

# Blockchain

## Future Trends and Developments

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Technological developments, and the business developments that follow, are hard to predict – but it is important that organizations can formulate plans for the future and make educated decisions in an environment of uncertainty.

This text describes different potential directions for the future, which would assist organizations in planning activities within the next five years. Each organization must make its own considerations and decide which of the scenarios seem most likely to become reality, as well as service its activities, beliefs, and goals. Simultaneously, as part of risk management, it should be considered that some scenarios might only be realized partially, or not at all.

### BAAS – Blockchain as a Standard

Blockchain can be an enabling tool for the Environmental, Social, and Governance (ESG) standard – a framework that civil society has worked to apply to business conduct, in order to create broad accountability in ethical economy. The ESG corresponds with, and expands on, the principles of Corporate Social Responsibility (CSR). Today, this standard is used in businesses with a value of \$8.2 trillion in the US, and \$22 trillion globally. Researchers recommend setting the ESG as an international standard.

Under this framework, blockchain, which will become transparent to users, will serve as a reference source for users and



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customers, as well as a practical tool for public oversight of the business company's transparency, accountability, liberalism, efficiency, saving, decentralization, and the company's level of trust from its customers and ecosystem co-participants. It's also possible that the BAAS will include various levels and intensity, so that it can range on a spectrum assessing its implementation level.

A company operating based on a permissionless blockchain may receive a higher rating than a company operating based on a permissioned blockchain. A company opting not to reflect its activity over the blockchain would receive a lower rating within this standard and would raise questions for conducting its businesses in a clandestine manner. Furthermore, blockchain convene and facilitate multi-parties ecosystem witch consider a variety of needs and requirements (circular economy, ethical economy, social and environmental considerations it tackle common international challenges that involve wide range of stakeholders and provide answers or solutions for large audiences.

This societal nature of business conduct should be encourage rather than the narrow angel of revenue and profit witch benefit one company stockholders and characterizes the "egosystem""old" way of doing business.



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### **Questions for your Organization**

Does your organization incorporate any social and ethical international standards in its strategic plan? Does your implementation of blockchain technology can contribute to this plan or provide you with a competitive advantage in your industry?

Does your organization consider using blockchain in some of its operations in order to enlarge compliance with BAAS? Do you believe BAAS can contribute to your effective and efficient business conduct and widen you accountability and transparent management tools?

# ABCD – AI, Blockchain, Cloud Computing, Drown & Big Data

The image of the future draws an opportunity and need for intense synergy and connections between the technologies of the fourth industrial revolution. This synergy will be one of the characteristics of economy in the foreseeable future: a coming together and connection between the digital world and the physical-biological world; a combination of machine learning and big data analysis generated by IoT sensors and information collected from drones for various purposes 24 hours a day. This would allow keeping the blockchain platform as safe as possible, and allow better and more correct use, monitoring, and decision-making.

The combination of smart home, smart cities, smart clothes, autonomous cars, and intelligent robot technologies will become one of the cornerstones of the future world of business, and will help in creating a more efficient, free, and ethical economy, operating without the boundaries of national borders, taxes, and useless regulation. Digital currency payment systems will help obscure these boundaries and expand the centrality and importance of users, for the benefit of society and humankind.



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## **Questions for your Organization**

Does your organization aware of those technologies? Have you considered or PoC's some of them? How do you see their effect on your services? your solutions and your organization's R&D efforts in the short term and the long run?

Do those technologies require partnering with other companies in order to formulate an holistic solutions or new competitive products? Does this realm require strategic shifts in your organization business plan?

Can you see any cross industry opportunities for collaboration, using ABCD technologies, and formulate new business models and new products?

# DAO Governance

Blockchain promotes cooperative activity in a broad business ecosystem, including customers, partners, competitors, regulators, and civil society organizations. This facilitates a diversity in views, pluralism, and democratic decision-making based on a broad set of interests, while using innovative and efficient management methods operating bottom-up, top-bottom-up, as well as self-management based on a meritocracy of knowledge and reputation, as opposed to traditional top-down management based on power and position. The management of multi-partner operations in a broad ecosystem requiring coordination and control can be performed through blockchain-based tools. The central tool is the Decentralized Autonomous Organization (DAO), an innovative organizational and business structure implementing corporate governance over the blockchain platform. DAO is a virtual entity; it has no physical address and includes no people in management positions.

