

Exploring De-Fi through 3 Case Studies: Transparency, Social Impact, and Regulation

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Abstract : DeFi is a network that avoids reliance on financial intermediaries through its peer-to-peer financial network. DeFi operates outside of government control; hence it is important for us to understand its impacts. This study employs a literature review to understand DeFi and its emergence, as well as its implications on transparency, social impact, and regulation. Further, 3 case studies are analysed within the context of these categories. DeFi's provision of increased transparency poses environmental and storage costs and can lead to user privacy being endangered. DeFi allows for the provision of entrepreneurial incentives and protection against monetary censorship and capital control. Despite DeFi's transparency issues and volatility costs, it has huge potential to reduce poverty; however, regulation surrounding DeFi still requires further tightening by governments.

Keywords : DeFi, transparency, regulation, social impact

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