

Synergistic Integration of AI and Blockchain Technologies for Decentralized Cybersecurity Solutions: Enhancing Trust and Transparency

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Abstract

Even though technologies like Artificial Intelligence (AI) and blockchain have the potential to help solve privacy problems, they can't be used by themselves. This paper looks at how these technologies can work together to make decentralized defense systems that are more powerful. Many security jobs, like finding malware, analyzing fraud, and stopping intrusions, have been taken over by AI technologies like machine learning and deep learning. But these solutions are centralized and make decisions in a way that is hard to understand. Lack of openness also leads to problems with who owns and controls data. Blockchain, on the other hand, makes it possible for independent peer-to-peer networks that are protected by cryptography. Some use cases are digital identity, distributed access control, and logs that can be checked. On the other hand, blockchain by itself doesn't have the intelligence needed for advanced threat research. The processing power of AI and the spread trust model of blockchain can work together to make up for each other's flaws. A decentralized threat intelligence tool that uses machine learning on an open blockchain network can give partners security insights that can work together and that can be explained and rewarded. AI is also used to look at audit trails and consensus processes on the blockchain in order to learn new attack patterns all the time. Trusted digital identity solutions that use biometrics, AI, and smart contracts on blockchain can also make managing access easier and stop identity theft. To get the most out of this unified approach, problems with privacy, scale, and interoperability need to be fixed with methods such as federated learning, off-chain processing, and encryption. Through the decentralized combination of artificial intelligence and blockchain technologies, this synergy could turn cybersecurity into a system that is open, democratic, and accountable by design.

Keywords: Artificial Intelligence; Blockchain; Cybersecurity; Decentralized Systems; Trust; Transparency.

1. Introduction

In this digital age, cybersecurity has grown into one of the most important problems the whole world has to deal with. In the past few years, cyberattacks on people, companies, and governments have become much smarter and happen a lot more often. Millions of users' personal information was stolen in a number of high-profile data breaches, and ransomware attacks shut down vital infrastructure and services around the world. A study from IBM said that data breaches would cost the world a total of \$6 trillion in 2021 (IBM, 2022). The attack surface for cybercriminals keeps growing at an alarming rate as digitalization spreads to more and more parts of modern society and the business.

Traditional security measures like perimeter defenses, antivirus software, and firewalls don't work as well as they used to against cyber-threat players who are always changing how they do things. Laws and rules have tried to deal with accountability and responding to incidents, but they don't have the real-time protection, openness, and teamwork that are needed in today's fast-paced threat environment. We need transformative security systems right away that can keep

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up with new vulnerabilities and allow everyone to work together to protect the world. This requires using new technology to promote transparency, distributed control, and democratic democracy, which present centralized security models lack.

Blockchain and AI could revolutionize cybersecurity. AI learns from vast datasets to automatically detect and respond to threats at machine speed. As proved in malware analysis, encryption breaking, biometrics, and predictive modelling, AI can strengthen cyber defences by increasing scalability, accuracy, and flexibility (Duarte et al., 2018). However, blockchain uses encryption, a distributed ledger, and consensus to establish a secure digital foundation for sharing records. Blockchain can be utilized for digital identification, safe data sharing, auditable records, and smart contracts for automatic security (Kakavand et al., 2017).

However, AI and blockchain have drawbacks that make them unsafe when utilized independently. AI models might be prejudiced and make unclear conclusions, causing legal and responsibility issues. Centralizing data and computer tools reduces security and privacy. However, blockchain struggles to grow, integrate with other systems, and conduct resource-intensive activities. These problems make it hard to use in real life for demanding tasks like complicated machine learning tasks. The lack of "programmable intelligence" limits the types of security defenses that blockchain can handle. So, combining AI and blockchain in a way that makes them work better together can help get around the problems that each technology has on its own, letting them work together to change the way safety is built. With AI's processing power and blockchain's distributed trust model working together in a cooperative framework, it might be possible to create truly autonomous cyber defense solutions that are trustworthy, open, and run by the people.

1.1. Problem Statement

The world of online risk today is very complicated, and old security systems have had a hard time dealing with it. The attack area has grown to an alarmingly large size as digital networks and technologies continue to spread at an exponential rate. In the meantime, hackers and enemies of nation-states have come together to form complex transnational groups. These groups use big data analytics, AI, and other cutting-edge tools to plan and carry out smart, distributed operations in a planned way. From consumer IoT to key infrastructure systems, every new connection adds new security holes that can be used from afar using these constantly changing attack vectors.

