How financial technology is changing small business lending

For small business owners, platforms like Betterfin can make the difference between an inspired idea and an entrepreneurial success. Betterfin CEO and co-founder Eric Griego joined McNair Center Director Jennifer Rabb for a June 23 webinar on this for-profit model of helping entrepreneurs secure the loans they need to survive. At the start, Griego explained, Betterfin launched to help finance small business owners struggling to find a lender, but eventually the process developed further into coaching small business owners toward financial literacy.

Services like Betterfin fill a need because “the lack of regulation [in traditional commercial lending] presents a huge challenge for business owners to get capital,” Griego said. Irregular pricing and varied application requirements among banks are difficult for small businesses to navigate. According to Griego, however, if policy would allow “a number of different platforms” like Square, PayPal, Amazon, and others to finance small businesses directly, access to capital would increase because the number of businesses already on those platforms would “outsized the banks.”

This is the first in a series of webinars from the McNair Center for Entrepreneurship and Economic Growth, which will continue throughout the fall to explore market-based, governmental and nonprofit approaches to improving access to capital for small businesses and entrepreneurs.

Watch Wednesday’s webinar here.

Beyond the Headlines
A border wall for Texas?

Texas Gov. Greg Abbott has based a disaster declaration for the state’s 34 border counties and a border wall on an increase in illegal immigration, but a report by fellow Kelsey Norman and co-authors explains why a border wall should be understood as a defense measure, not a deterrent.

Lessons from the Texas freeze

Four months ago, a massive winter storm swept through Texas, bringing record-low temperatures and causing millions of residents to lose power. In a new article from IAEE, fellow Michelle Michot Foss and co-authors analyze the February freeze and its lessons for dealing with future challenges to the grid.

“It’s not despite these crises [like internal turmoil, devastating wars] but because of them that the regime survives.”

Mohammad Ayatollahi Tabaar, Fellow for Middle East, on the longevity of Iran’s hard-line governments, in The New York Times

Latest Research

High hopes for a major project in Mexico. Will the Mexican government’s massive development of the Interoceanic Corridor, along the Isthmus of Tehuantepec, provide a badly needed boost to the area’s economy? Read the report from postdoctoral fellow Adrian Duhalt.

**Blockchain technology for small business lending.** Graduate student intern Alexander Hernández Romanowski explores how the emerging use of blockchain technology in financial services could transform small business lending and improve capital access for businesses excluded by conventional lending processes.

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**Events**

**Webinar — The American Rescue Plan: Changing the Trajectory for Texas’ Children.** The Center for Health and Biosciences hosted a virtual discussion on how the American Rescue Plan — which includes significant federal funding to support early childhood development — can be leveraged to implement evidence-based strategies that support U.S. children and their families. [Watch the webinar.](#)

**Webinar — Carbon Border Adjustment Mechanisms: Impacts on Climate and Trade.** Panelists consider proposals in the U.S. and the EU for carbon border adjustments — taxes levied on the import of certain goods manufactured in countries without carbon pricing plans — and the possible impacts on both climate and international trade. **June 30 | 1 pm CDT**

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