

BLOCKCHAIN MONEY:

CORPORATIONS, GOVERNMENTS,
AND THE PEOPLE



About Vlad

Founder	Co-Founder
<ul style="list-style-type: none">• CoinFixer.com 2014• BitHope.org 2015• CryptoCrowd.org 2017	<ul style="list-style-type: none">• bitcoini.com 2013• Bulgarian Bitcoin Association 2014• Sofia Crypto Meetup 2016• Balkan Blockchain Association 2018

- In the space since 2013
- Focused on **Sofia Crypto Meetup** and **BitHope.org**
- Part of the **æternity blockchain** team

In the last episode...

Decentralized Database

Data is stored in more than one location

Distributed and replicated

Consensus and immutability <chaining>

Cryptographic Security

Built on public/private key cryptography

Integrity of ledger

Process Automation

Smart Contracts

Automation of business logic processes

Programs incorporated in the database

Value Transfer

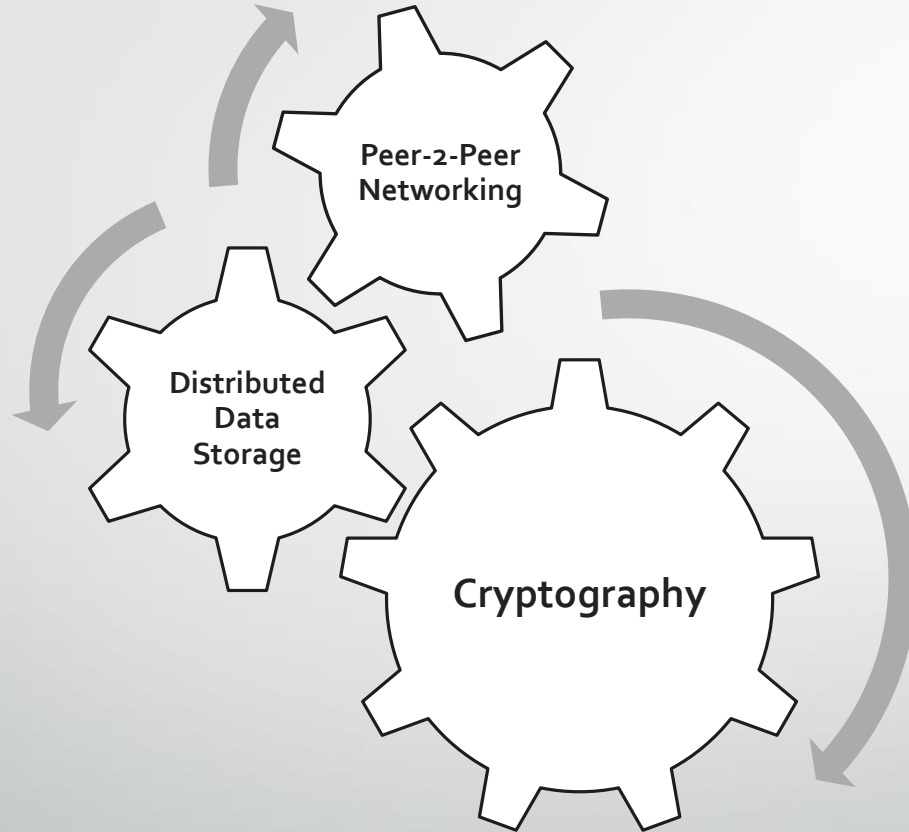
Fast clearing and settlement of value transfers

Improved digital assets management

In the last episode...