According to the theory at the base of organizational governance, preventing the concentration of power and distributing decision-making power to all shareholders, mean that shareholder interests are more carefully protected. It also prevents the misuse of information and budget resources of organizations by managers with conflicting interests to those of the company or its shareholders. The vision was to create a futuristic and groundbreaking model for a business organization that is better invested in the benefit of its investors and shareholders, a model for an organization simultaneously existing anywhere and nowhere and operated by code. The governance system offered by DAO cannot remain within the narrow scope of corporate governance or accountable and ethical management of business budgets. The central argument raised by designing governance systems in future corporations is that creating corporate governance or an economic system is limited compared with the need to manage such large communities. This system creates a basis for extensive global communities. To allow for democratic, cooperative, and equitable conduct, these should implement a governance model from the field of state governance, a system assisting with preserving balances and brakes for preventing centralization, together the corporate effectiveness structure, creating a



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“network constitution” to comprise a whole system of norms, morality, values, and inclusive governance.



### **Questions for your Organization**

Do you have an innovative management method in line with your innovative business? What management tools do you use in your blockchain ecosystem?

Do you wish for more democratic and inclusive infrastructure? Does coordination large scale consortiums are efficient or do they require too many manpower and efforts?

Do you encourage DAO implementation in your blockchain ecosystem in order to contribute to coordinating efficiency and process effectiveness; decision making transparency, partner's engagement and accountability?

## **The Rise of the TokenNation (Cloud Nation)**

The blockchain is the foundation, liberal and libertarian manifest, set of laws and technological infrastructure of the future TokenNation. The TokenNation: borderless, nationless, open to all, meritocratic, and driven by self and global community interests, while repairing capitalism's inefficiencies, injustices and damaged societal structures. The TokenNation will emerge reflecting members' values, interests and ways of living through collaborative activities, thus creating utopian-like societies enabled by blockchain technology and powered by tokens. The TokenNation will eliminate poverty and minimize environmental damage, promoting an ethical economy, and efficient and transparent DLT-based governance/government, and valuing professional expertise and commodities instead of politics and corrupt lobbies. The TokeNation will emphasize transparency across industries, collaborate in a global trade ecosystem, minimize food waste and commodities forgery and provide more resources for the benefit of mankind. The first step in ToenNation seems to be the corporate token which encapsulates the corporate business value and enlarge its business ecosystem into corporate economy ( it applies to



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municipalities as well) International corporates can consolidate and materialize large ecosystem in order to leverage their market share into cross borders economic freedom and manifest their sovereignty. They will face regulatory issues (as we can see in the Libra case study) which will be resolve in the long run.



### **Questions for your Organization**

Do you see the future international economy as a network of TokenNations rather National-Oriented corporates, as part of blockchain technology implication and paradigm shift in the business sector and international economy?

Does your organization is part of an international consortium large enough to claim to be TokenNation? What are the means and process to proper to this scenario?

## About the authors



Dr. Perry is an expert and consultant for innovation, blockchain, and R&D. She is a former research director at The Open University of Israel and CEO of its TTO Company. Her first Ph.D. is in Information Science, specializing in KM in Higher Education and Technology Transfer and Innovation. Dr. Perry was a Member of the National Committee for Israeli's Researchers Database, a board member at EARMA (European Association for Research Administration), an active expert at the EC ERC-PoC. She is engaged in projects and expert groups in the WEF World Economic Forum and the EU and the founder of DAO4DAOs Institute and BUG Blockchain University Global.

She is also the author of the book "Blockchain – Turning egosystem to ecosystem", which includes a variety of use cases, blockchain principles, and practical ideas. The book facilitates and elaborates blockchain new paradigm implementation in society, business, companies, and governments.

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