BLOCKCHAIN REVOLUTION:
Surviving and Thriving in the 2\textsuperscript{nd} Era of the Internet

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Swiss Re
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The Technological Revolution

mobility

social web

big data

internet of things

machine learning

the cloud

drones & robotics
The Technological Revolution

mobility

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BLOCKCHAIN
The Internet of Information
The Internet of Information ➤ The Internet of Value
The Middleman
Just Another Block in the Chain

1. Distributed ledger

2. Community validation

3. New blocks added
   - Block50.dat
   - Block51.dat
   - Block52.dat
   - Block53.dat

4. Reference to previous blocks
   - Previous block: 00000zzxvzx5
   - Proof of work: 00000090b41b
   - Transaction: 94lxcv14

5. Permanent time-stamp
   - 3
Seven Transformations for a Prosperous World

1. Protecting rights through immutable records
2. Creating a true sharing economy
3. Ending the remittance rip-off
4. Protecting privacy
5. Ensuring compensation for the creators of value
6. The Halcyon Age of Entrepreneurship
7. Reinventing Government and Democracy
THE GOLDEN EIGHT: Transformations for Financial Services

1. Authenticate & Attest to Value
2. Transfer Value
3. Store Value
4. Lend Value
5. Exchange Value
6. Fund & Invest
7. Insure Value & Manage Risk
8. Account for & Audit Value
The Internet of Value for Businesses

BLOCKCHAIN REVOLUTION:
How the Technology Behind Bitcoin is Changing Money, Business, and the World
May 10, 2016
Re-Architecting the Corporation

THE THEORY OF THE FIRM

Transaction costs:
1. Search
2. Coordinating
3. Contracting
4. Establishing Trust

Ronald Coase (1910–2013)
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

1. Blockchain Cooperatives
2. The Rights Creators
3. The Re-Intermediators
4. The Blockchain Supply Chain
5. Animating the Internet of Things
6. The Platform Builders
7. Bigger, Better Data
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

1. The Peer Producers
2. The Rights Creators
3. Blockchain Cooperatives
4. The Metering Economy
5. The Platform Builders
6. Blockchain Makers
7. The Enterprise Collaborators
The Music Industry
I'm Imogen Heap. And This Is Why I'm Releasing My Music on Blockchain

Blockchain technology allows for instant, private, and totally transparent transmission of artist royalties, including realtime distributions to co-writers, producers, technology partners, publishers, and even labels. In a presentation at "Guardian Live, Imogen Heap explained why she's releasing her latest song, "Tiny Human," via the Bitcoin delivery platform.
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

1. The Peer Producers
2. The Rights Creators
3. The Re-intermediators
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6. The Platform Builders
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ENDING THE REMITTANCE RIP-OFF
Abra: A Reintermediator
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

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7. Bigger, Better Data
Transparent Food Industry
PROTECTION.

We are a fraud detection system, overlaying big data from closed sources like insurers and law enforcement.
The Blockchain is the New Supply Chain
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

1. Blockchain Cooperatives
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7. Bigger, Better Data
“The Internet of Everything Needs a Ledger of Everything”
OLD: Industrial-Age Power Generation
NEW: Micro-grids powered by blockchain
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

1. Blockchain Cooperatives
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3. The Re-intermediators
4. The Blockchain Supply Chain
5. Animating the Internet of Things
6. The Platform Builders
7. Bigger, Better Data
Rethinking the Financial Services Industry
THE GOLDEN EIGHT: BLOCKCHAIN TRANSFORMATIONS OF FINANCIAL SERVICES

1. Authenticate & Attest to Value
2. Transfer Value
3. Store Value
4. Lend Value
5. Exchange Value
6. Fund & Invest
7. Insure Value & Manage Risk
8. Account for & Audit Value
OLD: INITIAL PUBLIC OFFERING
NEW: INITIAL COIN OFFERING
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

1. Blockchain Cooperatives
2. The Rights Creators
3. The Re-intermediators
4. The Blockchain Supply Chain
5. Animating the Internet of Things
6. The Platform Builders
7. Bigger, Better Data
ENABLING CITIZENS TO OWN AND MONETIZE THEIR DATA
(AND PROTECT PRIVACY)
THE VIRTUAL YOU
THE BIG SEVEN: OPEN NETWORKED BUSINESS MODELS

1. Blockchain Cooperatives
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3. The Re-intermediators
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REINVENTING GOVERNMENT
Rethinking Central Banking

Mark Carney has seeded a revolution by embracing fintech

ALEX TAPSCOTT

After Britain’s referendum vote to leave the European Union, Brexit’s loudest advocates scurried from public view and the political establishment descended into a caustic battle for control. Emerging from the melee was Theresa May, who has a reputation for consistency, if little else. But Britain doesn’t need a caretaker in these uncertain times. It needs bold, innovative leadership.

One person has quietly stepped up: Canadian Mark Carney, Governor of the Bank of England. Mr. Carney acted quickly to stem the Brexit panic. Now, he can and should do more.

The list of challenges is daunting: prevent a recession from becoming a depression, preserve London’s pre-eminence as a financial capital, jump-start entrepreneurship and make the British economy work for everyone, not just a few. In normal circumstances, a central bank would take on one or two of these.
BLOCKCHAIN AND CENTRAL BANKING

✓ Cost and Efficiency
✓ Inclusion and Performance
✓ Transparency and Risk Reduction
SHOWSTOPPERS: Why Blockchain Could Fail

1. The Technology is not ready for prime time
2. The Energy Consumed is Unsustainable
3. Government will Stifle or Twist It
4. Powerful Incumbents of the Old Paradigm will Usurp It
5. The Incentives are Inadequate for Distributed Mass Collaboration
6. Blockchain Is a Job Killer
7. Governing the Protocols is Like Herding Cats
8. Distributed Autonomous Agents Will Form “Skynet”
9. Big Brother is (Still) Watching You
10. Criminals Will Use it
BLOCKCHAIN REVOLUTION:
Surviving and Thriving in the Second Era of the Internet

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Swiss Re
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