**Module Title:** Banking Technology

**Module Code:** 7FNCE031W

**Course:** MSc Fintech and Business Analytics (Core), Semester 1, 2023/2024

**REVIEW OF RESEARCH PAPERS**

**Table of Contents**

[Selection and Justification of the two selected papers 3](#_Toc155014593)

[Selection 3](#_Toc155014594)

[Justification 4](#_Toc155014595)

[For the two selected papers; the propriety of this research 5](#_Toc155014596)

[1. "How Valuable is FinTech Innovation?" 5](#_Toc155014597)

[2. "The Blockchain Folk Theorem" 7](#_Toc155014598)

[Summary of each of the two paper’s premise and conclusions 8](#_Toc155014599)

[1. "How Valuable is FinTech Innovation?" 8](#_Toc155014600)

[Conclusions: 8](#_Toc155014601)

[2. "The Blockchain Folk Theorem" 9](#_Toc155014602)

[Conclusions: 9](#_Toc155014603)

[Reference List 11](#_Toc155014604)

# Selection and Justification of the two selected papers

## Selection

The selected papers, "How Valuable is FinTech Innovation?" and "The Blockchain Folk Theorem" both distributed in the 2019 Fintech extraordinary issue of the Survey of financial Examinations, offer significant bits of knowledge into the crossing point of money and innovation, each contributing particularly to the developing scene of banking innovation.

In "How Valuable is FinTech Innovation?," the creators dive into the nuanced appraisal of the genuine worth got from FinTech advancements. The paper embraces a thorough exact way to deal with and assess the effect of FinTech on different elements of the financial area. By investigating wide datasets and utilizing great technique, the creators give an escalated comprehension of the critical advantages and difficulties related with FinTech gathering (Chen *et al.* 2019). The divulgences contribute not exclusively to instructive talk yet likewise give functional repercussions to financial foundations researching the quickly changing mechanical scene. The paper's importance lies in its capacity to beat any check between speculative conversations on FinTech and its veritable repercussions, making it a fundamental read for prepared experts and experts in financial turn of events.

Obviously, "The Blockchain Nation Theory" embraces a game-speculative system to the evaluation of equilibria in the confirmation of-work blockchain show. This paper stands isolated by racing to give an ordinary game-speculative assessment of the comprehension structure system normal in blockchain improvement. The creators stress the significance of coordination impacts in the verification of-work show, uncovering understanding into the confounded parts that lead to various equilibria including forks (Biais *et al.* 2019). This speculative establishment offers a more critical perception of the powers driving blockchain people and the potential inconveniences in remaining mindful of understanding. For the money related improvement locale, wrestling with the combination of blockchain, this paper fills in as a crucial partner, giving a decided development to explore the intricacies of decentralized records.

The two papers, while obvious in their concentration, contribute for the most part to the general subject of cash related progression. "How Huge is FinTech Improvement?" gives a valuable mark of intermingling on investigating the effect of FinTech, offering course for industry assistants. "The Blockchain Nation Speculation," then again, lays out the speculative foundation pivotal for understanding the complexities of blockchain plan. Together, these papers offer a good assessment of the difficulties and entrances introduced by mechanical developments in finance, making them colossal assets for anybody participated in examination or execution inside the money related improvement space.

## Justification

The selection of "How Valuable is FinTech Innovation?" and "The Blockchain Folk Theorem" from the 2019 Fintech one of a kind issue of the Review of Financial Examinations is driven by their unprecedented responsibilities to how we could decipher the propelling scene of banking advancement.

“How valuable are FinTech innovations?" stands apart for its exhaustive and thorough approach to surveying the financial effect of FinTech. After fast advances in apparatus, financial organizations are confronted with the test of presenting improvements that both guarantee expanded capacities and present new dangers (Takeda, and Ito, 2021). This paper tends to this challenge head-on by utilizing broad datasets and refined methods to survey the unmistakable advantages and potential intricacies related to FinTech reception. The exact experience introduced in this work gives a nuanced comprehension of this present reality effect of FinTech, making it a significant resource for his two researchers and specialists in the field of banking development.