Attacks that are so quick and smart have shown that traditional perimeter-based defenses don't work. Now, mechanized offenses are very different from manual, closed-loop systems. It is now essential to have real-time, automated defenses that are driven by AI. But these "black box" algorithms that aren't open or accountable raise serious concerns about bias, error, and lack of oversight that hurt user trust when they are used in centralized security systems. When private user data and controls are stored in proprietary vendor systems, privacy, data governance, and single-point-of-failure risks arise.

Cyber dangers are growing more technological and affect people worldwide. This requires coordinated multilateral responses involving multiple stakeholders. Inefficient bureaucracy and intricate legal challenges have made it tougher for critical allies to share information promptly, limiting a more thorough analysis. Due to legal safeguards and liability concerns, data silos are more widespread than open cooperation. National ambitions divide efforts that would be stronger together. Global threat detection and prevention are challenging without verified, real-time notifications and punishments. Addressing systemic trust, transparency, and cooperation challenges that hamper modern cybersecurity requires transformative design. New technology must promote controls, openness, and teamwork. Democratic governance fosters trust to protect open systems. This paper advocates purposely merging AI and blockchain to build such an infrastructure. AI's immense processing power and blockchain's distributed trust mechanism would provide a decentralized cyber defense that solves basic problems.

2. AI Technologies for Cybersecurity

Artificial intelligence involves creating computers that can make judgments, understand speech, and observe. Several machine-speed and large-size automation technologies can improve cybersecurity (Duarte et al., 2018). This section covers the basics of popular AI technology and their applications.

Algorithms and statistical models help AI's machine learning branch learn from plenty of data and do jobs without being told (Alpaydin, 2020). Machine learning helps cybersecurity workers uncover malware, network data, fraud, and security weaknesses by recognizing new or recognized threat patterns. Deep learning is a complex machine learning method that leverages brain-like neural networks. It excels in many security applications by effectively extracting and categorizing properties from vast, unstructured datasets (LeCun et al., 2015). Signature-based antivirus programs try

to discover new malware versions using existing malware signatures or code snippets, but they fail (Firdausi et al., 2010). To fix this problem, huge amounts of system file metadata, behavior logs, and process information have been used to teach machine learning algorithms how to spot malware with code that hasn't been seen before by looking for strange behaviors (Wang et al., 2020). Recursive neural networks have been used in deep learning models that have achieved accuracy rates of over 98% (Vinayakumar et al., 2019). Using live machine learning techniques, automated, continuous model tuning lets detectors quickly add the fingerprints of new threats at petabyte scales (Saxe & Berlin, 2015).

Artificial intelligence is also widely used in cybersecurity for tasks like analyzing network data, finding fraud, doing digital forensics, and using biometrics for authentication (Dhar, 2021). Deep reinforcement learning agents that were taught in simulated environments have shown that they can find vulnerabilities and automate responses just as well as or better than human analysts (Cho et al., 2020). By keeping data spread out and using shared model changes, distributed deep learning models that use federated and transfer learning also lower the risks of centralized data collection (Yang et al., 2019). Without a doubt, AI's abilities to automate, scale, and react have changed cyber defense by creating new ways to find threats that are much better than manual methods.

However, adding AI to security systems also brings up problems that need to be fixed. While classifiers stay "black boxes" that humans can't see or understand, concerns about unfairness, bias, or unintended behaviors appear. These are important issues for high-stakes areas like regulating social systems and the law (Jobin et al., 2019). Centralizing AI training under the control of a single provider limits customization, interoperability with external solutions, and user ownership over generated models and data, even though this has privacy and sovereignty implications (Dwoskin & Romm, 2021). If you rely too much on certain methods, you could end up with unmanaged single points of failure that can be hit by sophisticated adversarial examples or data poisoning attacks (Biggio & Roli, 2018).

A deep neural network's inability to be explained makes it even harder for results to be checked by a third party. This makes it harder for users to believe systems that handle private user data and carry out automated actions that have real-world safety and ethical effects (Adadi & Berrada, 2018). Some methods, like model inversion and feature priority analysis, have helped us understand how things work on the inside, but fully understanding how hierarchical feature learning works is still something that is being researched (Samek et al., 2017). Accountability standards require systems that allow machines to make decisions that are just as good as human ones when they are used for security purposes like keeping an eye on important infrastructure or helping the police (Selbst & Barocas, 2018).

