

## *The Hebrew University of Jerusalem*

### *Syllabus*

## *Introduction to Financial Innovation and Fintech - 55650*

*Last update 12-09-2024*

*HU Credits:* 3

*Degree/Cycle:* 1st degree (Bachelor)

*Responsible Department:* Business Administration

*Academic year:* 0

*Semester:* 1st Semester

*Teaching Languages:* Hebrew

*Campus:* Mt. Scopus

*Course/Module Coordinator:* Yigal Newman

*Coordinator Email:* [yigal.newman@mail.huji.ac.il](mailto:yigal.newman@mail.huji.ac.il)

*Coordinator Office Hours:* Th 1500-1530

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Teaching Staff:

Prof. Yigal Newman

Course/Module description:

The course deals with the three tracks of financial innovation: closing gaps with the rest of the world, evolution, and revolution.

The course has three main divisions: Introduction (description of the current situation), financial innovation in practice (including areas of FinTech such as payment systems, blockchain and digital currencies), and applications.

This is a basic course without prerequisites intended for students in the technological entrepreneurship program and as an elective course for all undergraduate students (third year in graduate programs) who want to understand the world of fintech, know how new technologies change the world of financial services, and prepare for further studies.

(It should be emphasized that the course "Introduction to Financial Innovation and Fintech" is completely different from the "Fintech" course for a master's degree. The courses do not precede each other and are not alternative.)

Course/Module aims:

Learning outcomes - On successful completion of this module, students should be able to:

At the end of this course, students will be able to:

1. Understand the processes of financial innovation in Israel and around the world  
Get to know the various areas of fintech, and some of its applications
3. Understand how technologies, existing status, and regulation fit together to change the realities of our lives

Attendance requirements(%):

80%

Teaching arrangement and method of instruction: Frontal lectures  
Guest lectures (towards the end of the semester)

Course/Module Content:

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*First Division: Introduction*

*1-2 The structure of the existing financial system*

*3 Introduction to Financial Innovation: The Organizing Ideas*

*4 What technologies are entering fintech?*

*Second Division: Financial Innovation Actually*

*5 The innovation of fintech*

*6 The innovation of fintech*

*7-8 What can you do with fintech when you connect it with Big Data?*

*On investments and investors*

*Third Division: Applications and Implications*

*9 The Crypto's ecosystem*

*10 Entrepreneurship in FinTech - Case Study: SplitIt*

*11-12 Guest Lectures: financial inclusion, open banking, regulation, entrepreneurship*

*13 Technology and society, regulation, trust. Course summary*

*Required Reading:*

*ספרים:*

- *Marcia Stigum and Anthony Credenzi, "Stigum's Money Market, 4E," McGraw-Hill Education; 4th edition (March 2, 2007)*

- *The following (free) book shows how distributed ledger technology can transform economic organization and financial structure:*

*Robert M. Townsend, "Distributed Ledgers: Design and Regulation of Financial Infrastructure and Payment Systems", The MIT Press, October 2020.*

*Available online at <https://direct.mit.edu/books/book/4932/Distributed-LedgersDesign-and-Regulation-of>*

- *The Following book lays out a vision of what we should build in the new economy, covering not only how to reforge our societies' social contract but also how institutions, systems, infrastructure, and law should change in support of this new order.*

*Alex Pentland, "Building the New Economy", The MIT Press, October 2020.*

*Available online at <https://wip.mitpress.mit.edu/new-economy>*

- *Alexander Lipton and Adrien Treccani, "Blockchain and Distributed Ledgers", World Scientific August 2021*

*מאמרים:*

- 1. Satoshi Nakamoto, "Bitcoin: A Peer- to-peer Electronic Cash System", 2008.*

*Available online at <https://bitcoin.org/bitcoin.pdf>*

- 2. PWC Report on CBDC (will be provided ahead of time)*

- 3. ST Omarova, 'Technology v Technocracy: Fintech as a Regulatory Challenge' (2020) 6 Journal of Financial Regulation, pp. 75-124.*

- 4. Arner, Douglas W; Buckley, Ross P; Zetzsche, Dirk A; Veidt Robin. "Sustainability,*

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*FinTech and Financial Inclusion”, European business organization law review, 2020-03, Vol.21 (1), p.7-3*

*Additional Reading Material:*

*FinTech Innovation : From Robo-Advisors to Goal Based Investing and Gamification, Paulo Sironi, Wiley 2016*  
*The FINTECH Book : The Financial Technology Handbook for Investors, Entrepreneurs and Visionaries, Susane Chishi and Janos Barberis, Wiley 2016*  
*The Future of Finance : The Impact of FinTech, AI, and Crypto on Financial Services, Henri Arslanian and Fabrice Fischer, Springer 2016*  
*FinTech For Dummies, by Steven O'Hanlon, Susanne Chishti, Brendan Bradley, James Jockle, and Dawn Patrick, Wiley 2020*

*A Guide to Financial Regulation for Fintech Entrepreneurs, Stefan Loesch, Wiley 2018*

*The REGTECH Book: The Financial Technology Handbook for Investors, Entrepreneurs and Visionaries in Regulation, by Janos Barberis and Douglas Arner, Wiley 2019*

*Grading Scheme:*

*Written / Oral / Practical Exam 60 %*  
*Submission assignments during the semester: Exercises / Essays / Audits / Reports / Forum / Simulation / others 40 %*

*Additional information:*