The pertinence of this paper stretches out past hypothetical conversations, offering commonsense ramifications for financial establishments exploring the intricate territory of mechanical combination. The creators' cautious thought of different components of the financial area guarantees that their discoveries resound with a wide crowd, from policymakers to industry experts. In a quickly evolving scene, this paper fills in as a signal, directing partners through the complexities of assessing and carrying out FinTech developments.

Then again, "The Blockchain Folk Theorem" takes a special game-hypothetical point of view on the confirmation of the work blockchain convention (Bollaert *et al.* 2021). The paper's importance lies in its double commitment as the main conventional game-hypothetical examination of equilibria in this convention and its ID of coordination impacts prompting various equilibria including forks. Blockchain innovation, especially with regard to decentralized records, has accumulated massive consideration in financial innovation. This paper, by giving a hypothetical system, becomes instrumental in unwinding the motivators and difficulties related to keeping up with agreement in blockchain networks.

The game-hypothetical methodology taken on in this paper separates it, offering a profound plunge into the inspirations of members in the confirmation of the work convention. By featuring the significance of coordination impacts, the creators prepare for a more extravagant comprehension of the elements inside blockchain networks. For experts and scientists wrestling with the reconciliation of blockchain in financial innovation, this paper fills in as a scholarly foundation, offering experiences that go past the superficial conversations encompassing this extraordinary innovation.

In outline, the chosen papers offer a fair investigation of banking innovation from both experimental and hypothetical points of view (Sangwan *et al.* 2020). "How Important is FinTech Advancement?" gives down-to-earth bits of knowledge grounded in experimental proof, while "The Blockchain People Hypothesis" lays the hypothetical foundation for understanding the complexities of blockchain agreement. Together, they structure a thorough and canny team that illuminates and directs partners in the unique domain of banking innovation.

# For the two selected papers, the propriety of this research

The appropriateness of the chosen papers, "How Valuable is FinTech Innovation?" and "The Blockchain Folk Theorem," from the 2019 Fintech unique issue of the Survey of financial Examinations is apparent in their strategic thoroughness, hypothetical development, and the significant effect they have on how we might interpret basic perspectives in financial innovation.

## 1. "How Valuable is FinTech Innovation?"

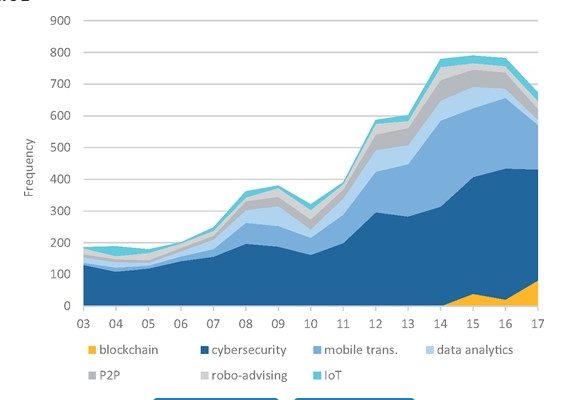
The respectability of this exploration is highlighted by its systemic power and its immediate pertinence to the useful difficulties faced by financial organizations exploring the unique scene of FinTech development.

***Systemic Thoroughness:***

The paper utilizes a complex exact methodology, utilizing broad datasets to assess the effect of FinTech on the financial area (Li *et al.* 2020). This systemic thoroughness upgrades the believability of the discoveries, guaranteeing that the ends drawn depend on soundproof. By utilizing an extensive dataset, the creators give a nuanced comprehension of the complex ramifications of FinTech reception.

***Significance and Functional Implications:***

The respectability of this examination is additionally reinforced by its immediate significance to certifiable situations. financial establishments internationally are wrestling with the choice of whether to embrace FinTech advancements and, provided that this is true, how to explore the related dangers. This paper resolves this basic issue by evaluating the advantages of FinTech as well as featuring possible entanglements. The reasonable ramifications stretch out to financial specialists, policymakers, and controllers, offering noteworthy experiences for informed dynamics in a period of mechanical disturbance.

