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# Platform economies: Beyond the North-South divide

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## Abstract

Platform economies are depicted as the foundation for a new era of economic production. This transpires through the incorporation of digital technologies and algorithmic operations into the heart of economic and financial practices. However, different assumptions are made about the effects of digital platforms depending on geographical location. While digital platforms are approached as inherent to processes of financialization globally, they are reduced to processes of financial inclusion when referencing the 'Global South'. Analyses of financialization as a one-way-vector – Global North to Global South – overlook the variability, the limits, and responses to financialization. In contrast, a focus on market devices illustrates the specificities of value creation. An example of this is 'the float', a form of financial value generated by mobile telecommunication operators, mobile money issuers, and commercial banks in Africa. Through this lens, we see instances of both value subjugation and autonomization, evidence that the fault lines of value production generated by ambiguous market devices are obscured by the Global North/Global South frame.

## Keywords

Platform economies, financialization, Global South, mobile money, remittances, value creation

## Introduction

'Platform economies' is a big assertion. It's an overstatement to say that our economies are now platforms, or that they have been platformized. The term 'platform economy' emerged in management research and systems science in the early 2000s to describe platform-based business models, such as Amazon or Uber. Today, in both common parlance and academic research, 'platform' can signify a concrete digital marketplace, an automated system, an informational infrastructure, an architecture for product and service delivery, and an alternative analytic to the term 'market'.

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Digital platforms pose a challenge to researchers because they are constituted by disparate digital and non-digital elements: data sets, algorithms, application programming interfaces (APIs), programming languages, networked computational systems, data representations, business models, distributed storage facilities, to name but a few. And these digital arrangements include various computational forms (algorithms, APIs, data sets) and modalities for the production of value (multi-sided markets, network effects, monetary and non-monetary units of value). Much – if not most – research on digitization, automation, and the consequential role of platforms as infrastructures attends to questions of data privacy and algorithmic bias. This work is important. And yet it is sometimes marred by metaphors ('the cloud', 'algorithmic logic', and so on) that obscure the materialization and actualization of operations and practices.[1] Likewise, assumptions about the value of data – that data is intrinsically valuable – are not necessarily demonstrated, nor are they challenged. This leads to facile claims. One pervasive such claim is that value is extracted from data sets, transactions, and the products of machine learning. If the anthropological insight that no object or relationship has intrinsic value holds, then there is no a priori value to extract: data must be made into a value form.

Platform economies are designed to enable the production of value. Certain questions help us to understand that process: How are forms of value generated by the socio-technical interfaces that constitute digital platforms? How is data formatted and translated into specific value forms? How are forms of data-value made actionable (monetized, exchanged, priced, securitized)? And when do these processes fail to produce actionable data-value forms? These are the questions I address below.

## The Global North, the Global South

Digital platforms are generally understood to be infrastructure. Oddly, they are approached somewhat differently depending on geography. Digital platforms are posited as the basis for a new phase of capitalism ('platform capitalism') and the encroachment of digital technologies and algorithmic operations into the heart of economic and financial practices. However, different assumptions are made about the workings and effects of these platforms, depending on where you sit, geographically speaking. For example, despite the fact that payment systems for mobile phones were developed in East Africa, the African continent is habitually depicted as the end point of digitization and platform economization.

Indeed, for the most part, digital platforms are approached as inherent to processes of financialization in what is shorthanded as 'the Global South'. And in those contexts, financialization is assumed to entail processes of financial inclusion. There are three general ways of approaching or explaining financial inclusion, all of which are examples of financialization.[2]

1. Financial inclusion involves the more widespread use of formal financial services by local people. This is referred to as 'banking the unbanked'. It entails the uptake of deposit accounts, savings accounts, and the extension of consumer credit.

2. Financial inclusion involves the 'financialization of everyday life'. This also entails 'banking the unbanked'; but even where people do not open commercial bank accounts, the claim is that they are subject to processes like credit scoring, which renders their unbanked lives legible to financial markets. In other words, their daily practices are structured by the entailments of financial logics.

3. Financial inclusion involves incorporation into global capital markets. This approach focuses on the commercial banking sector, development banks, global development agencies, and private capital (institutional investors, private equity, venture capital). It illustrates the expansion of certain financial markets and practices into the national realm – typically from institutions of the 'Global North' into those of the 'Global South'.

The way I've delimited these three approaches is somewhat arbitrary: while authors tend to claim one or the other approach, they map onto one another and are interdependent. But they all posit a vector: from the North to the South. They all portray the efficacy of that vector.

