Blockchain Economic Networks: Economic Network Theory—Systemic Risk and Blockchain Technology

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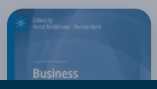

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the replication of network statistical behavior in cryptographic networks indicates the robust (not merely anecdotal) adoption of blockchain systems. Part II addresses balance sheet network analysis (ongoing obligations over time), first from the classical sense of central bank balance sheet network analysis developed by Castrén (2009, 2013), Gai and Kapadia (2010), and Chan-Lau (2010), and then proposes how blockchain economic networks might help solve systemic risk problems. The chapter concludes with the potential economic and social benefits of blockchain economic networks, particularly as a new technological affordance is created, algorithmic trust, to support financial systems.

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