****

**Figure 1: FinTech patent filings over time, by technology category**

(Source: https://academic.oup.com/rfs/article)

***More extensive Effect:***

The legitimacy of choosing this paper is apparent in its more extensive effect on the field of banking innovation. As FinTech keeps on reshaping customary financial administrations, understanding its actual worth becomes central. This paper, through its complete investigation, contributes essentially to this figuring out, making it an opportune and important piece of examination with sweeping ramifications.

## 2. "The Blockchain Folk Theorem"

The legitimacy of picking this paper lies in its creative game-hypothetical way of dealing with dissecting equilibria in the verification of-work blockchain convention, filling a basic hole in our hypothetical comprehension of blockchain elements.

***Theoretical Innovation:***

This paper's legitimacy is grounded in its hypothetical development, being quick to direct a conventional game-hypothetical examination of equilibria in the confirmation of-work blockchain convention (Iman, 2020). The utilization of game hypothesis to blockchain innovation is spearheading, offering a new point of view on the motivating forces and coordination impacts that shape agreement in decentralized networks. This hypothetical development contributes fundamentally to the scholarly talk on blockchain, laying out an establishment for future examination in this space.

***ID of Coordination Impacts:***

The appropriateness is additionally legitimate by the paper's ID of coordination impacts prompting numerous equilibria including forks in the blockchain. This nuanced comprehension of the essential communications among members adds profundity to the examination and upgrades the functional importance of the exploration. By revealing insight into the difficulties related to keeping up with agreement, the paper tends to a principal worry in blockchain innovation.

***Reciprocal Experiences:***

The respectability of choosing this paper is obvious in its corresponding nature to existing writing. While different papers centre around the results of blockchain organization, "The Blockchain Society Hypothesis" stands apart by giving an engaged examination of the agreement-building system itself under confirmation of work (Suryono *et al.* 2020). This connected with approach adds clarity to the baffling components of blockchain shows, making it a significant obligation to the scholarly and sober minded talk. The main paper trial assessment of FinTech's impact on the financial region, settling crushing inquiries looked at by industry accomplices. "The Blockchain Society Speculation," on the other hand, familiarizes a game-speculative point of convergence with the assessment of blockchain understanding, filling an essential theoretical opening by they way we could decipher decentralized record components (Gopal, and Schnabl, 2022). Together, they structure a balanced choice that improves the talk on financial innovation from both observational and hypothetical viewpoints.

# Summary of each of the two paper’s premise and conclusions

## 1. "How Valuable is FinTech Innovation?"

***Premise:***

This article thinks about the effect of FinTech improvements on the financial area and gives an extensive observational review to evaluate its actual worth. Recognizing the unavoidable effect that FinTech will have on different financial organizations, the engineers set off to assess and plan proposition for both customary financial establishments and arising FinTech organizations.

***Key Findings:***

This literature utilizes close observational techniques and influences broad datasets to explore the effect of FinTech acknowledgment. The examination center is around the effect on efficiency, risk resilience and market structure (Collevecchio *et al.* 2023). The justification for this is the acknowledgment that FinTech can prompt expanded efficiency through motorization and digitization, yet it can likewise present new dangers and change the scene of uprooting. Discoveries uncover separated encounters with FinTech inspirations.

While FinTech reception accompanies expanded capacities and cost decreases, it likewise increments financial foundations' gamble hunger. This paper presents two points of view on FinTech advancement that open the entryway for expanded efficiency while featuring potential issues connected with board risk.

## Conclusions:

Thinking about all angles, this paper perceives the complicated pondering the effect of FinTech on the financial area. The authors suggest that the genuine worth of FinTech lies in a fair system that joins the advantages of proficiency while successfully dealing with the related dangers. financial establishments are urged to embrace an essential position, utilizing FinTech developments sensibly to streamline execution without compromising security. Policymakers and controllers are asked to cultivate a climate that empowers capable FinTech reception, advancing a cooperative connection between conventional financial organizations and rising FinTech players.

