



DOI <https://doi.org/10.5281/zenodo.20280151>

Review of the monograph

Gąsiorkiewicz L., Monkiewicz J. *Digital Finance and the Future of the Global Financial System: Disruption and Innovation in Financial Services.*

Abingdon

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Accepted: 30.04.2026 | Published: 19.05.2026

***Abstract.** The monograph *Digital Finance and the Future of the Global Financial System: Disruption and Innovation in Financial Services* provides a comprehensive analysis of the transformation of financial systems under the influence of digital technologies. The relevance of the study is driven by the increasing role of financial innovations, the restructuring of financial market architecture, and the need to adapt regulatory approaches to emerging risks associated with digitalization. In the context of ongoing global economic changes, digital finance is increasingly viewed as a key factor shaping the future configuration of financial systems and influencing their stability and efficiency.*

The book addresses a wide range of issues, covering topics such as the evolution of digital finance, the role of the state in shaping financial policies, the changing interaction between financial institutions and consumers, and systemic risks arising from innovation. The analysis also considers regulatory mechanisms, financial stability, cybersecurity, and data protection, which are highly relevant for advanced



financial systems, including the United States, where the scale and complexity of the financial sector require continuous regulatory adaptation. It also highlights the importance of balancing technological innovation with the need to maintain trust in financial institutions and ensure the protection of financial data.

The study has both theoretical and practical implications, as it allows digital finance to be assessed not only as a driver of economic development but also as a factor influencing the resilience of financial systems. In this context, the findings are especially applicable to the United States, where financial innovation develops within a complex multi-agency regulatory environment and where issues of risk management, supervision, and operational resilience remain critically important. The monograph contributes to ongoing academic discussions on the transformation of the global financial environment and provides a basis for further research in this area.

Keywords: *digital finance; financial stability; banking system; regulation; financial innovation; financial security.*

Анотація. *Монографія Digital Finance and the Future of the Global Financial System: Disruption and Innovation in Financial Services за редакцією Lecha Gąsioriewiczza та Jerzego Monkiewiczza присвячена комплексному аналізу трансформації фінансових систем під впливом цифрових технологій. Актуальність дослідження зумовлена зростаючою роллю фінансових інновацій, зміною архітектури фінансових ринків, а також необхідністю адаптації регуляторних підходів до нових викликів, пов'язаних із цифровізацією фінансового сектору.*

У монографії розглядається широкий спектр питань, зокрема еволюція цифрових фінансів, роль держави у формуванні фінансової політики, трансформація взаємодії між фінансовими інститутами та споживачами, а також системні ризики, що виникають у процесі впровадження інновацій. Особлива увага приділяється регуляторним механізмам, питанням фінансової



стабільності, кібербезпеки та захисту даних, що є надзвичайно актуальними для розвинених фінансових систем, зокрема Сполучених Штатів Америки, які відіграють ключову роль у глобальній фінансовій архітектурі.

Праця має значну теоретичну та практичну цінність, оскільки дозволяє оцінити цифрові фінанси не лише як драйвер економічного розвитку, але й як фактор, що впливає на стійкість фінансових систем. У цьому контексті результати дослідження є релевантними для аналізу трансформацій у фінансовому секторі США, де цифровізація поєднується зі складною багаторівневою системою регулювання. Загалом монографія є вагомим внеском у сучасний науковий дискурс щодо трансформації глобального фінансового середовища.

***Ключові слова:** цифрові фінанси; фінансова стабільність; банківська система; регулювання; фінансові інновації; фінансова безпека.*

Relevance of the Topic and Scientific Context

The rapid expansion of financial technologies, together with the steady digitalization of economic activity, is reshaping how financial systems are organized and how they function in practice. These shifts are visible not only at the level of technological infrastructure, but also in the way financial markets are regulated, how institutions interact with each other, and how risks are identified and managed. As a result, digital finance is increasingly seen not simply as a technological layer, but as a factor that is gradually redefining the logic of financial intermediation and the boundaries of financial systems.

In the case of the United States, the relevance of these developments becomes especially evident. The U.S. financial system continues to play a systemic role in the global economy, both in terms of market size and institutional influence, and often serves as a reference point for regulatory approaches and financial innovation. At the same time, the complexity of the U.S. regulatory environment – characterized by the



involvement of multiple supervisory authorities and overlapping jurisdictions – creates specific challenges for adapting to technological change. Issues such as financial stability, regulatory coordination, cybersecurity, and data governance therefore acquire a more practical dimension, as they are closely tied to the capacity of the system to respond to new forms of financial activity.

Against this background, the monograph places digital finance within a broader analytical framework, where technological change is considered alongside institutional dynamics and evolving risk structures. In practice, this makes it easier to trace how innovation interacts with regulation and how new forms of financial activity may alter existing balances within the system. Rather than treating digital finance as a separate or self-contained development, the authors approach it as part of a wider transformation affecting the global financial architecture, including the mechanisms through which stability is maintained and risks are transmitted across markets.

Main Ideas, Concepts, and Scientific Results

The work approaches digital finance as a complex and layered phenomenon that cannot be reduced to technological change alone. It is examined through the interplay of technological developments, economic incentives, and institutional adjustments that collectively reshape the functioning of financial systems. Such an approach shifts the focus away from purely technical descriptions and instead draws attention to the broader processes through which innovation alters market structures and institutional behavior.