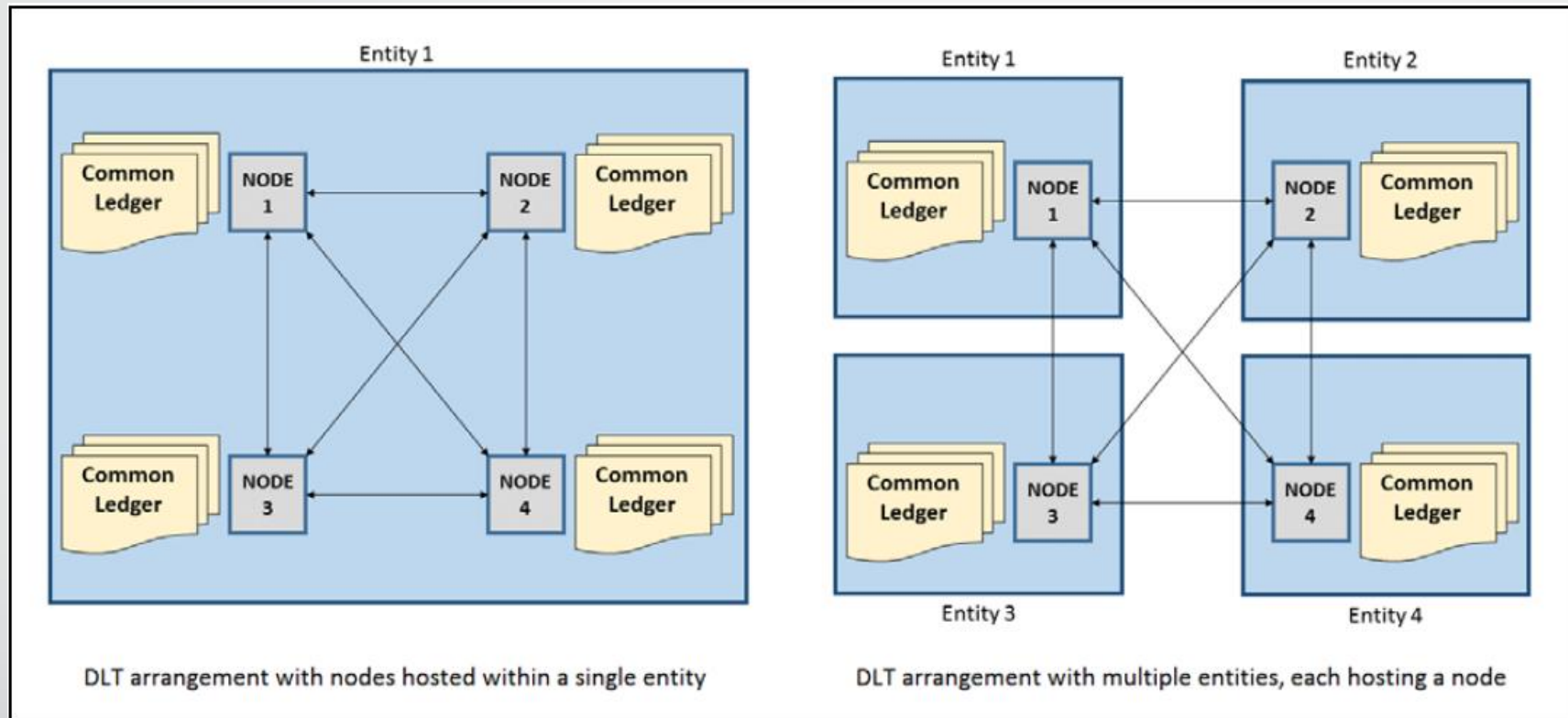
- Asset management
- **Payments, clearing, settlement**
- Identity management
- Regulatory compliance
- Contract management
- Risk free cash transfer
- Credit default swaps
- Loan services
- Digital assets platforms
- Internet of Things
- **Remittance**
- Car leasing
- Shared KYC services
- Contract management
- Governance/Decision-making
- Accounting systems
- Transportation platforms
- Notary services
- Events management
- Invoicing services

In the last episode...



- Change in practices:
 - Storage
 - Recordkeeping
 - Transfer of assets
- Significant change in market structure
- Replace functions by FIs
- Change entire PCS processes
- Extreme: **Use of banks to conduct payments -> obsolete**

In the last episode...