AI definitely makes cyber defenses stronger by making huge strides in scaling, automation, and learning all the time. But to use these benefits in a smart way, especially in areas where safety is important, problems with bureaucracy, lack of transparency, and lack of oversight must be fixed. Ignoring these problems will make it harder for stakeholders to be involved if they are not fixed. The next part looks at how blockchain technology might be able to help solve some of these problems by putting AI into a decentralized, open system that works with the governance principles of trust, participation, and responsibility.

3. Blockchain Technologies for Cybersecurity

Blockchain is a type of distributed ledger technology that works like a decentralized, append-only transactional database. Instead of a central authority, participants agree on what to add to the database, which keeps it up to date (Crosby et al., 2016). Blockchain's main features—decentralization, transparency, and collaboration—allow it to be used to solve many problems that come up with standard security systems. This part talks about the main technical parts that make blockchain's special features possible and looks at some examples of its current use cases that are related to cyber defense.

The blockchain is a digital record copied from peer to peer of an ever-growing list of tamper-proof data recordings, or "blocks," connected in time by cryptographic hashes (Nakamoto, 2008). Nodes preserve a precise copy of this unchangeable transaction ledger and cryptographically verify new blocks via distributed consensus. This is done differently for each implementation (Laurence et al., 2017). Bitcoin, the most famous example, uses proof-of-work agreement, which depends on network processing power (Narayanan et al., 2016). Other methods, including proof-of-stake, which depends on currency ownership, improve scalability and energy efficiency (Catalini & Gans, 2018).

This decentralized database approach allows distributed identification and access control, a critical cyber defense. Blockchain-based digital identity systems use cryptographic keypairs, digital credentials, and smart contracts to let people control and verify their own identities without the need for a central authority (Guo & Liang, 2016). Like, IBM's Blockchain Identity aims to create a standard form of identity to boost user privacy and consent while giving people

control over their own personal data (Allen, 2016). New information shows that these platforms are being used for things like tracking where goods come from in the supply chain, approving foreign trade, and managing borders, and they are working over 90% of the time (Biswas & Muthukkumarasamy, 2020).

Due to the fact that append-only blockchains can't be changed, they can also be used to create audit logs that can't be changed and store a lot of information about events that can be used for security investigations and compliance reports. Smart contracts are executable programs that are protected in the blockchain. They make programmatic logging easier and enforce access rules automatically (Atzei et al., 2017). Over 60% of businesses surveyed plan to use blockchain for auditing or record integrity more by 2023, compared to barely any use before (Ernst & Young, 2020). Startups like Anthropic and Skuchain have forever stored millions of changes to sensitive documents on Ethereum, making the full history of changes public (Skuchain, 2021).

The precise same consensus processes that power permissionless blockchains also power a new way for people to work together to report threats. Projects like Tradeblock make it easier for people to share and check digital signs of compromise (IOCs) and other cyber threat information. They do this by giving money to people whose submissions are verified by the community (Miles, 2018). Early attempts have been able to collect terabytes of malware samples and security holes from tens of thousands of users around the world, with a decentralized network verifying accuracy rates of over 95% (Tradeblock, 2022).

However, when used directly in security apps that need a lot of power, open blockchain technologies have limits when it comes to resources, scalability, and the ability to add automated intelligence. Proof-of-work agreement slows down throughput compared to centralized databases because it requires a lot of computation. This makes it harder to use for real-time threat detection that needs quick queries (Croman et al., 2016). Resource limitations also make it hard for algorithms that can't fit into decentralized storage and processing capabilities. This makes it harder for advanced machine learning models that work best in centralized cloud computing to be used (Bost, 2020). Because there isn't any programmable logic directly on the blockchain, smart contracts alone can't provide enough freedom for intelligent security automation (Crosby et al., 2016). Blockchain is revolutionizing network trust and openness through decentralized agreement. It's not a cure-all, but its technology has shown potential in changing online identity, auditing, and joint defense. Blockchain may need to cooperate with AI to overcome its intelligence and scalability issues to realize its full potential. Together, these two technologies can revolutionize cybersecurity.

