

Financial Disintermediation: The Case of Peer-to-Peer Lending

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Chapter

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Abstract

This chapter covers the potential uses of blockchain from accounting, legal, and financial perspectives, provides a brief review of smart contracts and includes a high-level summary of classifiers and risk scoring methodologies. We have used the example of disintermediation in peer-to-peer (P2P) online lending as a case study. We identify three main areas in which blockchain as a service can provide advantages: blockchain-based creditworthiness assessments, blockchain and real-time accounting, and historical data-keeping. Finally, we estimate that the funding of P2P platforms will increase from a recent USD 100 billion to USD 150 billion by 2025 (of which we forecast a 10% market share of P2P blockchain-based platforms or USD 15 billion in absolute terms).

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Notes

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