

The Future of Finance and the Open Web

A Brief Overview

Financial markets have risen in complexity and popularity over the past two decades. Since the 2008 financial crisis, new questions about monetary policy, regulation, and accountability have changed the financial landscape across continents. Today, discussions about negative interest rates, stock market bubbles, cryptocurrencies and Central Bank Digital Currencies (CBDC's) have jump started further discussion about the future of financial markets.

Blockchain, originally developed under the guise of Bitcoin, has been demonstrated to be applicable beyond money (peer-to-peer network of exchange), to the larger world of open finance: decentralized lending, non-custodial crowdfunding, smart contract based asset management, and much more.

While traditional finance has largely ignored the cryptocurrency revolution, talk of central bank digital currencies, a digital yuan trial, and price action with Bitcoin has created renewed interest in the space and its development into the future.

Finance: DeFi, Innovation, and Regulation

In crypto, decentralized finance took center stage in 2020, with the unprecedented growth of protocols like Compound and Aave, as well as decentralized exchanges like Uniswap and Sushiswap. In parallel, Wall Street has become willing to tolerate Bitcoin and other cryptocurrencies, with major companies converting cash reserves into Bitcoin, and major investment players slowly opening up positions in the space. Stable Coins, referenced as perhaps the 'killer app' of crypto to date, have silently revolutionized the transfer of assets into and out of crypto, and also across borders. Finally, Non-Fungible Tokens, as a completely new asset class hold the promise of providing completely new ways of tokenizing and financializing value - well beyond the realm of finance



Compound: "Compound Finance lets you lend and borrow crypto assets without any middlemen. Both lenders and borrowers get even more value from their crypto. Lenders earn interest, while borrowers deposit crypto to gain access to credit without the banking headaches." ([Source](#))



Aave: Aave is an open source and non-custodial liquidity protocol for earning interest on deposits and borrowing assets. Aave currently has over \$3.4 billion US dollars in assets locked in its protocol. ([Source](#))



Uniswap: “Uniswap is a set of computer programs that run on the Ethereum blockchain and allow for decentralized token swaps. It works with the help of unicorns (as illustrated by their logo). Traders can exchange Ethereum tokens on Uniswap without having to trust anyone with their funds. Meanwhile, anyone can lend their crypto to special reserves called liquidity pools. In exchange for providing money to these pools, they earn fees.” ([Source](#))



Enzyme: Enzyme is an Ethereum-based protocol for decentralized on-chain asset management. It is a protocol for people or entities to manage their wealth & the wealth of others within a customizable and safe environment. Enzyme empowers anyone to set up, manage and invest in customized on-chain investment vehicles.” ([Source](#))



Non-Fungible Tokens: Non-fungible tokens (NFTs) are unique, digital items with blockchain-managed ownership. With NFT’s, you have the opportunity to establish unique digital ownership over a specific asset, in which you alone possess that asset, and the details (or metadata) pertaining to that asset are built into the smart contract beneath it. That means that the asset can be divided and sold, value can be pushed into the asset from another contract, and changes in ownership over time are recorded in its digital mechanics. ([Source](#))



Stable Coins: “A stablecoin is a new class of [cryptocurrencies](#) that attempts to offer price stability and are backed by a [reserve asset](#). Stablecoins have gained traction as they attempt to offer the best of both worlds—the instant processing and security or privacy of payments of cryptocurrencies, and the volatility-free stable valuations of [fiat currencies](#).” ([Investopedia](#))

What these trends indicate is that in line with the development of Fintech and Neo-Banks, Finance is also undergoing a revolution powered by blockchain and open-source decentralized protocols. Are financial professionals familiar with this world? Will regional imbalances in adoption alter the future of finance around the world? How will the development of cryptocurrencies be affected by regulation and central bank digital currencies?

On the one hand, it is evident that cryptocurrencies and DeFi protocols offer unprecedented innovation in how value can be transacted and handled: Through self-executing code on permissionless protocols, with transfers between addresses done within seconds, from anywhere in the world. Such capacities make many in the crypto space believe that the next five years are positioned to be the early days of a financial revolution that will change our existing financial infrastructure forever.



In the meanwhile, traditional financial institutions, investors, and companies remain unaware of crypto-innovation, and generally skeptical about the space. They nevertheless must confront a future with central bank digital currencies, Bitcoin portfolios, and tokenized assets. Regulators and financial advisors remain cautious with many legal grey-zones remaining.

How will traditional finance embrace the crypto-denominated financial revolution? What new innovations will blockchain create and will such innovations be adopted? Will there be differences across geographical regions, with some adopting blockchain-based

financial infrastructure and others resisting? Will regulation kill financial innovation in certain areas? These are the crucial questions that deserve to be discussed by Financial Experts and Crypto Idealists alike.

Topics to Discuss

Decentralized Finance Going Mainstream: When, If, and How.

Central Bank Digital Currencies: Monetary Innovation or Silent Surveillance.

Big Tech, FinTech, and Crypto: Integration or Separation?

The Crypto Apps That Have Already Revolutionized Finance.

Micropayments, Open-Markets, and the Financialization of Products: A Benefit or Necessary Evil?

Tokenization and the Future of Fundraising: Should Mainstream Finance Care?

Finance at the Intersection of Industries: Gaming, Art, and Music

NEAR

NEAR Protocol is a 3rd Generation Blockchain Platform built with scalability and usability in mind. The NEAR Ecosystem is home to a number of cutting edge projects in the crypto space that hold the promise of building the Open Web. Geographically diversified, NEAR features headquarters across 3 continents (USA, San Francisco; China, Shanghai; Switzerland, Zug). The NEAR Community, NEAR Guilds, and the NEAR Team are growing the NEAR Ecosystem to be a home for native crypto, enterprise blockchain, and emerging technology solutions around the world. Learn more about NEAR at [NEAR.org](https://near.org) or join the discussion on [Telegram](#).