Debate Prompt:

"Blockchain will replace traditional banking infrastructure within the next decade."

Team Pro – *For the Motion*

1. Enhanced Efficiency

- Blockchain offers real-time settlements, reducing delays in cross-border payments and clearing.
- Smart contracts automate processes like loan disbursement and trade finance.

2. Cost Reduction

- Eliminates intermediaries such as correspondent banks, reducing transaction and operational costs.

3. Security and Transparency

- Immutable ledgers prevent tampering and allow for greater auditability and fraud detection.
- Transactions can be traced in real time, enhancing regulatory compliance.

4. Growing Adoption

- Central banks are piloting CBDCs using blockchain (e.g., Bank of England, ECB).
- Financial institutions like JPMorgan and Santander are already deploying blockchain solutions.

Team Con – *Against the Motion*

1. Scalability Issues

- Most public blockchain networks (e.g., Ethereum) still struggle with transaction throughput and latency.
- Unsuitable for high-volume, real-time banking environments like retail payments at scale.

2. Regulatory Fragmentation

- Global inconsistency in blockchain regulation (e.g., SEC vs. FCA approaches) hinders mass adoption.
- Many jurisdictions lack clear legal frameworks, especially for smart contracts and tokenization.

3. Interoperability Challenges

- Traditional banks rely on legacy systems (e.g., SWIFT, core banking software) that are difficult to integrate with blockchain.
- Upgrading infrastructure across all financial institutions is costly and time-consuming.

4. Institutional Resistance

- Banks are cautious, prioritising stability, risk management, and regulatory alignment over innovation.
- Blockchain is more likely to complement existing systems rather than replace them entirely.