



Pillars of Blockchain

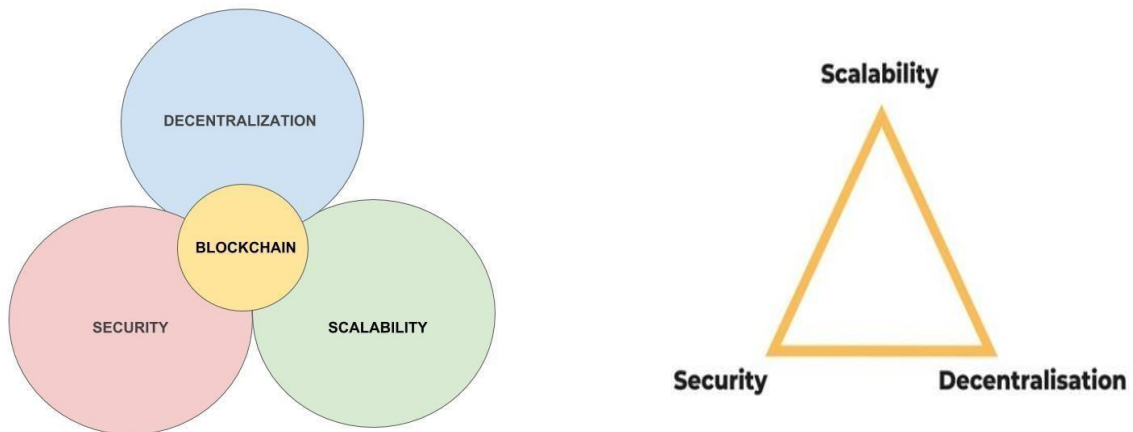


Figure 1.25 Pillars of blockchain

- Every Blockchain can be rated on the basis of 3 components:
Decentralization, Scalability, and Security.
- It is a challenge to keep all of these three components in balance.
Usually, one of them is partly sacrificed to get the other two.
- **Scalability**
- **Decentralization** (censorship resistance)
- **Security**
security, scalability, and decentralization. These are among the most prominent driving factors in ongoing development (privacy/anonymity is another contender).

Security:

- The network is secure from both internal and external flaws.
- **Security** is the most crucial concept, and without it, the technology would be unusable.

- Security is the most important of them all, as no one would use banks or Bitcoin without it. For example, we could say the lack of security in has stopped us in adopting that scalability solution.

Scalability:

- The technology must be able to grow to and handle a commercially viable scale.
- **Scalability** is required for the technology to gain broad adoption

Decentralization:

- The network must not, in practice, be vulnerable to control by a few entities.
- **Decentralization** is necessary to cut costs (middlemen) and to build trust.