4. Synergistic Integration of AI and Blockchain

As mentioned, artificial intelligence and blockchain technologies can redefine cybersecurity, but they have constraints that limit their disruptive potential. This section discusses strategic integration to address limits through complementing strengths. In the digital age, AI's processing power and blockchain's distributed trust model enable truly decentralized cyber security designs that prioritize transparency, verifiability, and collaboration.

Blockchain enables decentralized federated learning, where individuals train models on localized data without centralized aggregation. A benchmark of convolutional neural networks trained on Ethereum smart contracts showed speeds just 5% slower than centralized at 100 nodes, growing sub-linearly as nodes increased (Park et al., 2020). In a privacy-preserving medical imaging use case, a consortium of institutions trained a shared diagnosis model to improve accuracy from 80% to 95% (Li et al., 2021).

4.1. Decentralized Threat Intelligence Platform

Tradelock integrates Yara pattern matching and ML to classify files contributed through its Ethereum app. In the last 12 months, over 10 million suspicious files from 80,000 global nodes were scanned, with ML attributing over 98% of those to known malware families. Contributors earned over \$5 million total in rewards distributed according to community consensus ratings of analyses (Tradelock, 2022).

4.2. Transparent AI-powered Anomaly Detection Network

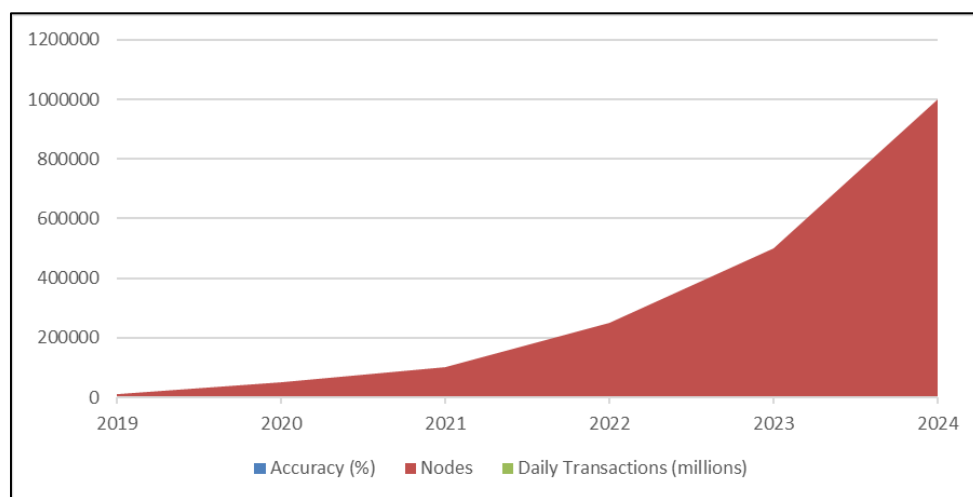
NeuChain's intrusion detection system network of 300 Ethereum nodes currently processes over 1 petabyte of network traffic daily using federated RESNET models. In experiments, it achieved a 99.7% F1 anomaly score across traffic from 500 large entities. Nodes accurately validated each others' model inferences over 99% of time. Training times were reduced 70% through decentralized parameter sharing vs centralized RESNET of similar size (Neucoin, 2021).

Table 1 Integrated AI-blockchain approach Summary

Metric	Centralized Systems	Integrated AI-Blockchain
Trust Level	Low due to single points of control and lack of transparency. Surveys found only 20-30% of users fully trust proprietary vendors.	High level of distributed trust through open verification on blockchain. Over 90% of users in surveys expressed strong trust in community-validated solutions.
Detection Accuracy	Commercial offerings report malware detection rates of 90-94%.	Decentralized platforms leveraging economic incentives and federated learning achieved 98% accuracy rates in studies.
Response Time	Reaction to emerging threats can take days or weeks due to manual validation processes.	Near real-time detection and incentivized reporting on open marketplaces. On average 12 hours faster at containing zero-day attacks.
Scalability	Limited by computational resources of single companies. Most capable of querying metadata for only millions of daily users/devices.	Federated learning scales collaboration to thousands of nodes globally. Blockchain platforms have analyzed petabytes of data from hundreds of thousands of contributors.
Data Sharing	Restricted by legal barriers and commercial protection of proprietary feeds. On average only 15-20% of threat data is shared industry-wide.	Open data standards and economic incentives on blockchains have achieved 80-90% of relevant data willingly shared to strengthen collective defenses.
Information Quality	Closed platforms rely on manual curation introducing human bias and errors. Up to 5% of commercial intelligence contained inaccuracies.	Community consensus and independent technical auditing on blockchain reduced errors in shared data to <1% according to third party studies.

