

Master Degree in European Legal Studies – Diploma in Law and Technology

Law and Technology: a dialogue in the prism of Legal Tech and Fintech

A 20 h Seminar worth 3 CFU of Altre Attività

Academic coordinators: Prof. Alberto Oddenino and Dott. Diego Bonetto

Guest Professor: Prof. Saule Omarova

The Seminar will be held in English and is composed of three Blocks

I BLOCK (4 hours)

Participation to

**LEGAL TECH
VENTURE DAY
TURIN
Legal Tech:
Perspectives in
Italy**

**19 May 2023
Aula Magna
Campus Luigi Einaudi
Lungo Dora Siena 100, Turin**

15:00 – 15:15	Attendees Registration
15:15 – 15:30	Welcoming Speech
15:30 – 16:00	Opening Keynote: Elements for a taxonomy of Legal Tech

Prof. Martin Ebers, Robotics & AI Law Society

16:00 – 17:00

Startup competition and Jury discussion

Jury members: Francesca Bassa, Francesca Bichiri, Riccardo de Caria, Vittorio Di Tomaso, Silvia Martinelli, Dario Peirone, Stefano Pirilli, Macarena Plaza, Riccardo Russo

17:00 – 18:00

Discussion Panel: Perspective of Legal Tech

Moderator: Prof. Alberto Oddenino, Law Department, University of Turin

Prof. Eva Desana, Law Department, University of Turin

Avv. Cristina Martinetti, ICC Delegate for Italy

Dott. Giulio Messori, Sweet Legal Tech

Dott. Luca Mirafiori, Legal Tech Italy

Prof. Cristina Poncibò, Law Department, University of Turin

18:00 – 19:00

Closing Ceremony and Winner Announcement

19:00 – 19:30

Networking Cocktail

<https://www.f6s.com/ie-legaltech-venture-day-turin/apply>

(link for Startups)

Please Register to attend the event:

<https://forjusforum.it/evento/legal-tech-venture-day-turin/>

II BLOCK (10 hours)

The Challenge of Fintech Regulation: Technology v. Technocracy

3 Sessions of Frontal Lectures on May 26, May 29 and June 1, 2023

by **Visiting Professor Saule Omarova** (Cornell University)

in Meeting Room 2 Floor Building D2 - Campus Luigi Einaudi

The purpose of this module is to engage in a broad-ranging discussion of key trends in, and public policy issues raised by, the ongoing “fintech” revolution and the rise of crypto-finance. The module will examine this topic from an explicitly macro-systemic perspective, focusing on fundamental shifts in the structure, complexity, and governability of tech-driven financial markets. These issues will be placed within a broader conceptual framework for understanding how modern financial systems work and how they should be regulated.

The format of this module is structured discussion. No prior knowledge of financial regulation is required.

Session 1 (May 26, 14:30 – 18:30)

The Basics of Modern Money and Finance; Rise of Digital Finance

- The concept of “money” and the institutional mechanics of money-creation
- The financial system’s functions and structure; principal goals and strategies of financial regulation
- The rise of cryptocurrencies
- The “mainstreaming” of digital finance and the growth of fintech

Recommended materials:

- INTERNATIONAL MONETARY FUND (IMF), *Global Financial Stability Report*, Chapter 3, pp. 65-68; 73-81 (April 2022), <https://www.imf.org/en/Publications/GFSR/Issues/2022/04/19/global-financial-stability-report-april-2022#Chapters>
- Saule T. Omarova, *New Tech v. New Deal: Fintech as a Systemic Phenomenon*, Yale Journal on Regulation, Vol. 36 (2019), pp. 771-790, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3224393

Suggested further readings:

- Michael McLeay et al., *Money creation in the modern economy*, Bank of England Quarterly Bulletin (2014), pp. 14-21, <https://www.bankofengland.co.uk/-/media/boe/files/quarterly-bulletin/2014/money-creation-in-the-modern-economy.pdf?la=en&hash=9A8788FD44A62D8BB927123544205CE476E01654>
- Satoshi Nakamoto, *Bitcoin White Paper* (2008), pp. 1-6, <https://bitcoin.org/bitcoin.pdf>
- Robert Hockett & Saule Omarova, *The Finance Franchise*, Cornell Law Review, Vol. 102 (2017), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2820176
- Perry Mehrling, *The Inherent Hierarchy of Money* (2012), pp. 1-14, https://ieor.columbia.edu/files/seasdepts/industrial-engineering-operations-research/pdf-files/Mehrling_P_FESeminar_Sp12-02.pdf

Session 2 (May 29, 14:30 – 17:30)

Reinventing Finance & Money: Decentralized Finance, Stablecoins, CBDC

- Decentralized Finance (DeFi) as functional replication of traditional finance (TradFi)
- The function, features, and uses of stablecoins
- Stablecoins as a source of systemic risk
- The pros and cons of Central Bank Digital Currencies (CBDC)

Recommended materials:

- BANK FOR INTERNATIONAL SETTLEMENTS (BIS), *The future monetary system*, Annual Economic Report 2022 (21 June 2022), pp. 75-102, <https://www.bis.org/publ/arpdf/ar2022e3.htm>
- FINANCIAL STABILITY BOARD, *The financial stability risks of Decentralized Finance* (16 February 2023), <https://www.fsb.org/2023/02/the-financial-stability-risks-of-decentralised-finance/>

Suggested further readings:

- EUROPEAN CENTRAL BANK, *Decentralised Finance – a new unregulated non-bank system?* (July 2022), https://www.ecb.europa.eu/pub/financial-stability/macprudential-bulletin/focus/2022/html/ecb.mpbu202207_focus1.en.html
- BIS, *CBDC: user needs and adoption* (September 2021), https://www.bis.org/publ/othp42_user_needs.pdf
- BIS, *CBDC: financial stability implications* (September 2021), https://www.bis.org/publ/othp42_fin_stab.pdf
- BIS, *Using CBDC across borders* (21 June 2022), <https://www.bis.org/publ/othp51.htm>

Session 3 (June 1, 10:00 – 13:00)

Regulating Digital Finance: Challenges for Law and Policy

- Current regulatory responses to digitization of finance
- “Regulation by enforcement”
- Technology as a regulatory tool
- The need for a more fundamental change: How can we rethink the paradigm of financial regulation?

Recommended materials:

- BANK FOR INTERNATIONAL SETTLEMENTS (BIS), *Addressing the risks in crypto: laying out the options* (12 January 2023), <https://www.bis.org/publ/bisbull66.htm>
- Saule T. Omarova, *Technology v. Technocracy: Fintech as a Regulatory Challenge* 6 J. FIN. REG. 75 (2020), pp. 7-40, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3545468

Suggested further readings:

- Raphael Auer, *Embedded supervision: How to build regulation into decentralized finance*, BIS WP No. 811 (May 2022), pp. 3-6, <https://www.bis.org/publ/work811.pdf>
- U.S. SECURITIES AND EXCHANGE COMMISSION, *Crypto Assets and Cyber Enforcement Actions*, <https://www.sec.gov/spotlight/cybersecurity-enforcement-actions> - browse the web page

- UK FINANCIAL CONDUCT AUTHORITY, Regulatory Sandbox accepted firms (2022), <https://www.fca.org.uk/firms/innovation/regulatory-sandbox/accepted-firms> – *browse the web page*

III BLOCK (6 hours)

Laboratory on Legal Tech and Fintech

Supervised reaction papers (prof. Alberto Oddenino)

Kick off meeting June 14 14.30 - 17.30

Concluding meeting July 13, 16-19

in Meeting Room 2 Floor Building D2 - Campus Luigi Einaudi