

FOLLOW OUR STORIES ON

 TWITTER ([HTTPS://TWITTER.COM/EXITEVENT](https://twitter.com/exitevent))
  FACEBOOK ([HTTPS://WWW.FACEBOOK.COM/EXITEVENTMEDIA](https://www.facebook.com/exiteventmedia))
  INSTAGRAM ([HTTPS://WWW.INSTAGRAM.COM/EXITEVENT/](https://www.instagram.com/exitevent/))
  MEDIUM ([HTTPS://MEDIUM.COM/@EXITEVENT](https://medium.com/@exitevent))

October 11, 2017

 ([HTTPS://WWW.FACEBOOK.COM/EXITEVENTMEDIA](https://www.facebook.com/exiteventmedia))

Blockchain: Full of Confusion, Speculation & Opportunity

By Jon Mareane  <https://www.linkedin.com/in/jonathan-mareane-141b3188/>
 (<https://www.linkedin.com/in/https://www.linkedin.com/in/jonathan-mareane-141b3188/>)

Recapping the region's first BlockHack conference and hackathon at Duke University

Duke University Professor **Cam Harvey** has a problem with journalists who cover blockchain. He also has a problem with CEOs, ICOs and the banking industry as a whole.

Harvey is annoyed about a lot of things, actually.

During his hour-and-change exchange with attendees of the first BlockHack Conference and Hackathon (<http://joinlincoln.org/events/2017/blockhack>) he took some not-so-insignificant time to throw some not-so-subtle shade around. He's open about his "aggressiveness" in discussion, but that term might not adequately describe his incendiary manner of speech.

The writers who try to explain the aforementioned technology, CEOs and businesses who use blockchain to exploit interested but clueless investors and people blowing up his email with requests for "a quick chat about blockchain" were all in his crosshairs during his time with the roughly hundred or so attendees at Duke's I&E Bullpen space.

Harvey (pictured top) is one of the leading figures in the business of blockchain and runs an annual course at Duke's Fuqua School of Business that's been profiled in the *Financial Times*. Before his keynote, given in place of Congressman Patrick McHenry who had to cancel due to a family emergency, he was on the phone with the *Wall Street Journal* for his take on Bitcoin derivatives.

That Friday night he was out to squash the myths about blockchain, cryptocurrency and the rise of a decentralized economy. It was a lot to pack in an hour-long keynote.

While one of the most outspoken advocates for blockchain technology and cryptocurrency, even claiming that a peer-to-peer crypto-based financial system would mean that "a bail-out will never again be necessary in the future", he lent his time and expertise to discussing some of the pitfalls in the industry too.

The first and perhaps most important point he made is that the greater public doesn't know how to talk about blockchain. Harvey lamented that journalists are still desperately seeking information, asking questions, and needing clarification again and again ad nauseum. When most of his conversations with reporters would normally be a 15 minute phone call, blockchain discussions could turn into an hour long episode with multiple followups.

It's not surprising that journalists have a hard time with the subject. Even leaders in academia have requested help from Harvey with their students. When a professor from another school asked for notes he remarked that "You can have them, but they're already outdated." The industry moves that fast.

Compounding the problem are those in the tech industry capitalizing on the meteoric rise of interest in blockchain. Business leaders are duping the more gullible or less informed through things like ICOs. An Initial Coin Offering happens (<http://abcnews.go.com/Business/initial-coin-offerings-future-latest-investing-trend/story?id=50243351>) when a company uses a new digital coin-based currency to raise funds.

Harvey has stated that “more than half of the current ICOs... are ‘sham’ offerings.” Even the ICOs that aren’t deliberate “shams” in his words, could end up being an incredible waste of time and money for coin-buyers—just a few days ago the SEC announced it was filing fraud charges (<http://fortune.com/2017/10/01/sec-ico-fraud-charges/>) over two ICOs scamming investors.

“It’s the wild west right now of ICOs”, says Harvey.

Not everything needs to be blockchain-centric, Harvey says. Just because it’s the new trend, it doesn’t need to be integrated everywhere. When done poorly, it’s a gimmick, and at its worst, it’s a deliberate cash grab aimed at the people who see the word “blockchain” and buy in.

But while Harvey leveraged his time to warn those excited about this emerging field that there are indeed drawbacks, much of the time spent by other speakers and panels was more heady ideation of what a future integrated with blockchain tech might look like.

Bitcoin industry expert and self proclaimed “cypher-punk” (<https://www.theverge.com/2013/3/7/4036040/cypherpunks-julian-assange-wikileaks-encryption-surveillance-dystopia>) **Jameson Lopp**, IBM Blockchain Director **Mark Parzygnat** and Latham & Watkins CIO **Ken Heaps** spent their time evangelizing the technology and detailing use-cases and and future innovations based around the concept.

Lopp was the most anarcho-capitalist of the bunch, envisioning a world free of state-controlled financial systems. But he was equally as worried about the implications of human behavior and financial transactions being stored in an immutable and permanent ledger.

Parzygnat provided one of the most interesting and tangible examples of how blockchain might be introduced to the mainstream world of business and consumerism through supply chain data.

Imagine you’re a yogurt manufacturer who learns that some units contain e. Coli. Today, you’d go through a costly nationwide recall, destroying literal tons of yogurt that both are and aren’t infected with the bacterium. But, if you had a ledger tracking each ingredient through farming, manufacturing, transportation and storage of the product, you could pinpoint where the contamination happened and only dispose of the contaminated units. This could save millions of dollars for companies.

