Chapter 88

Addressing the Feasibility, Suitability, and Sustainability of the Blockchain

Renaud Redien-Collot

Institut Friedland, France

ABSTRACT

This chapter applies stakeholder theory in order to evaluate whether a blockchain community is demonstrating a communicational maturity in order to achieve its technical, social, and political agenda. The consistence of the mission of an organization or a community is clearly reflected in the eyes of its stakeholders. Therefore, the study adopts a qualitative lens in conducting 11 semi-structured interviews with experts that are prominent international stakeholders of the blockchain in order to gain a deeper understanding of their internalized perception about this technology and its social network. According to the results, the blockchain community members are ready to address the feasibility of their technology and its implications. They also address some aspects of the social suitability of their network. However, they do not fix clear conditions of communication and coordination to discuss the sustainability of the whole organization.

INTRODUCTION

Most of the work currently being done on the Blockchain is questioning its technological robustness and its optimization; other studies published by the media and social networks discuss the relevance of the business model promoted by Blockchain. However, the Blockchain also claims to have a social and political agenda. It is from its conflicting point of view that this agenda has emerged in the media. Following the exploitation of a loophole in the coding of the investment fund (The DAO), the crisis of the summer of 2016 showed that the only rule of the incorruptible code bent before that of its most influent contributors. The co-decisional process was distorted. In this context, the understanding of the Blockchain's social dimension cannot be reduced to the journalistic analysis of its conflicts of interest.

Blockchain is a complex and mutating entity that is, at the same time, a technology, a social network that exchanges crucial information and a challenging community. As blockchain establishes a control of users' behaviors in several contractual situations in order to guarantee and intensify economic exchanges, its members and stakeholders should open the proper space to discuss its social and political acceptability, that is, its feasibility, suitability and sustainability. Public media and public discourse randomly addresses these important issues. The contribution of this chapter is to determine whether the present community members of the blockchain are ready to discuss these issues, that is, to demonstrate stabilized social representations of their missions. Stakeholder theory emphasizes that an organization or an organized community may achieve their goals when they are ready to explore the different aspects of their future with the most appropriate addressees (Scherer & Palazzo, 2006; Scherer, Palazzo & Zeidl, 2012). In order to do so, they have to demonstrate stabilized believes in their ability to discuss and frame the future of their network and it has to be reflected in the eyes of their closer stakeholders (Voetglin & Scherer, 2017).

The existing literature that studies the blockchain is only examining the feasibility and the advantages and the pitfalls of this technology (Buterin, 2014; Rushkoff, 2016; Pilkington, 2016; Hileman and Rauchs, 2017). However, the blockchain is not only relying on a technology and a business model but this is also an organization that has to gain legitimacy and deploy a stakeholder approach in order to be sustainable. As the blockchain is not yet a common technology, its stakeholders who are well-informed are still very few. Therefore, we did not conduct a quantitative survey but, at the end of 2017, we used a qualitative approach with 11 semi-structured interviews with experts that are prominent international stakeholders of the blockchain in order to gain a deeper understanding of their internalized perception about this technology and its social network.

The results of this chapter show that, in their social representations, the members of the blockchain community attempt to stress their differences with the internet community. In this regard, we can observe two breaking points in their perception of the internet community and the formulation of a mission that may help to accomplish what present internet culture has failed to concretize. First, in their claim of technological disruption, they have constantly attempted to construct an asymmetrical model vis-à-vis internet. Secondly, blockchain people criticize the opportunistic mainstream posture of the geek generation and seek to re-articulate political and technological dimensions in their professional experience. More importantly, they promise to create a true society of the distributed information. However, we can observe clear discrepancies and even epistemological gaps in these shared and formulated social representations. This may endanger the ability of blockchain community members to address properly their stakeholders and assert its legitimacy both in society and cyber communities.

After a literature review that will examine the building of social legitimacy by novel organizations, the chapter will present its research design and methodology, then its results and their discussion.

LITERATURE REVIEW

Blockchain is both a technical and social innovation. However, there are no exhaustive studies concerning the social structure and interactions of the blockchain communities. It is true that blockchain is still an emerging social phenomenon that may be difficult to capture. In order to appreciate the robustness of its innovativeness, it is important to observe whether this social phenomenon is gathering the conditions of possibilities of its sustainability. According to the stakeholder theory, the sustainability of an organiza-

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