

BLOCKCHAIN TECHNOLOGY IN LEGAL PRACTICE

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The article is devoted to the study of the prospects of using blockchain technologies in the legal sphere. The basic provisions on blockchain technologies and possible directions of their use in legal practice are considered: smart contracts, legal certification of information, etc.

The blockchain (from the English. Block-block, Chain-chain) - a digital decentralized database, which is a sequence of blocks containing information about the operations performed by the participants of this service [1].

Principles of functioning of databases based on blockchain technologies [2]:

Principle of decentralization. When carrying out any operations on the Blockchain platform, the information is distributed among all participants who have access. The positive thing about this feature is that there is no Central data collection node.

The inability to change already made data. This principle speaks of the security property inherent in the Blockchain. You cannot delete or change information.

Openness and transparency. This principle follows from the above-mentioned principle of decentralization. The data is available to all participants in one way or another. To some extent, this can be attributed to the shortcomings.

With the spread of blockchain technology, it professionals are discovering new ways to use this database. Areas of application can be divided into: financial and non-financial. If the financial sphere is operations related to the cryptocurrency market (for which the Blockchain technology was originally created), the non-financial sphere provides the creation of data banks, its storage and transfers the information. This means that there are prospects for reducing the range of responsibilities of some professionals by introducing them into their professional activities. Further details are about the possible variants of the use of the service in the practice of law.

– The technology of “smart contracts” is developed on the basis of blockchain technologies. Smart-contract is a software code that provides automatic conclusion of an agreement between the parties or other legal actions upon the occurrence of certain conditions stipulated by the parties [3].

– Performance of some actions which according to the legislation, are made by notaries. Acceptance of documents for storage; transfer of applications and other documents from one legal entity to another; Deposit of money and securities can be replaced by a certificate through blockchain technology

– In some countries, the development of a “Lawyer” platform, which also works on the basis of blockchain-technologies. Its main objective is improving the convenience of the interaction of individuals with government representatives, i.e. the improvement of the Institute of citizens' appeals to state authorities.

– The same technology has found application in the field of copyright. Namely-providing the authors of works the possibility of creating virtual documents (certificates) confirming the authenticity of the subject and its authorship.

– Many insurance companies in the US, Singapore and a number of other countries use Blockchain in the performance of their direct duties. Namely, they conclude electronic insurance contracts on the basis of the studied service. But it is worth noting that at this stage the services of such insurance are mainly used by large business companies [4].

– There is also a prospect in the field of real estate transactions. Storage of information on real estate transactions in the blocks of the data Bank, the ability to make statements from the register, to certify the rights to real estate.

This list is far from exhaustive and currently there are various proposals for the implementation of blockchain technologies in many spheres of life.

In conclusion, I would like to note the positive and negative features of the technology under consideration: the decentralized principle of data distribution increases the security of their storage and use, the immutability of the information already entered, the interaction of participants without intermediaries.

The system has a certain transparency, which in some cases gives a rather negative effect (for example, in matters of confidentiality of transactions). The speed of operations may increase significantly. The disadvantages include a large amount of electricity consumed by the equipment for blockchain technologies. The spread of technology provides an opportunity to create a cryptocurrency, the creation and use of which is a significant change in the economy of the state.

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