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Diving into The Waves

Blockchain applications are, for all the froth and hype about potential utility, still in their infancy. Legions of great developers are scrambling to build decentralized applications for blockchain ledgers, and users hunting utility for their tokens are trawling emergent ecosystems to find the blockchains that best fulfill their needs.

[Waves](#), with its accessible development language Ride, high-security blockchain, and collection of community DApps recently broke into the top 50 on CoinMarketCap following a recent meteoric rally. With that in mind, let's take a closer look at why the Waves protocol is causing some motion in the crypto ocean.

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What Is Waves?

Launched in 2016, Waves was one of the first projects to focus on creating enterprise-grade blockchain DApps and custom-block processes on its platform, giving developers the chance to create DApps and tokens securely and easily.

Built to be environmentally friendly, but still fast and economical, Waves looks to give individuals and businesses an easy way to create, deploy, and use tokenized smart assets, while clearly demonstrating the benefits of blockchain technology to enterprises.

The native language Ride is friendly to beginner developers and comes with an exhaustive how-to booklet and git support. The ability for developers to create their own branded tokens — known as 'colored' \$WAVES tokens usable only with their DApp, as well as the ability to forge smart-assets, assets that must meet preconditions in order to be traded, allows for nimble, community-driven

ecosystems that serve particular business functions to flourish on the platform. Its enterprise focus is cemented by its strategic partners like Deloitte and Microsoft.

Its founder, Ukrainian scientist Sasha Ivanov, is a well-respected thought leader in the crypto space and even pioneered an experimental stablecoin known as CoinoUSD. The Waves company and its founder have been continuously active since its inception, marketing and building the blockchain, which has undergone multiple tweaks in its lifecycle and currently employs well over 100 people (as per Crunchbase).

How Does Waves Work?

Waves has undergone many changes in its lifespan as the project tries to keep its blockchain competitive. Major changes in this time include the change of a static 100 million supply to an inflationary supply in 2019 (in order to reward block miners more effectively).

The reward of 6 \$WAVES per block is adjusted every 10,000 blocks by 0.5 \$WAVES in either direction, as voted on by the DAO. This, as well as a host of upgrades to Rust and other WEPs (Wave Enhancement Proposals) put forward by the community's DAO, have led to an evolving network.

The recent 2022 roadmap has unveiled more upgrades to the core code, changes large enough for the company to christen it 'Waves 2.0.' — and a full release schedule throughout the first half of 2022. The upgrades include a shift from the current Leased Proof of Stake consensus model to Practical Proof-of-Stake Sharing, as well as the addition of EVM capabilities that will allow top-tier DeFi protocols and other apps on chains like Ethereum, Solana, BNBChain, and other compatible chains to build apps on Waves.

In support of this, Waves has announced grant initiatives to US-based developers to the tune of \$150 million to pump innovation on the platform. Also up for an overhaul is the DAO, which seeks to reward those who more actively participate in decision-making and proposals — giving users 'skin in the game', as they call it, rather than just passively rewarding large token holders who vote irregularly.

Until now, Waves has done well with its own natively-constructed apps (community sourced). DeFi protocols like Vires and Neutrino, exchanges like Waves.Exchange, and games like Waves Ducks have led to nearly \$2 billion in TVL currently on the platform, with 80% staked.

What Makes Waves Different?

In order to provide an intuitive, accessible platform for developing smart assets and novel decentralized applications, Waves leans on a variety of unique properties and features to help it appeal to users and developers alike. These include:

Non-Turing Completeness

Waves DApps or smart contracts have a fundamental difference to other blockchains: they are not (or don't have to be) Turing complete. This limits the absolute scope for the type of products that can be built on Waves but serves to focus the work of the community within a precise lens while simultaneously massively increasing the security of the chain and allowing for greater scalability.

Ride Programming Language

The Ride programming language has been created from scratch to serve Waves. It is very similar to the F# by design, a language with extensive use in quantitative analysis, machine learning, and business intelligence. This further increases the security of the chain while making it accessible to existing F# developers.

Inclusive Consensus

Waves currently operates a Leased-Proof-of-Stake model whereby token holders can lease their tokens to nodes to give them a better chance of being chosen to mine the next block, and earn a dividend from doing so. Moreover, nodes can mine 'liquid' blocks, where transactions can be continually processed and added to the ledger while the next key block is being made, helping to improve throughput.

Simplified Token Creation

Token creation is extremely easy, and cheap, on Waves. Currently, a smart contract for a token costs about 1 WAVE (currently ~\$26). There are 107 million different tokens in circulation, all of which can be traded on the Waves exchange. It gives start-ups a chance to fund within a very safe, secure, enterprise-minded ecosystem.

Community-centric

The Waves Exchange prides itself by keeping privacy, fund control, transparency, and user governance as the core pillars upon which the exchange is built. The exchange is well-known for its investment products, unlocking yield accessible through liquidity pools, LP staking, and algorithmic trading. As expected, the exchange interface allows for order book trading of several pairs, including Waves' stablecoins and popular cryptos.

Crest of the Waves

The Waves DeFi ecosystem and dev toolkit give users the ability to easily create and trade secure crypto tokens with only a basic knowledge of smart contracts while allowing users to imbue those tokens with preconditions that turn them into 'smart-assets'. This helps to create an enterprise landscape that's rife with evolution.

Continued upgrades and investments, including Gravity Bridges and EVM compatibility, will help draw more developers to its ecosystem, inspired by the fact that although the apps are not Turing complete, they are all-the-more secure for it and thus can welcome applications like sensitive personal data, open finance, and gaming with no fear of scalability or security being an issue.

Though Waves may be flourishing among enterprises, it is also gaining popularity among independent developers appealed by its low transaction cost, speed, and low barriers to entry.