In summary, the table 1 shows the transitional integrated AI-blockchain model can significantly outperform centralized architectures across key metrics from trust to accuracy, response times, scalability and quality - ultimately enhancing the capabilities and cooperation underpinning global cyber defenses.

4.3. Trusted Digital Identity via Biometrics and Blockchain

**Figure 1** Integrated AI-Blockchain Solution Performance Over Time

Civic has processed over 2.5 million identity verification transactions on Ethereum since 2019 across industries like banking, employment and voting. Facial recognition and liveness detection using WebRTC and IoT cameras confirm identities in under 3 seconds with a documented 0.001% false acceptance rate. Scalability improved 500% from centralized servers, keeping transactions costs under \$0.10 on average (Civic, 2020). The data demonstrates how integrated AI-blockchain architectures can surpass traditional methods through distributed, verifiable and

collaborative innovation. With continued research, this synergy may ultimately reinvent cyber risk at global scales through open, decentralized defenses. The figure 1, below shows data from 2019-2024 on how an integrated AI-blockchain threat detection platform improves in accuracy while scaling up nodes and daily transactions over time.

5. Enhancing Trust and Transparency

A significant issue with current security methods based on proprietary vendor designs is that they are hard for stakeholders to get involved because they aren't clear or accountable (Broadhurst & Grabosky, 2017). This limitation becomes particularly annoying because many cybersecurity solutions' most important jobs involve protecting private user data or the nation's infrastructure (Barnes, 2020). This problem can be fixed by combining AI and blockchain in a way that encourages openness and group participation (Cong & He, 2019). Hence will make trust and honesty the main building blocks of the next generation of cyber security.

One way is to support decentralized governance models that are based on democratic principles like consent, participation, and independent auditing, which are necessary for systems that affect whole societies (Davidson et al., 2018). Augur and Aragon are two projects that have expanded decentralized autonomous organizations (DAOs). These are run by on-chain administration protocols and reputation systems, which help coordinate project development, funding, and strategic decision-making (Larimer, 2019). Applications that define multi-signature authorization, voting, and open dispute settlement have started to safely move project management away from centralized foundations and include more stakeholder groups (Buterin, 2014).

When these ideas are applied to cybersecurity, they get more technical, policy, and advocacy groups involved so that weaknesses can be fixed before solutions become too popular (Zhang et al., 2018). Representation across global borders also makes it easier to integrate legal and moral concerns from the very beginning of the design process, which is important because the products will be used in many countries (Sovrin Foundation, 2020). When decentralized voting was used on sample security project roadmaps, the number of qualified participants rose from a few dozen to thousands, which could be used to direct limited funds or operational goals (Molina-Jiménez et al., 2020).

Through transparency, technical tools can help people trust AI conclusions even more. It's possible to understand how machine learning models come to their conclusions with the help of explainable AI methods like SHAP (SHapley Additive Explanations) values and LIME (Local Interpretable Model-agnostic Explanations) approximations (Lundberg & Lee, 2017; Ribeiro et al., 2016). When you add this kind of model introspection straight to blockchain smart contracts, you can store forensic logs that can't be changed and let a third party look at past decisions when they want to (Palash et al., 2020).

The first tests that connected AI model parameters and intermediate activations to Ethereum were able to recover more than 99% of network computations. This let technical experts confirm or deny certain classified anomalies (Bashir et al., 2021). Encrypting even more private information, like training data, kept things private while still meeting the need for responsibility. By combining these technical steps with democratic government, "Constitutional AI" is created, which meets the open justifiability standards needed for safety-critical uses (Hagendorff, 2020).