- Blockchain/DLT = Database shared across nodes in network
- Nodes – running the software
- Collective maintenance of the ledger/database

In the last episode...

- **Reduced complexity** (especially in multiparty, cross-border transactions)
- Improved end-to-end **processing speed and availability** of assets and funds
- Decreased need for **reconciliation** across multiple recordkeeping infrastructures
- **Increased transparency and immutability** in transaction recordkeeping
- **Improved network resiliency** through distributed data management
- **Reduced operational and financial risks**
- **Asset-agnostic** → any asset can be managed on a blockchain

In the last episode...

Technological Evolution of Financial Services

- Increase in:
 - End-user expectations (speed, convenience, low fees, mobility)
 - Security threats
- Operate on decades-old infrastructure
- Large, complex and expensive electronic networks of participants
- **Implement technology slowly**

**FACEBOOK
ANNOUNCES LIBRA**



**GOVERNMENTS
AND BANKS**

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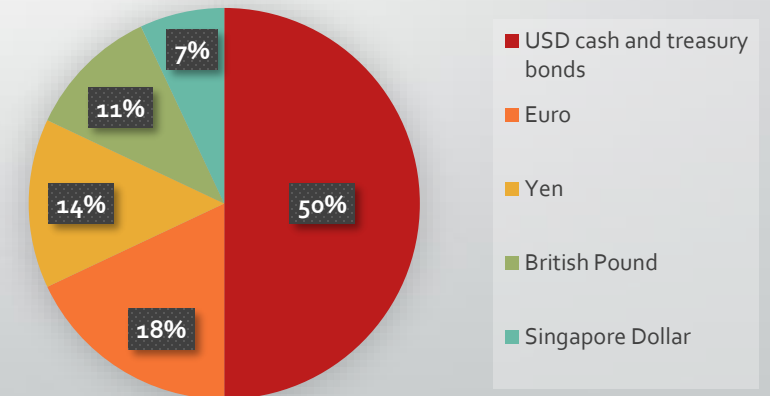
June 18, 2019

- A new digital currency (stablecoin, Libra) and **financial system**
- Association of 28 (100) participants
- *MasterCard, Visa, PayPal, PayU, Stripe, eBay, UBER, Spotify*
- NO BANKS

- Advantages

- Based on open-source blockchain technology
- Backed by a basket of real-world assets
- Decentralized reserve – liquidity and price fluctuation
- Huge networks – Libra Association – 2.5b+
- Semi-centralized (validator nodes)
- Real-time, international payments (**remittance**)
- Expand financial access
- Low fees
- Security
- Universal Calibra wallet integration

