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Digital currency is defined by speed, says Coinbase CTO Balaji Srinivasan. He discusses how Bitcoin facilitates rapid international transactions, and walks through new approaches for entrepreneurs, like crowdfunding and even incorporating via the blockchain.



Transcript

- With Ethereum and other kinds of cryptocurrencies that represents the 10x improvement over swift, right.. Swift, if anybody sent a wire internationally that takes days to clear typically.. Where as with Ethereum, I can be on the phone with somebody and just like I can wait for that email to hit, I can wait to just see it in the block chain, and I can say, "oh, that transactions done, boom, "I can now get the deal closed." The speed difference here is the difference between like a physical mail, like sending a letter, which takes 2-3 days, versus email which takes minutes.. And think about how big a difference that made, right.. Like when you went from physical mail to email, just the metabolism of businesses changed.. When you go from 2-3 days for international commerce to minutes, the metabolism of international business changes.. Third point, crowdfunding.. So in 2015, if you go to Wikipedia and you look at the list of the largest crowd funders, okay, you will see that it's maybe 10 million- 15 million dollars.. By 2017-2018 a large crowd funder was four-billion dollars.. So that's like a 400x improvement in about 2-3 years and that's more than 10x, that's like 400x..

And you might argue, well what are those things funding? They're all funding ICO's and crypto stuff, it's all this Buros-Buros.. But it's actually something where you could fund a building.. You could fund pretty much anything now that folks are accustomed to using crypto to do this kind of thing, it's a powerful innovation of crowdfunding.. And I could go on and on and I could probably write an article on this, but just a few more examples.. So like Delaware Incorporation, in many studies, like the World Bank has a study called Doing Business, in this study they actually say, "hey, how long does it take you "to incorporate in your country? "Does it take you weeks or months or does it take you days? "And if it takes you days, well you're "a great country for business, great country for start-ups." well Ethereum shattered that, destroyed that because it's not days anymore, it's minutes.. You can literally get a Smart Contract into Block Chain in minutes.. And that's amazing, that works internationally.. You're not incorporating in Delaware, you're incorporating on the Block Chain.. And it might seem like an apposite comparison today, but lots and lots of stuff, all these VC terms, all these bits of Delaware law are currently, as we speak, being encoded into Smart Contracts so that incorporation on the Block Chain will become probably the default in like, I don't know, 10 or 15 years...