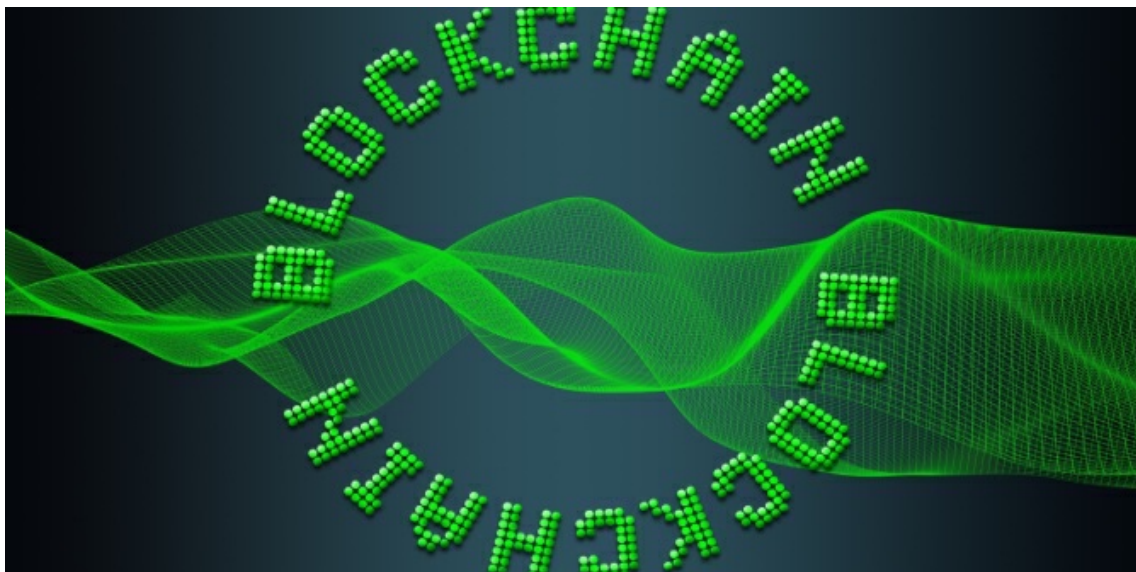


Google's involvement is a step forward for blockchain



Just before the Google Next event at the end of July, Google announced that it had partnered with two different blockchain technology companies to integrate their solutions into Google Cloud. These partnerships were made with an objective of helping enterprises streamline the development of blockchain applications as the technology continues to rapidly gain popularity.

With more than 86,000 blockchain projects on GitHub as of fall 2017, it is clear that there is tremendous interest in building applications with blockchain technology. Of these projects, only 8 per cent were actively maintained, and the [average lifespan](#) of each project was 1.22 years. Given how rare actual expertise in blockchain programming is, it cannot be doubted that the sheer complexity and relative newness of blockchain technology have at least contributed to these projects being either discontinued or left incomplete. To put the rarity of this expertise into perspective, at the beginning of 2018 there were 14 [job openings](#) for every one blockchain developer in the United States.

One of the two companies that Google partnered with is called Digital Asset, a New York based fintech company that specializes in distributed ledger technology (DLT) solutions. Digital Asset will provide Google Cloud developers with a full stack solution that takes away many of the hurdles of developing DLT applications. Google Cloud has also joined Digital Asset's private beta program, providing select parties with access to their Digital Asset Modeling Language (DAML), which simplifies the development of smart contracts, in addition to DAML's Platform-as-a-Service (PaaS), which is a platform for testing and deploying DLT applications. The intended outcome of this collaboration is to enable developers to create, test, and launch DLT applications, but without the need to be [greatly familiar with everything](#) that is "under the hood".

What impact will this have on blockchain?

In short, it will address the gaps that have prevented would-be blockchain solutions from coming to fruition, and considerably speed up the adoption of blockchain technology in doing so. By providing a standardized "backbone" for smart contracts (which not every application developer knows how to program from scratch), and a "sandbox" in which DLT applications can be taken from their alpha version to their launch, Digital Asset and Google are giving blockchain developers everything that they always needed, but could not easily obtain.

This can be likened to the emergence of HTML editors in the early days of the Internet, which simplified the underlying technologies of HTML, CSS, and JavaScript in such a way that web pages could be created without advanced programming knowledge, thus propelling the growth of the world wide web. Likewise, since Digital Asset's collaboration with Google will enable blockchain applications to be developed without advanced blockchain programming knowledge, it stands to propel the growth of blockchain in a similar way.

Will Google's movement towards blockchain help to make this technology go mainstream?

While it will be a major step towards bringing blockchain technology into the mainstream, Google is not exactly positioned to have this influence by itself. In early July, shortly before announcing the partnership with Digital Asset, Google co-founder Sergey Brin was speaking at a blockchain conference in Morocco, when he [admitted](#) "We probably already failed to be on the bleeding edge [of blockchain], I'll be honest". This, unfortunately, is combined with Google's relatively small share of the cloud computing market at just 6 per cent, compared to Microsoft at 13.9 per cent and Amazon at 31.8 per cent, according to [2017 estimates](#) by research firm Canalis.

Further, at a macro level, public understanding of blockchain technology remains noticeably low, despite having improved over the course of 2018. Additionally, the legality of cryptocurrencies as a use of blockchain technology remains an issue in some countries. These two factors do stand to inhibit the mainstream adoption of blockchain.

Nevertheless, Google's movement towards blockchain will have a net positive effect on bringing it into the mainstream.

What other ramifications will it have on the technology?

A very important ramification that it will have is the validation of blockchain as a legitimate form of technology, in addition to making it easier to use. Blockchain went from being met with confusion in its earliest stages, to being met with distrust and skepticism as it started to become popular, and as it gained a reputation of facilitating inappropriate transactions. This is similar to the Internet's early days, when in 1994 five out of 10 of the most popular newsgroups were adult-themed, giving it a [comparable stigma](#).

Key developments would ensue in the coming years to validate the Internet as a technology suited for mainstream users, and make it easier to use. For example, major corporations started to build websites, and Microsoft included the Internet Explorer web browser in releases of Windows 95 as an easy way to use the Internet. Similarly, Google's movement towards blockchain has the dual effect of providing both their endorsement of the technology in and of itself, and making blockchain technology easier to use through its partnership with Digital Assets.

In conclusion, Google's involvement with blockchain will ultimately be a step forward for distributed ledger technologies. Its partnership with Digital Assets will not single-handedly bring blockchain into the mainstream; though it will be a major milestone along the way.



Notes:

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