

## Blockchains and supply chains (the institutional cryptoeconomics view)

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## What I'm going to do today

- Introduce the **RMIT Blockchain Innovation Hub** and **institutional cryptoeconomics**
- Explore why blockchains are such a powerful tool for **supply chain management**

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[sites.rmit.edu.au/blockchain-innovation-hub/](https://sites.rmit.edu.au/blockchain-innovation-hub/)

## Introducing institutional cryptoeconomics

- Blockchains are enormously successful **proof of concept** around **distributed ledger technology**
- We're applying a large body of economic thought to understand how ledgers – and blockchains – shape society

Ronald Coase  
Nobel, 1991

Oliver Williamson  
Nobel, 2009

Elinor Ostrom  
Nobel, 2009

## Why supply chains?

- Supply chains are an information problem
  - Where does my wine come from?
  - How old is this meat?
  - Is this organic?
  - Is this a genuine pharmaceutical product?
  - Does this present a biosecurity risk?
- Who needs this information?
  - Consumers
  - Governments / regulators
  - Firms

## Where is the value?

- The value in supply chains is determined by **trust in information**
- Who gets the value from quality provenance supply chains?
  - Farmer?
  - Transport?
  - Retailer
  - This is a trust question
- Our view is that value will move back on the chain
- **Data markets** for supply chain data, mined by AI.

## Policy questions

- Blockchains for supply chains is a policy question
  - will not only have to satisfy consumer demands, but also government information demands. Must interact across multiple supply chains and jurisdictions. Inherently global.
- Challenges relating to:
  - **Regulatory incompatibility.**
  - Setting **information standards.**
- Need for a global coordinating body



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## Keep up to date with our work

<http://sites.rmit.edu.au/blockchain-innovation-hub/>

<http://cryptoeconomics.com.au/>

<http://medium.com/@cryptoeconomics>

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