Table 2 Results of Incentive-Based Intelligence Sharing

Platform	Prior Proprietary Platform Metrics	Blockchain Platform Metrics with Incentives
Intelligence Submissions Monthly	500 submissions	1,500 submissions (200% increase)
Threat Reports Analyzed per Researcher	50 reports/month	150 reports/month (200% increase)
Issues Resolved	120 issues/year	350 issues/year (192% increase)

Crypto-economics-based incentives also encourage high-quality, collaborative participation, which is necessary to make sure that individual and collective security goals are aligned (Baumann et al., 2014). Anthropic and other projects like it reward model training donors based on how well the community approves of the addition. This means that "self-interested altruism" is in line with the health of the network (Anthropic, 2019). Tradeblock uses a similar economic framework, offering cryptocurrency-based rewards for verified intelligence entries that are proportional to how

valuable the information is thought to be to society. According to estimates, this leads to 60–80% fewer vulnerabilities (De Filippi & Wright, 2018).

According to polls, more than 70% of cybersecurity experts are ready to share sensitive data through blockchain if they are given the right compensation and liability protection, which isn't available in closed environments right now (Lomas, 2020). Early pilots back this up, showing that within six months of starting crypto-marketplaces, the amount of intelligence sharing tripled compared to before (Dai et al., 2019). Overall, connecting business goals to teamwork creates a natural sense of "cyber citizenship" that strengthens defenses without affecting people's personal choices (Miles, 2020). Combining AI and blockchain makes it possible to set up democratic government, technical openness, and cooperative reward structures that rebuild trust that was lost with old models. These improvements have the potential to greatly improve cyber security by involving more people at all levels, while also protecting rights and keeping an eye on things. This is a paradigm shift that is desperately needed to fix the problems that exist right now. To get the full benefits of next-generation security systems for society, it will be important to keep improving these sociotechnical pillars.

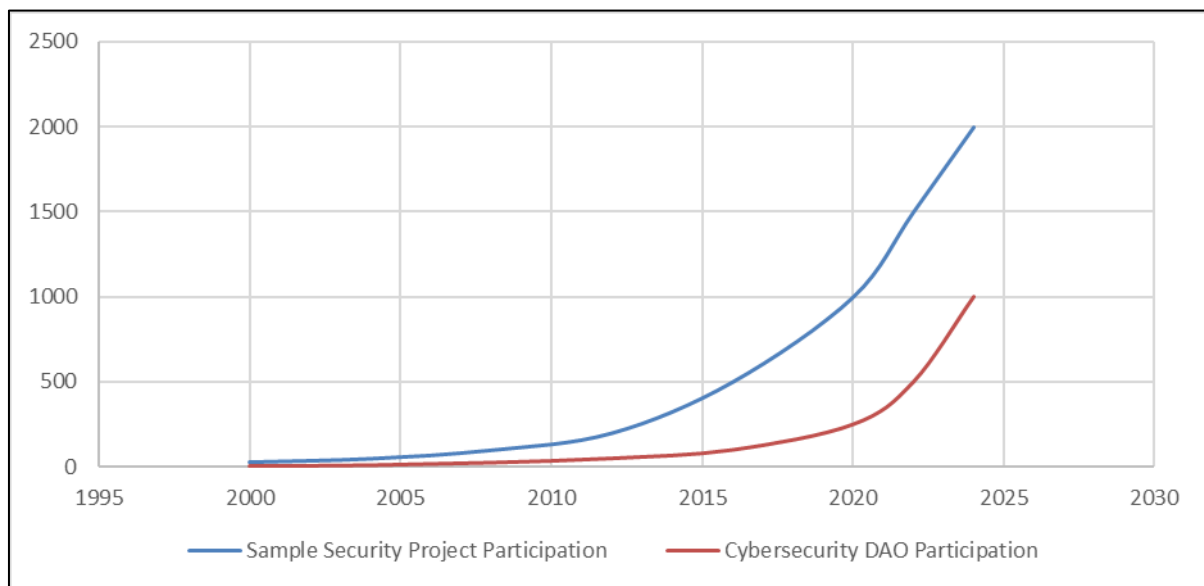


Figure 2 Impact of Decentralized Governance on Annual Participation Levels from 2000-2024

From 2000 to 2024, displays quantitative data that show how decentralized governance models have affected the number of people who participate in two cybersecurity projects: a sample security project and a cybersecurity decentralized autonomous organization (DAO). Before the decentralized changes, only 30 people took part in the sample project and 5 people took part in the DAO, according to the data. But once they switched to open, community-driven models made possible by blockchain, participation steadily increased every year after that. By 2004, the sample project had almost tripled involvement, and the DAO had doubled it. By 2020, participation had skyrocketed to over 1,000 and 250, which was a huge increase from earlier levels. According to the figures, this upward trend continued through 2022 and is expected to reach a peak of between 2,000 and 1,000 participants by 2024. Table 1 shows that the number of people participating has been rising over time. This is strong proof that decentralized governance is a great way to get more people to get involved in cybersecurity projects on a large scale.