Libra Reserve



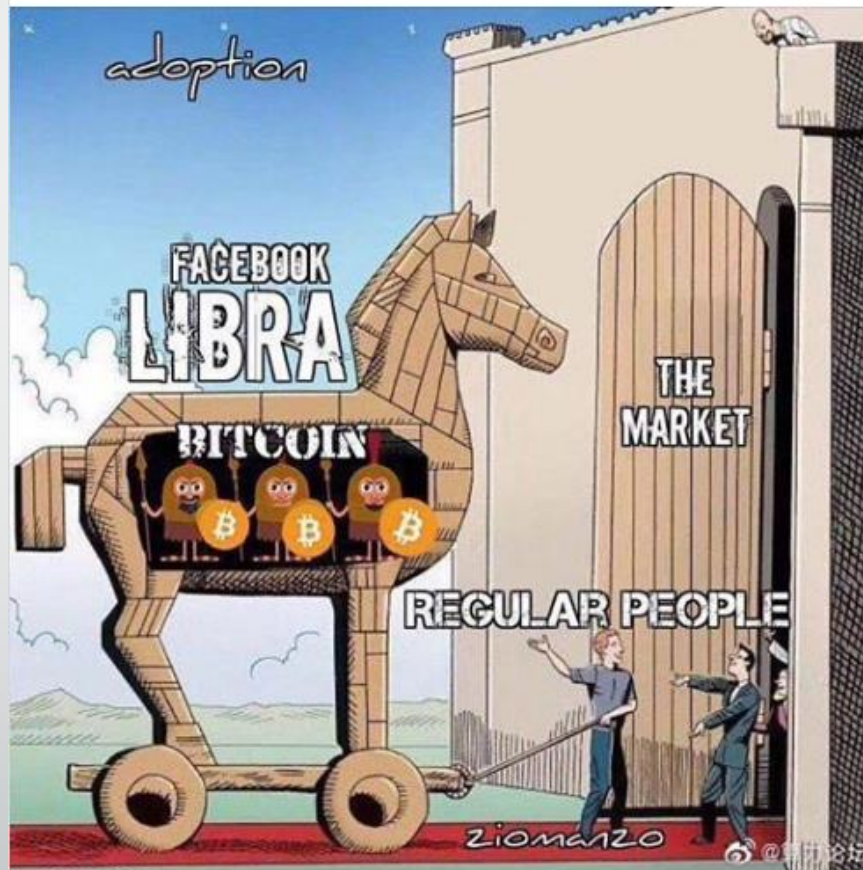
June 20, 2019



Vladislav Dramaliev

Admin · June 20

Facebook Libra will exemplify just how difficult it is to create a truly global currency by playing "by the rules".



Лилия Жекова, Marton Vass and 66 others

8 Comments 5 Shares

France to block Facebook's Libra cryptocurrency in Europe

Finance minister says governments' monetary sovereignty could be at risk



zero hedge @zerohedge

Maxine Waters Demands Facebook Stop All Development Of Libra Crypto Project



Maxine Waters Demands Facebook Stop All Development Of Libra Crypto Project

"Given the company's troubled past, I am requesting that Facebook agree to a moratorium on any movement forward on developing a cryptocurrency ..."

Facebook Libra project scrutinised by Swiss regulator

11 SEP 2019

AUTHOR



Chris Donkin

Chris joined the Mobile

World Live team in November 2016 having previously worked at a number of UK media outlets including Trinity Mirror, The Press Association and UK telecoms publication Mobile News. After spending 10 years in journalism, he moved...

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U.S. Lawmakers And European Regulators Against Facebook's Libra Project

CryptoCoin.News - June 19, 2019

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Regulators take hard line against Facebook's Libra

By NEOnline | IR



Libra is a Threat to Sovereign Currencies

Bruno Le Maire, French Minister of Economy and Finance, has in the past come hard on Facebook's cryptocurrency, Libra. Le Maire stated in June, shortly after Facebook released the libra whitepaper, that the digital coin would not act as a sovereign currency, adding that there should be stricter regulations.



- Disadvantages

- Access to payment data by Facebook?
- Additional loss of privacy?
- The Global Nation of Facebook/Libra (with 2.5b+ subjects)
- **Strain on international “monetary control between central banks and individuals”**
- Capital outflows
- Destabilizing already weakened nation-states, disruption for stronger ones
- Libra could facilitate various criminal uses of finance
- A significant source of systemic risk

“Moves power away from central banks in the developing world, and gravitates towards more power to multinational corporations, the US Federal Reserve and the European Central Bank.”



