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Important terms & recent history

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Important terms

∞ Blockchain

- Enables distributed public ledgers that holds immutable data

- Secure and encrypted, ensuring that transactions can never be altered

- 2 main types:
  - ☐ Permission
  - ☐ Permissionless

$ Cryptocurrency
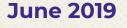
- Digital currency created and managed through cryptography

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Recent history

Facebook reveals creation of a blockchain division

Facebook formally announces the creation of Libra and releases its whitepapers

May 2018

June 2019

December 2018

Facebook announces the creation of a "cryptocurrency"

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Libra's objectives & main characteristics

Breaking up Libra's intentions

☺ **Easy for everyone to use**

➔▯ **Cash that lives inside your phone**

✓**Reliable record of transactions**

💸**Spend Libra in various ways**

⊘**Stop paying high fees**

💫 **Bonus discounts and coins for signing up**

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Main characteristics

- ○ **Open source software**
  - □ **Anyone can build on it**
  - □ **Billions of people can depend on it**

- ○ **Increasing access**
  - □ **Due to proliferation of smartphones and wireless data**

- ○ **Blockchain built from ground up**
  - □ **To prioritise scalability, security and efficiency**

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How does Libra work?

Libra's structure

Made up of three parts:

💪 **Secure, scalable blockchain**

💰 **Backed by a reserve of assets**

👤 **Governed by the independent Libra Association**

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The "Libra Blockchain"

Single data structure

- Records history of transactions
- Simplifies work of applications

Pseudonymous

- Allow users to hold on one of more addresses that are not linked to their real-world identity

Overseen by the Libra Association

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The Libra Association

Independent, non-profit membership organisation

Objectives:

- Facilitate the operation of Libra Blockchain
- Coordinate the agreement among its stakeholders
- Manage the reserve

Important members

The Libra Reserve

A collection of the most stable international currencies

- Even if one of these currencies fluctuate, the value of Libra remains stable
  - A key difference from other cryptocurrencies

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Comparing pros & cons

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Helpful comparison

• Transaction has to be verified	• Decentralised: Anyone can verify
• Depends on national currencies, affected by inflation	• Not dependent on any government or currencies
• Blockchain is a Merkle Tree	• Blockchain is sequential
• Program MOVE	

Pros and cons

👍

- Payments across borders
- Low cost transactions
- No need to have a bank account
- Safe to store
- Good for countries with hyperinflation
- Will be accepted by many established Facebook products

👎

- How much control will Facebook have?
- Is it too ambitious?
- Access to social media and financial status

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THANK YOU!

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