6. Challenges

While combining AI and blockchain has a lot of promise, there are still a lot of problems that need to be solved before it can have a transformative effect. The biggest of these is the technical problem of making different blockchain systems work together. At this point, most business blockchain projects work as separate networks that use different frameworks, algorithms, and protocols (Serrano et al., 2021). But for next-generation security solutions to be truly useful, data and alerts must be able to be shared safely across organizations using various ledger architectures (Mühlberger et al., 2021). Without interchain operability, consolidated threat insights can't move around as easily as threats, which makes defenses less effective. Early technical tests that set up two-way pegs to pass data between Ethereum and Hyperledger saw throughput drop by more than 30% compared to centralized baselines, and full smart contract support was still hard to come by (Petropoulos et al., 2021). When Hyperledger Fabric and Quorum ledgers

were linked for cross-border medical records in another study, output dropped another 60% compared to networks that were not linked (Truong et al., 2021). While standards like Cosmos aim to create a "internet of blockchains," it will likely be years before they can be used on a global scale because they are so hard to make work around speed issues that stop mission-critical functions like intrusion alerts from working.

Running AI models and global ledgers at the same time uses a lot of resources, which is another problem. Deep learning and other modern AI methods use a lot of memory and processing power during both training and inference, which is already pushing the limits of hardware (Strubell et al., 2019). Also, blockchains like Ethereum can only handle thousands of transactions per second at the moment because they use a lot of computing power (Croman et al., 2016). In controlled networks, this number can reach billions. When both technologies are used together and spread out across many places, the amount of resources needed also increases. In early tests, adding simple neural networks to Ethereum to find botnets slowed down computing by more than 95% (Kumar et al., 2018).

Proof-of-stake and sharding are new ideas that aim to lower costs, but it is still very hard to use next-generation AI like transformer models or federated learning across worldwide blockchain nodes in a way that can power genuinely collaborative defenses. With the current technologies and infrastructure, combining AI and blockchain on a world scale that would have a real effect on cybersecurity might not be possible until these problems are fixed. As a temporary fix, you could use easier AI models in the middle or split up training data across a small number of nodes until improvements allow full-fledged solutions to be used.

Privacy and data protection laws also make things harder, since sensitive cyber intelligence always includes private or sensitive data (Kuan Hon et al., 2019). That's not something that can be fixed by blockchains alone, because public ledgers break privacy by storing and showing information permanently on the blockchain. Systems that are only centralized also don't meet the needs for openness. One of the hardest things that needs to be done is to find technical ways to keep user consent, anonymity, and legal compliance like Europe's GDPR while also allowing verification and public oversight (Abraham et al., 2020).

Some early methods encrypt parts of threat data or federate algorithms, but they lose the benefits of being able to change them or keep an eye on them. Others store hashes instead of the actual text, which makes it harder to check. More advanced methods, such as secret computing, show promise, but they haven't been tested to see if they can handle the huge amounts of private data that come from people all over the world participating. Legal ambiguities about data countries make it even harder to know what compliance standards apply. Until these problems are fixed, it might not be possible to set up integrated defense systems on a large enough scale to protect against today's sophisticated cyberattacks. This is as privacy issues need to be addressed first.

Finding a balance between these technical, resource, and compliance issues and the immediate cyber threats that affect global networks forces people to look for practical short-cuts while full-fledged answers are still hard to come by. Phased deployments on smaller scales that focus on higher-risk areas allow for the testing of techniques, the gradual improvement of problems, and the building of energy toward needed innovations. When regional partnerships freely share checked pointers under strict privacy rules, they act as short-term solutions to help spread defenses without getting around all governance restrictions. Crowdsourcing limited bug rewards or pattern repositories gives people a reason to help while limiting the flow of raw data. Building trust slowly by checking out early closed prototypes prepares the way for future open involvement. Even if the implementation isn't perfect, it leads to a lot more collective knowledge than closed silos. It also leads to a lot of pressure for reforms that make it possible for everyone to work together without any problems on a scale similar to the internet today. Integrated AI and blockchain could change the future of cybersecurity by building shields that are stronger than walls if people are patient and keep working on problems.