The Crypto Yuán

- China has been working on e-money for >4 years
- Started exploring blockchain in 2017
- **To be launched as early as November 2019**
- Issued by the People's Bank of China to:
 - China Construction Bank
 - Agricultural Bank of China
 - China Construction Bank
 - Industrial and Commercial Bank of China
 - Alibaba (AliPay)
 - Tencent
 - UnionPay (Union of Chinese Banks)

China's Central Bank Has Begun Cautiously Testing a Digital Currency

The People's Bank of China has developed a digital currency that's designed to scale to the number of transactions made every day across the country.

by Will Knight

Jun 23, 2017

The Crypto Yuán

- The Crypto Yuán – Why?
 - Replace cash in circulation
 - Support the yuan's circulation and internationalization
 - Decrease costs of transactions
 - More accessible financial services
 - Decrease the rates of fraud and counterfeiting
 - **Reduce corruption** – a key governmental goal
 - **Guarantee China's monetary sovereignty** (Against the USD/Libra)
 - The missing element addition to the controversial Social Rating System

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What about Bitcoin?

- **The role of Bitcoin and public blockchains remains unchanged**
- Libra raises awareness about cryptocurrencies
- Helps users trust crypto more
- All stablecoins are fiat-supported (reserve)



Andreas M. Antonopoulos
@aantonop

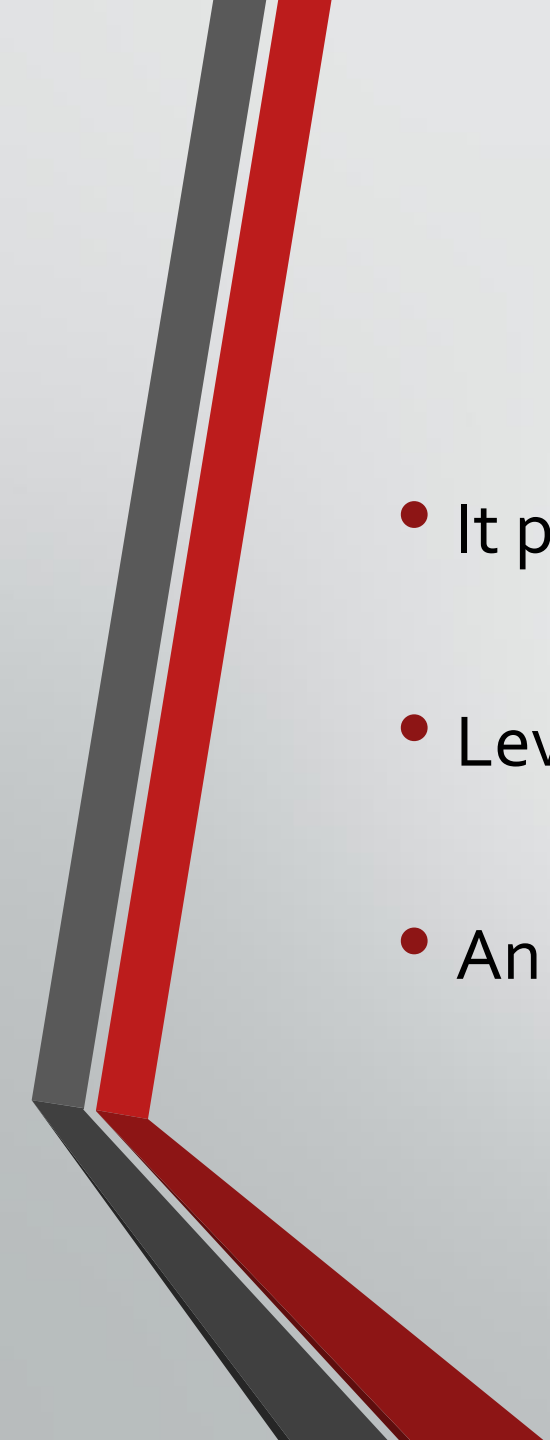
While Facebook's Libra doesn't compete against any open, public, permissionless, borderless, neutral, censorship-resistant blockchains, it **will** compete against both retail banks and central banks. This is going to be fun to watch.

June 18th 2019

2,920 Retweets 8,111 Likes



Bitcoin is Cypherpunk

- 
- It provides a digital alternative to anonymous cash
 - Leverage against the negative implications of a cashless society
 - An alternative to government/corporate money



The Symbiotic Trinity of Blockchain-based Money



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