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*Systemic Risk in FinTech Panel: **Talking Points***

Platform Lending: New Fault Points

Preamble: U.S. consumer debt is \$13 trillion

1. Natural concentration of credit-risk informative data leads to **concentration of holding risk**
 - Examples: M-Pesa/telecoms, payment providers, consumption platforms
2. **Capital for platforms**
 - 3 Models (+hybrids): **P2P** vs. **ABS pooler** vs. **Self-liquidity** via loan facilities or direct on balance sheet
 - Not capital regulated like banks
 - Lack of knowledge of who is holding what
3. **Industrial banks** role as platform funder
 - Light touch regulation + highly concentrated
 - Consumers systemic risk / underwriting standards
4. **Discrimination & lack of democratization**
 - Regulator concern + political economy risks