One of the central strengths of the study lies in the way it brings together several analytical dimensions and considers them in relation to one another. The discussion moves across the role of the state, the evolving behavior of consumers, and the formation of new types of systemic risks, showing how these elements interact rather than exist in isolation. In doing so, the authors illustrate that digital transformation extends well beyond internal processes within financial institutions. It gradually affects



the mechanisms of financial intermediation, decision-making practices, and the overall configuration of governance within the financial sector.

The regulatory dimension is treated with particular care, although not in a prescriptive manner. Instead of offering simplified solutions, the monograph points to the growing tension between the pace of innovation and the capacity of regulatory systems to respond. This issue becomes especially visible in the United States, where the regulatory landscape is characterized by institutional fragmentation and overlapping mandates. In such an environment, adapting regulatory approaches to new forms of financial activity requires not only technical adjustments but also coordination across supervisory bodies, which adds an additional layer of complexity to the process.

Alongside regulatory questions, the authors devote considerable attention to the risks associated with digital finance. Cybersecurity, data protection, and operational resilience are not treated as isolated concerns but are embedded in a broader discussion of financial stability. The analysis suggests that as technological and financial infrastructures become more interconnected, vulnerabilities in one domain may quickly propagate to others. This growing interdependence highlights the need to reconsider traditional approaches to risk assessment and to account for new channels through which instability can emerge within modern financial systems.

Theoretical and Practical Significance

The value of the study at the theoretical level is connected with the way it rethinks digital finance not as a separate field, but as part of a broader transformation affecting the structure of modern financial systems. The authors do not limit their analysis to a single perspective; instead, they bring together technological change, institutional development, and regulatory responses, allowing these elements to be considered in combination. This makes it possible to move beyond more traditional interpretations of financial systems and to capture the ongoing shifts in how financial intermediation and governance are organized.



The study also has a clear applied dimension. Its arguments and observations may be of interest not only to researchers, but also to those involved in policy design, supervision, and financial management. The discussion of risks – ranging from cybersecurity concerns to broader systemic vulnerabilities – does not remain abstract. It points, rather, to concrete areas where regulatory approaches and risk management practices may need to be reconsidered or adjusted in light of technological change.

These dynamics are more visible when viewed in relation to the United States. The scale of the U.S. financial system, combined with its institutional complexity, makes the process of adaptation to innovation especially demanding. In such conditions, even incremental technological changes can have wider implications for regulatory coordination and market stability. Against this background, the analysis helps to clarify how regulatory frameworks might evolve without constraining innovation, while still preserving the resilience of the financial system. It also draws attention to the need for a more flexible understanding of stability – one that takes into account not only traditional financial risks, but also those arising from the increasing integration of digital infrastructures into financial activities.

Comments and Recommendations

The monograph is generally well organized and offers a consistent analytical line, which makes it relatively easy to follow the authors' reasoning across different sections. Bringing together technological, economic, and regulatory perspectives works in its favor, as it avoids a one-sided interpretation of digital finance and instead reflects the complexity of the processes under consideration. This multidimensional approach strengthens the overall argument and supports a more nuanced reading of the material.

That said, the analysis would gain from a closer engagement with specific national financial systems. While the discussion of global trends is informative, some of the conclusions remain at a relatively general level. A more detailed consideration of particular cases—especially the United States—could make the findings more



tangible. Given the scale of the U.S. financial system and the distinctive features of its regulatory structure, a deeper examination of this context would likely add practical depth to the study and clarify how general observations translate into concrete institutional settings.

There is also room to extend the empirical side of the analysis. In several places, the arguments would benefit from more explicit references to country-level evidence, particularly in relation to financial stability. This concerns not only the direct effects of digital finance, but also the way risks accumulate and interact within national systems. A more developed discussion of macroprudential issues and cross-border interdependencies could further strengthen the work, especially in light of the growing interconnectedness of financial and technological infrastructures. Such additions would not change the overall direction of the study, but would make its conclusions more grounded and, in some respects, more persuasive.

General Conclusion

The monograph *Digital Finance and the Future of the Global Financial System* offers a well-developed and thoughtful perspective on the ongoing transformation of financial systems in the digital era. Its strength lies in the ability to bring together different strands of analysis and to show how technological change interacts with institutional structures and regulatory practices. This makes the study useful not only as a conceptual overview, but also as a way of rethinking how financial systems evolve under conditions of continuous innovation.

A noticeable strength of the work is the balance it maintains between theoretical reflection and practical considerations. Rather than separating these dimensions, the authors consistently link broader conceptual arguments with issues related to financial regulation, risk management, and system resilience. In doing so, they make it clear that digital finance should be approached not only as a source of new opportunities, but also as a field where emerging vulnerabilities require careful attention.



The monograph fits naturally into current academic discussions on financial transformation and provides a basis for further inquiry, especially in areas where technological and institutional developments intersect. Its relevance is also evident from a practical standpoint, including in relation to the United States, where the scale of financial activity and the complexity of the regulatory environment make questions of adaptation particularly pressing.

Viewed as a whole, the arguments presented in the monograph form a coherent and analytically grounded contribution to the study of global financial systems. The work may be of interest to both researchers and practitioners seeking to better understand the direction and implications of financial system change in a digital context.

Reviewer profile (independent expert): Ivan Bakalo is an independent financial analyst and internal audit/compliance specialist with experience in regulatory compliance, internal controls, and financial reporting analysis. His professional focus includes financial stability, operational resilience, risk management, and financial security of financial institutions, with a particular interest in comparative regulatory approaches. He is also engaged in professional development in internal auditing and risk governance and participates in professional communities related to internal audit and financial oversight.

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