparency.

Roy likened it to a Google spreadsheet. Similarly, everyone in the transaction chain has access to it. However, each person can only add to it; they cannot erase content, and there is not a master.

"Everyone owns co-equal copies," Roy said. The copies "automatically keep in sync by something called consensus algorithms. Blockchain enables multiple separate entities to share a single version of the data and keep that data in sync among themselves, thus removing the need to reconcile, message, propagate, sync or otherwise maintain versions."

Parties to the blockchain transaction decide what is transparent and what is secure. In addition to the data stored in the transaction, "you can have executable code and intelligence [incorporated] that is also shared," he added.

So, although the transaction is transparent, "you do not necessarily know who is behind the transaction," Roy explained. "The network predetermines what information is private. It's a curious mix of transparency and security."

Blockchain melds together several different types of complex and abstract technologies. "It takes things from cryptography, encryption and decentralized databases and brings them together in a manner that creates more complexity," Roy said.

Blockchain is secure because "there's no single point of failure so it gives you a level of security that you wouldn't otherwise have in a traditional centralized system," he continued.

With traditional decentralized databases as you add more entities that share this database, points of attack increase with each addition. The same, however, is not true for blockchain transactions, Roy said. "An attacker would have to take over 51% of the nodes, and that is a lot harder to do—especially when it's a large network."