## The failures of financialization

Let's consider how financial inclusion is portrayed on a global scale. One definitive source is the World Bank Global Findex Database Report, which represents financial inclusion, unsurprisingly, in terms of bank account ownership, or specifically account ownership at regulated institutions (commercial bank, microfinance institution, mobile money service provider).

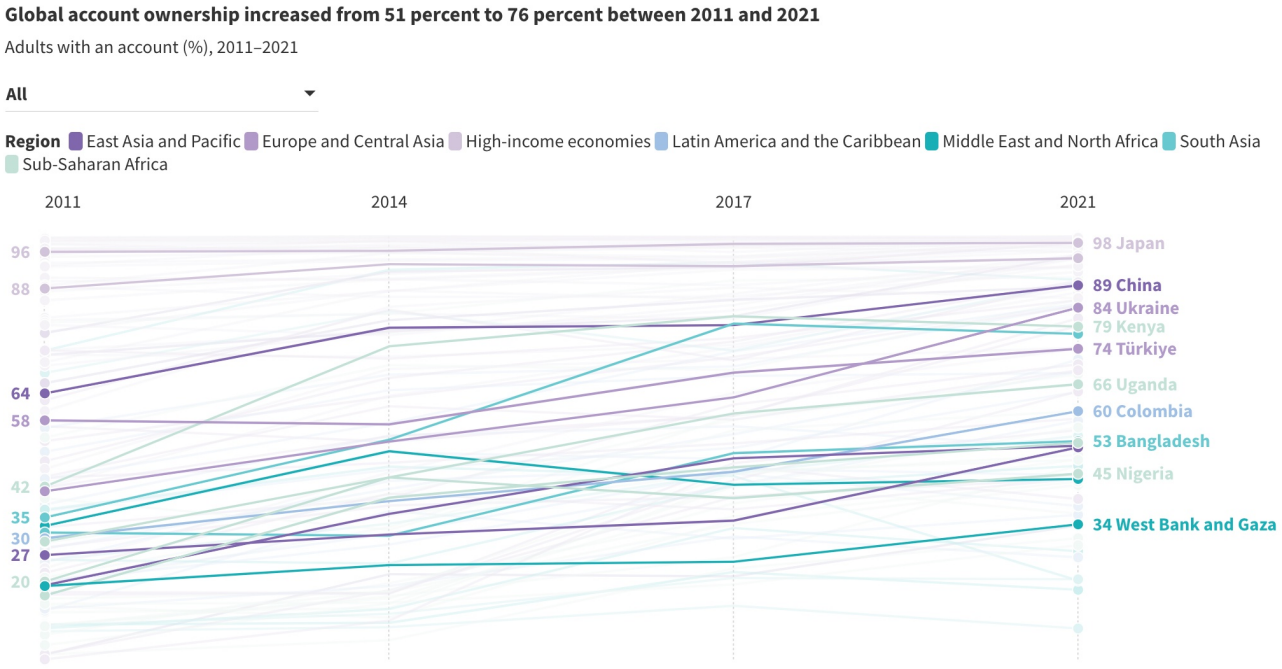


**Figure 1**. Global account ownership, 2011-2021. *Source*: World Bank Global Findex Database, 2021.

By this accounting, Kenya figures higher on the scale than Turkey, Colombia, Argentina, and, to my surprise, Saudi Arabia. It is almost equivalent on the scale to India. Here, financial inclusion is attributed to the expansion of the microfinance sector.[3]

While there are many vectors for the extension of financial inclusion globally, including microfinance institutions, the emergence of digital platforms as a feature of financial practice has led to what Daniela Gabor and Sally Brooks (2017) call the 'fintech-philanthro-development' nexus. And this nexus has specific effects: the extraction of rents from low-income populations in the Global South; increasingly indebted populations in the Global South; the enforced subordination of financial institutions and national economies in the Global

South to financial institutions located elsewhere; and the extension of colonial, or neo-colonial, relations.

*This is all true*. These effects are well documented, illustrated, and substantiated. However, as some (though fewer) observers have noted, financial inclusion has not been as effective as is claimed. There are limits to financialization. In the majority of the 54 Sub-Saharan countries, for instance, this is the case for the goal to 'bank the unbanked'. Despite the focus on Kenya, most Sub-Saharan countries fall in the middle to low range on the World Bank Findex graph. This reflects their use of mobile money digital wallets, which don't require bank accounts, as well as the fact that they are predominantly cash economies (Frost, 2020). Despite claims that the increasing use of digital technologies, such as mobile wallets, are bringing people into the fold of finance, those working in payment industries in Africa see this as an immense challenge, mostly due to non-standardized data and consequent problems sharing data across institutions (banks, credit bureaus, money transfer operators). Likewise, there are extremely variable reporting practices and requirements, not to mention problems with the enforcement of those reporting requirements.

