



SUMMARY

The financial system has experienced a period of revolutionary change for the past decade or so, largely due to emerging technological innovations. These changes were accelerated and intensified by the COVID-19 coronavirus pandemic, as governments and companies faced the challenge of remote management, due to forced lockdowns in most countries. The impetus has also come from below, from customers/users of financial products and services, who are increasingly emboldened by modern solutions, not only in search of convenience but also as part of a kind of „rebellion” against mainstream and state institutions.

The revolution in the financial system is remarkable – widely perceptible and tangible but underestimated. If we look at it under a magnifying glass, we see that its pace is dizzying and its changes irreversible. Its complexity and the fact that there is a strong trend towards disintermediation – including in the area of money and payments – mean that it is actually disorderly, with no one in control, no one determining its direction. Public institutions are lagging far behind the changes, as central banks operate only on national digital currencies (CBDC). While the first private virtual currency, used worldwide legally or illegally (depending on the country) – bitcoin (BTC) – has been in existence for over 12 years.

Thus, we now have a model example in world finance of a Hayekian spontaneous order, which leads to catalexis – an order produced by market forces and the activity of people who act economically. With more revolutionary technologies entering the market – such as artificial intelligence and quantum computers – it is notably hard to predict what the new financial order will look like in a few (dozen) years. For now, we are basically at the stage of swelling disorder – although central banks, governments, and international financial institutions (IMF, World Bank) are trying to exercise control.

Governments, central banks, and financial firms of all kinds all need to keep their finger on the pulse, adapting as they go. Doing business in this industry has become more challenging than ever, as powerful competitors from outside the industry – the technology companies – have started to attack. Everyone has to be like a surfer, because whoever remains a frigate, or God forbid an aircraft carrier, loses.