Heaps saw profit, but also danger, in blockchain and cryptocurrency. In the “endgame”, a blockchain-integrated society will have more data on human behavior than we could have ever possibly imagined, all available in our immutable ledger.

“Information is the oil of our generation”, he remarked.

However, he worries about the public perception of cryptocurrency—the most visible manifestation of blockchain technology. It’s become the payment of choice for ransom (<https://www.crowdfundinsider.com/2017/09/121705-report-equifax-hackers-demand-bitcoin-ransom-delete-stolen-data/>) and marketplaces like the Silk Road ([https://en.wikipedia.org/wiki/Silk_Road_\(marketplace\)](https://en.wikipedia.org/wiki/Silk_Road_(marketplace))).

Following the panels and keynote, interested attendees pitched blockchain project ideas, then broke into groups and worked until Sunday to pursue them.



After a long weekend of work, three winners were chosen.

The first place winner, taking home \$3,000 to continue work on the project, was **Servall**. The company aims to use blockchain to create more transparency in nonprofit organizations by tracking their spending.

Second place was **Wonton Schlup**, a ticket-tracking app-based company that aims to combat ticket price gouging and selling invalid tickets through use of the ledger.

Taking third was **Qualy**, an online education platform. Instead of instructors earning cash through ad revenue on their videos or lesson pages, they would be rewarded with cryptocurrencies—removing intrusive “mid-roll” or banner ads from their work.

While the weekend was marked with highly technical and nuanced discussion, event organizer **John Fallone** was simply happy that people showed up and learned something about blockchain.

As a product of friends “shoving blockchain down my throat”, he was glad to do the same for the curious group of attendees.



Jon Mareane (/?s=+&author_name=jon mareane&post_type=post&author_id=7)

Jon is a young data scientist exploring the food, drink and startup scene of the South. Interests include talking about why True Detective season 1 is the best TV series ever, happy hours and double cheese pizza.

0 Comments

Sort by



Add a comment...

Facebook Comments Plugin

OTHER STORIES

A New Green Energy VC Fund Raises Cash This Week (+ More NC Funding News)
(<https://www.exitevent.com/2017/10/a-new-green-energy-vc-fund-raises-cash-this-week-...>)

By Laura Baverman | 44 mins ago

Black Angel Tech Fund Investor: Put a Phone in the Raised Fist of Black Power
(<https://www.exitevent.com/2017/10/black-angel-tech-fund-investor-put-a-phone-in-the-...>)

By Jon Mareane | 59 mins ago

How Building Community & Creating Serendipity at Loading Dock Raleigh Inspired A New Startup
(<https://www.exitevent.com/2017/10/how-building-community-creating-serendipity-at-...>)

By Shannon Cuthrell | 2 hours ago

The Power of Dance at Startup Grind Triangle
(<https://www.instagram.com/p/BaHpy8XD9g1/?taken-by=exitevent>)

By Laura Baverman | 20 hours ago



Hopes & Fears of an Entrepreneur
(<https://www.instagram.com/p/BaCOenrjq2f/?taken-by=exitevent>)

By Laura Baverman | 20 hours ago

Citing Stories From His Own Portfolio, Investor David Gardner Calls Data the Future of Tech in NC
(<https://www.exitevent.com/2017/10/citing-stories-from-his-own-portfolio-investor-david-...>)

By Laura Baverman | 23 hours ago

ABOUT ([HTTPS://WWW.EXITEVENT.COM/ABOUT/](https://www.exitevent.com/about/)) SUBMIT A STORY ([HTTPS://WWW.EXITEVENT.COM/SUBMIT-A-STORY/](https://www.exitevent.com/submit-a-story/))

ADVERTISE WITH US ([HTTPS://DOCS.GOOGLE.COM/FORMS/D/E/1FAIPQLSE_EHBGLMQT3O03PCFB9_QUAXULX_FNOFDE59-WTDKJNEDXTA/VIEWFORM?C=0&W=1](https://docs.google.com/forms/d/e/1FAIPQLSE_EHBGLMQT3O03PCFB9_QUAXULX_FNOFDE59-WTDKJNEDXTA/VIEWFORM?C=0&W=1))

CONTACT EDITOR ([HTTPS://WWW.EXITEVENT.COM/CONTACT-EDITOR/](https://www.exitevent.com/contact-editor/))

PRIVACY POLICY ([HTTP://AMERICANUNDERGROUND.COM/PRIVACY-POLICY/](http://americanunderground.com/privacy-policy/))

TERMS OF USE ([HTTP://AMERICANUNDERGROUND.COM/AMERICAN-UNDERGROUND-LLC-TERMS-OF-USE/](http://americanunderground.com/american-underground-llc-terms-of-use/))

 ([HTTPS://TWITTER.COM/EXITEVENT](https://twitter.com/exitevent))

 ([HTTPS://WWW.FACEBOOK.COM/EXITEVENTMEDIA](https://www.facebook.com/exiteventmedia))

 ([HTTPS://WWW.INSTAGRAM.COM/EXITEVENT/](https://www.instagram.com/exitevent/))

 ([HTTPS://MEDIUM.COM/@EXITEVENT](https://medium.com/@exitevent))

© 2017 American Underground, LLC