So, on the one hand, we see the extension of consumer credit, or unsecured short-term credit, that has led to cycles of indebtedness, as Kevin Donovan and Emma Park (2022) have described with reference to MShwari, a digital wallet microcredit service in Kenya. And, on the other hand, in these same contexts of mostly unbanked low-income communities, we don't see instances of financialization, such as the accumulation of assets and their potential associated revenue streams – for example, in the form of property, like housing. Certain African scholars have made this latter point, though they are rarely referenced in the literature on financialization: Joseph Kofi Teye, Isaac Teye, Maxine Ohenewa Asiedu, Nicholas Addai Boamah.

Most commentary on financialization of the Global South seems to either assume or just conclude that formal credit products are now part of people's everyday lives. Often these conclusions about the extension of financial products and services are inferred and not necessarily observed. As noted above, fintech platforms have not resolved very significant problems of data standardization and interoperability. And that is compounded by limited data collection and the nature of the data collected. For instance, industry people in West Africa complain that, to quote, "the banks only register defaults, not overall payment history". [4] Banks are only required to report negative information, which means that the credit bureaus have databases of defaulters. And, to complicate things, while microcredit institutions are required to issue reports to the credit bureaus, money transfer operators (including those dealing in mobile money) seem not to issue those reports. Furthermore, the high levels of debt incurred by local populations has led to blacklisting. This is truly not a good thing: debt, blacklisting. But it's also not a demonstration of the seamless integration of people into the commercial banking system since these people are excluded. One can only hope that their debts will be written off.

In 'The Failure of the Single Source of Truth about Kenyans' (2019), Keith Breckenridge documents the failure of the Kenyan National Digital Registry System. Announced in 2014, the digital registry was never enacted due to conflict between two corporate entities: the Kenyan commercial banks, on the one hand, and on the other Safaricom, the telecommunications monopoly that created M-Pesa, a digital mobile money service. These two institutions clearly welcome and work towards financial inclusion and financialization. But Breckenridge describes conflict that arose from their commitments to two different types of credit market. The banks aimed to develop credit scoring and a new kind of asset register (non-fixed asset classes, such as livestock or vehicles) so as to generate new forms of collateral. The telecom

aimed to deliver unsecured high-interest microloans with no collateral registers. Safaricom won out, with government backing; hence the telecom infrastructure and its modes of monetization became the prevailing gateway to financialization for local populations. On the other hand, financialization via the commercial banking sector failed, as did the establishment of an integrated digital identity system, which the national government was banking on as a means to generate tax revenue.[5] Breckenridge's point is that there is 'no single source of truth': no one model for the extension of credit, no predetermined pathway.

Depictions of financialization mostly assume a prevailing logic and a one-way-vector: Global North to Global South. To continue with the example of compulsory biometric identity schemes, these registers are an effective means of incorporating populations into financial systems, such as commercial banks and microfinance institutions. They have been utilized for that purpose in India and Ghana, with great success in the former and checkered results in the latter. And while these schemes are in place in those two countries, they don't exist in Canada or Italy; the vector of origination and adoption is not North to South. Moreover, in depicting financialization as a great big wave washing over the Global South, we drown the complex contexts made of different subject positions and contentions, the heterogeneity of local institutions, and instances of failure. Worse, we posit denizens of the Global South as passive receptacles, devoid of agency (a problem noted repeatedly in 'area studies' literatures of the 1980s). We assume that particular categories of people or institutions have predefined sets of interests, which they pursue to great effect.

## Financial value creation: Remittances and digital wallets

Concentrating on that great wave of financialization distracts us from some of the operational aspects of the socio-technical devices and networks that we study, which illustrate *how value creation is achieved and how it fails*. We tend to focus on rents and value extraction. But the more important question is value creation.

Of course, this isn't just a question for processes underway in the Global South. For instance, though some claim that 'data is capital', that's an erroneous statement. That claim is superficial because it leaps over the specific operations of what Birch and Muniesa (2020) call *assetization*, or the ways that asset classes are generated on the basis of data sets – and, I would add, the ways that specific ground truths are the basis for machine learning and predictive analytics. That claim also leaps over the ways that those asset classes are monetized. Data is not capital. The question we must ask is how data becomes 'capital' and how data figures in processes of capitalization. We must demonstrate this. And it's not easy.

