



INTRODUCING THE DECENTRALIZED ECONOMY

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The idea to create a technological solution to facilitate trustless, secure and immutable transfers of legal ownership over the internet is almost as old as the internet itself. The current solution was built upon many brilliant but ultimately unsuccessful iterations. Each iteration developed new insights, technology and attracted new participants.

In 2008, every innovative design step came together in a short whitepaper called “Bitcoin: A Peer-to-Peer Electronic Cash System”. This whitepaper designed a peer-to-peer database that would maintain a global decentralized ledger of records allowing participants to exchange value, or legal ownership of units called Bitcoin, without a trusted centralized clearing system. This development has attracted a lot of attention from every corner of the global economy including governments, regulatory bodies, researchers, technology companies, financial institutions and start-ups.

It is speculated that this new technology has the potential to disrupt many of our current economic models and I encourage everyone to be well informed on the impact this will have to our collective community.

To that end, here is a short list of terms, ideas and system designs that provide some background information on this new paradigm.

LIST OF REFERENCES

<u>Bitcoin whitepaper</u>	Satoshi Nakamoto's original paper that first introduced Bitcoin.
<u>The Real Innovation: BLOCKCHAIN</u>	A short, 5-minute video describing the technology that powers Bitcoin and other cryptocurrencies.
<u>Peer to Peer definition</u>	A short article comparing the centralized networks (client and server relationships) to peer-to-peer networks.

[Decentralized Systems](#) An overview of the differences, including pros and cons, of centralized, distributed and decentralized designs.

[Economics of Blockchain](#) An academic research paper exploring the economics of decentralization using the blockchain.

[Ethereum](#) A high-level overview of the Ethereum network, an open source, public, distributed computing platform. The article goes through the beginnings, milestones, controversies and achievements.

[Smart Contracts](#) A short, easy introduction of the who, what, why and where of smart contracts and decentralized applications.

[Initial Coin Offering \(ICO\)](#) Although many questions remain unanswered, this article provides an explanation on initial coin offerings and a new way to raise capital.

[Decentralized Autonomous Organizations](#) A potential new way of establishing and organization a company by using smart contracts, initial coin offerings, and a global peer-to-peer virtual network.

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