## 2. "The Blockchain Folk Theorem"

***Premise:***

"The Blockchain Society Hypothesis" presents a clever game-hypothetical examination of equilibria in the confirmation of-work blockchain convention, zeroing in on the motivating forces and coordination impacts that oversee the decentralized record (Chaudhry *et al.* 2022). The reason is established in tending to a basic hole in the comprehension of how members in a blockchain network decisively communicate to keep up with agreement, especially under evidence of work.

***Key Findings:***

The paper's reason based on the ID and examination of coordination impacts in the confirmation of-work blockchain convention. By applying the game hypothesis to the decentralized setting, the creators disclose the essential contemplations of diggers expecting to keep up with an agreement (Anagnostopoulos, 2018). The key finding is the acknowledgement of different equilibria including forks, featuring the difficulties and intricacies in accomplishing a solitary, stable agreement. The examination goes past existing writing by focusing on the agreement-building system itself, giving a hypothetical establishment to understanding the elements of verification of-work blockchains. The discoveries highlight the meaning of coordination impacts and vital connections among diggers, revealing insight into the circumstances that lead to forks in the blockchain.

## Conclusions:

All in all, "The Blockchain Society Hypothesis" contributes a spearheading hypothetical structure to the comprehension of blockchain elements. The paper stresses the significance of thinking about game-hypothetical motivating forces in the examination of evidence of work agreement components. The ends propose that accomplishing and keeping up with an agreement in decentralized networks includes complicated key contemplations, and the presence of various equilibria requires a nuanced comprehension of blockchain conventions. The work lays the preparation for additional examination into the essential elements of blockchain frameworks and offers important experiences for the plan and administration of decentralized records.

# Reference List

Chen, M.A., Wu, Q. and Yang, B., 2019. How valuable is FinTech innovation?. *The Review of Financial Studies*, *32*(5), pp.2062-2106.

Biais, B., Bisiere, C., Bouvard, M. and Casamatta, C., 2019. The blockchain folk theorem. *The Review of Financial Studies*, *32*(5), pp.1662-1715.

Takeda, A. and Ito, Y., 2021. A review of FinTech research. *International Journal of Technology Management*, *86*(1), pp.67-88.

Bollaert, H., Lopez-de-Silanes, F. and Schwienbacher, A., 2021. Fintech and access to finance. *Journal of corporate finance*, *68*, p.101941.

Sangwan, V., Prakash, P. and Singh, S., 2020. Financial technology: a review of extant literature. *Studies in Economics and Finance*, *37*(1), pp.71-88.

Li, J., Li, J., Zhu, X., Yao, Y. and Casu, B., 2020. Risk spillovers between FinTech and traditional financial institutions: Evidence from the US. *International Review of Financial Analysis*, *71*, p.101544.

Iman, N., 2020. The rise and rise of financial technology: The good, the bad, and the verdict. *Cogent Business & Management*, *7*(1), p.1725309.

Suryono, R.R., Budi, I. and Purwandari, B., 2020. Challenges and trends of financial technology (Fintech): a systematic literature review. *Information*, *11*(12), p.590.

Collevecchio, F., Cappa, F., Peruffo, E. and Oriani, R., 2023. When do M&As with Fintech Firms Benefit Traditional Banks?. *British Journal of Management*.

Anagnostopoulos, I., 2018. Fintech and regtech: Impact on regulators and banks. *Journal of Economics and Business*, *100*, pp.7-25.

Chaudhry, S.M., Ahmed, R., Huynh, T.L.D. and Benjasak, C., 2022. Tail risk and systemic risk of finance and technology (FinTech) firms. *Technological Forecasting and Social Change*, *174*, p.121191.

Gopal, M. and Schnabl, P., 2022. The rise of finance companies and fintech lenders in small business lending. *The Review of Financial Studies*, *35*(11), pp.4859-4901.