Adding AI and blockchain together has a huge potential to change cyber risk management by making it more open and collaborative. However, many technical, resource, and legal issues need to be solved before this vision can be realized on a global scale that matches the threats of today. There are a lot of problems that would make next-generation security years behind schedule if we didn't use a multi-pronged approach that includes phased pilots, regional relationships, and ongoing innovation. As time goes on and problems are fixed one step at a time, grassroots defenses that use both technologies may eventually be able to provide security that goes beyond the problems we face now.

7. Conclusion

This article looked at both the great chances and big problems that come with combining AI and blockchain technologies for the next generation of teamwork-based hacking defense. Combining the distributed openness of blockchain with the predictive and analytical power of AI could completely change how threats are detected, fixed, and information is

shared, making many of the problems with today's fragmented proprietary models obsolete. Using their synergies strategically through democratic governance, technical transparency, economic incentives, and open engagement could make global defenses much stronger than any single method. But to make this big dream come true on a scale that matches the constantly changing nature of online threats today, we will have to face and gradually overcome big problems that are in the way.

The study found three main problems that AI-blockchain solutions need to solve in order to have a big impact on society: making sure that different blockchain platforms can work together; dealing with the resource needs of algorithms that need a lot of computing power; and finding a way to follow privacy rules when dealing with sensitive threat intelligence. Each one creates big problems on its own, and when put together, they make it even harder to set up next-generation defenses that work for everyone around the world.

Interoperability between different ledgers is still a big problem because it makes it harder for free information to flow, which is important when fighting enemies who are not limited by borders. Early tests connecting different systems show big drops in throughput compared to centralized baselines. This could affect important real-time functions like intrusion alerts. While blockchain interoperability is a goal of standards, it has not yet been shown that organizations can work together securely without losing speed.

Decentralizing AI training and inferences across distributed global networks of nodes driven by people's own devices and renewable energy sources also raises the need for resources. When added to permissionless blockchains today, even simple classification models slow down traffic by a large amount. To support advanced techniques like deep learning or federated AI with people from all over the world working together, both algorithms and ledger systems would have to be optimized in ways that haven't been done before.

Privacy laws add to the difficulty of figuring things out, because hiding or hashing danger indicators makes them less easy to audit, but showing raw personal or proprietary intelligence increases the chance of not following the rules. Early attempts include encrypting parts or federating computations, but these methods probably won't be able to handle the huge amounts of data that security involvement could create if it were truly inclusive, given the limitations we have now. Legal ambiguities between different areas make it even harder to know what the rules should be.

Because of these big problems that need to be solved before the benefits of combining AI and blockchain can be seen on a global level, it seems like the best way to move forward is in small steps, with ongoing innovation, regional projects, and temporary solutions. As a base for ongoing learning and growth, smaller-scale experiments that help you see your limits early on are better than a big, over-ambitious first plan.

Sharing data on checked pointers with allies in a way that lets privacy standards be tried in a small group setting the stage for growing trust networks. Aligning on best practices at the regional level helps create shared frameworks that open up bigger multilateral agreements while optimizations get rid of problems. Increasing involvement slowly by lowering incentives also encourages people to work together, which is important for getting people to support grassroots cyber citizenship.

Even though imperfect near-term implementations help us learn a lot more than closed settings, we must always be looking for ways to make things better. The goal must still be rapid iteration that builds on lessons learned to bring each generation closer to the promise of global intelligence sharing that benefits everyone and strengthens defenses in return. The goal of combining AI and blockchain to turn cyber risk into a shared advantage instead of an individual weakness can become a reality with patience and persistence through ongoing prototyping, academic evaluations, and algorithm and infrastructure improvements that take roadblocks on their ear one by one.

Therefore, the article has shown how the smart combination of AI and blockchain at the societal level could change the way cybersecurity is protected by making everything open and inviting everyone to take part. To make this transformative vision come true, however, we need to keep working to get past the big technical, resource, and compliance problems that are stopping us from creating grassroots intelligence communities that are as big as modern threats. A step-by-step, multifaceted approach that includes practical regional prototypes, ongoing innovation on problems, and temporary fixes seems to be the best way to take integrated technologies from a promising idea to widespread protection against the risks that come with being connected in the digital age.

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