Blockchain and its practical use

Blockchain y su uso práctico

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Abstract

In this article we can see that by the digital age and the internet you can buy any tangible and intangible thing, just do not have the appropriate security, amid all this comes the blockchain, responding to concerns, it is to do, many money transactions are made, within an auspicious environment with adequate security.

Index of Terms, Bitcoin, Blockchain, Cryptocurrency

Resumen

En este artículo podemos ver que por la era digital e internet puedes comprar cualquier cosa tangible e intangible, simplemente no tienes la seguridad adecuada, en medio de todo esto llega el blockchain, respondiendo a inquietudes, está por hacer, muchas transacciones de dinero. se realizan, dentro de un entorno propicio con la seguridad adecuada.

Índice de términos, Bitcoin, Blockchain, Criptomoneda

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Introduction

Beyond the cryptocurrencies, the blockchain. The birth of bitcoin was in 2009 by satoshi nakamoto. Although the idea of cryptocurrency was born in the decade of the 80s, as the introduction of virtual currencies, in 1998 Wei Dai presented B-money as a solution to the centralization of the currency when purchasing electronic products. The year the bitcoin was born of bitcoin, it was with the sense of creating a coin that was beyond the control of monetary authorities, who could not control the value of the coin. However, little by little they found other advantages, such as the fact that no borders were known, since a person with internet, even with a smartphone, could make transfers. It is said that there will only be a maximum of 21 million units in circulation. [1]

Figure 1

What is a Blockchain?

It is described as a "great accounting book" that facilitates the process of recording transactions and monitoring assets in a business network. On the one hand, a good can be tangible like a house, or a car, or may be intangible, intellectual property and patents. Virtually anything of value can be monitored and negotiated in a blockchain network. You can imagine it as a shared Excel, as a shared database and constantly changing. This concept is compared to Google Docs, where two parties have access to the same document and at the same time, where the one visible version is the one they are viewing. A blockchain is a shared book. [2]

Why is a blockchain necessary?

It was already commented that a blockchain is a shared book. But why is it required? One of the most competitive advantages is that it allows to generate commercial transactions in a safe and efficient system, in addition it does not require specialized equipment, it does not generate extra expenses or commissions.

The blockchain provides the means to save bitcoin transactions, just as other companies would. , only that it can be used for any transaction and to monitor the maximum of any good.

¿What uses does blockchain have?

¿What uses to have the blockchain?

1. Commercial financing, companies need to purchase goods and services on credit with visibility of both parties to settle transactions. For example, IBM provides financing to its allies, the company mutes all its information and presents it to users as a shared ledger.

2. Commercial finance. Companies need a way to streamline the process of obtaining multipleapprovals. For example, customs, transportation firms, etc. The blockchain can be used by the legal entities to sign all the approvals and keeps the parties informed about the states of the same.

3. Blockchain & Current transactional systems. It ensures and protects transactions, since they can not be changed, it is only reversible with another transaction, both transactions are always visible, since the information of each transaction is recorded and available to all parties through a distributed network.

4. Insurance The insurance industry can also use blockchain. Insurance providers need an efficient way to process requests, verify that it is an insured event (such as an accident) and give customers fair and timely payments. With automatic request processing, conditions are entered into an intelligent contract stored in blockchain and connected to data on the Internet. When an event happens and it is reported to a source, the insurance policy is activated and processed according to it.

5. Health management, Blockchain provides the health industry with a more efficient and secure system for managing clinical histories, clinical payments, insurance requests, among dozens of other transactions.

6. Internet of things (IoT). Since the machines interact with each other, all relevant interactions can be reported and recorded in the blockchain to increase efficiency and reduce costs. The logistic exchange can use blockchain to automate IoT processes. [2]

Figure 2

The public faith in blockchain time

The blockchain came to bury the office of notary? The blockchain and the public faith share a need for certainty, immutability and security.

But both terms are not so far apart, especially if we consider that the blockchain aims to provide certainty and security to a transfer of information, attributes with which the public faith also counts and its executor, the notary, on behalf of the Executive federal or state.

The blockchain technology refers to a decentralized digital database that keeps track of all the exchanges of information that take place through a peer- to-peer network (P2P). Whenever it is necessary to make a new exchange, an algorithm analyzes the data contained on the information that was generatedin the past and evaluates its viability and security, to then add a new block to the chain permanently and unalterable.

The concepts that are repeated in both definitions belong to the realm of certainty, immutability and security. In the case of public faith, it is the State that verifies that the documents and the facts that appear in them are true, through the figure of the notary, which can be a notary, a public corridor and even a court clerk, depending on the act to which you want to give legal security.

Within the blockchain, both the certainty and the security of an exchange are provided by an algorithm and the peer-to-peer network that make up the chain of blocks.

"When two parties come with a notary, they come before a trusted third party. That is precisely the blockchain, a trusted third party, in which information exchanges are validated by what is called the blockchain consensus. This consensus is the approval of all the nodes that are required for an exchange to be authorized, "said lawyer specialized in computer law Joel Gómez Treviño, in an interview with El Economista.

According to the also president and founder of the Mexican Academy of Computer Law, there is a tendency to believe that the profession of notaries runs the risk of disappearing because of the blockchain. In Mexico, more than 4,000 notaries are registered and, in the exercise of their functions, the Ministry of Economy counts 378 public brokers.

This same opinion was expressed by several of the notaries who came to the European Congress of Notaries held in Spain in November 2017 , for whom this technology has, in the short term, few possibilities to generate a change in the model of the notarial function.

The lawyers argued that, although the blockchain can replace the function of granting certainty that something has happened, it is not capable of recognizing if what has happened is true or false, so this function will continue to reside in the notaries.

At present, there are already tools to notarize a document using blockchain. At least there are two: Stampery , a Spanish app to certify documents that has had great success mainly in the Anglo-Saxon markets in which the public faith does not add legal value to the facts that it verifies and that was integrated in 2017 to the services that Microsoft offers via online for the Office package.

Figure 3

The other option is a page of the popular Bitcoin.com cryptocurrency site that offers the possibility of verifying and certifying documents through a cryptographic extract of the same that is stored with a unique address and a temporary record. The service has a cost of less than half a dollar, about 9 Mexican pesos, which does not compare with the minimum tariff received by a notary in Mexico City of 4,406 pesos for transactions of up to 151,224 pesos, according to the tariff of Notaries of the Federal District of 2017. For this to happen, many other things would have to happen. At the most radical end, the country would have to under go a profound political and economic change, in which the figure of the authorized third party invested by the State is unnecessary.

In more measured areas, the donation of public faith would cease to be a function of the fedatarios and would become a digital process that would have to pay close attention to the implications that entails.

For Joel Gómez, the measured option is the most likely. The lawyer foresees that the notaries leave the public faith in the background to look for other alternatives, such as their consulting capacity.

Conclusions

–   The blockchain is a financial instrument, sure, that ra evolves over time, so that different races should prepare, cope and improve their curricula and scope they have.
–   It is an instrument of resilience distributed and control, there is a dynamic and fluid exchange of value.
–   Reduce transaction costs, since it does not require intermediaries.
–   Enables new business models where the cost is reduced and the process is accelerated.
–   Some of the threats of the use of this new cryptomeda are legal and jurisdictional barriers.
–   One advantage is that regulation rules are already appearing for this type of commercial transactions such as "The Fintech Law" .
–   The principles of the Blockchain will be applied to data security, especially to regulated industries such as finance, government, health laws. [4]

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