So, when we say – as two editors of a special journal issue on the Global South just did – that data is turned into capital for mobile telecommunications operators (telecoms) and money service providers (mobile money), we need to illustrate how. I'm going to do that now by considering what's known as 'the float'.

Before doing so, I first want to address remittances, one constituent factor of the float. I'll focus on Sub-Saharan Africa, the birthplace of mobile money and a primary receiver of remittances. Indeed, remittances to Sub-Saharan Africa have been increasing over the past years and, when accounted as part of foreign inflows, they are as significant as overseas development aid and more significant than foreign direct investment.

Remittances are a source of external financing and foreign exchange reserve accounting – everywhere. If one excludes China, remittance flows have been *the largest source of external finance* for low- and middle-income countries since 2015. They declined by about 12% in 2020 during the global pandemic, but they confirmed the overall upward trend in 2021,

including for the African continent. According to official World Bank reporting, the continent received $49 billion in that same year. Nigeria received $24 billion, a large percentage of that overall figure. But most significant are remittances as a percentage of GDP. For South Sudan, these represent 35% of GDP; for Senegal, a vibrant West African economy, they represent 11%; and for Liberia, 10%. Remittances are now the second largest source of foreign inflows on the continent. And in Nigeria, remittances are second only to oil exports as a source of foreign exchange.

We should note that, when they transmit through legacy systems like Western Union, remittances to Africa are the most expensive in world (for $200, 7.8%). Therefore, many transfers avoid those channels. The World Bank figures thus underestimate total amounts received for all Sub-Saharan countries, since they are based on official data. And, importantly, these figures don't account for intra-African remittances, which are transfers between different states and are thus international operations involving international currency exchanges. Intra-African transfers are very substantial and mostly transpire via mobile money and fintech platforms.

Remittances are significant, as noted by the extensive literature on the remittance-development nexus, which argues that remittances contribute to increased consumption and potential investment – and hence economic development. This is the guiding theme of The Knomad Project at The World Bank. As we might imagine, this view relates to financial inclusion – or what Vincent Guermond (2020) calls the 'remittance-financial inclusion nexus'. But there is another angle on remittances. This relates to international transfers, intra-African transfers, digital wallets, and especially the float.

In order to view things from that other angle, we need to highlight the specificity of the African context. That means highlighting the central role of telecoms (not banks, not big tech) in the realm of digital finance. Mobile network operators (telecoms) create subsidiaries that provide money transfer services, like mobile money and digital wallets. Mobile money is a financial service provided by the mobile network operators/mobile money issuers. It's important to note that mobile money is not fiat e-money. It's not a digital form of a national currency (CBDC); it's not issued by the central bank. Mobile money is a money transfer tool. So this is about telecoms and payment systems as much, or more, than it is about money per se.

E-money is best thought of as a payment instrument. (Shout out to Bill Maurer). In its *Monetary and Financial Statistics Manual and Compilation Guide*, the International Monetary Fund (IMF) defines e-money as "a payment instrument whereby monetary value is electronically stored on a physical device or remotely at a server which represents a claim on the issuer" (IMF, 2016: 400). Examples include prepaid cards, mobile wallets, web-based e-money (Paypal stores value electronically), and mobile money. The IMF's guide defines fiat bank deposits as non-negotiable contracts and e-money as transferable deposits (though in some jurisdictions, restrictions on transferability apply to e-money deposits).

Telecoms don't have banking licenses, so they create subsidiaries, which are licensed nonbank entities. For instance, the telecom MTN Nigeria has a subsidiary called MoMo Payment Service (MoMo signifies mobile money). Through these nonbank subsidiaries, the telecoms establish a 'float' with the bank that corresponds to its customer base digital wallets. How is value created by this nexus of telecoms, nonbank subsidiaries, and digital payment services?

To answer that question, we need to look at the revenue streams within the value chain. Remember, the question is how value is created or generated, because it's erroneous to say that there is inherent value in data, that value is merely extracted from data sets, and that data is capital.

We can start with a (very grossly simplified) glimpse into a generic model presented in *Mobile Service Innovation and Business Models*:

1. The remittance center – the location where the money is received – receives a percentage of the transfer or a fee.

2. The mobile operator (telecom) benefits from the increase in SMS traffic, a reduced churn rate because customer cell numbers are linked to an e-money number, and charges per transaction. Telecoms also offer adjacent financial products.

3. The bank potentially generates revenues by banking the unbanked, as consumers are brought into the sector via potential adjacent financial products offered to telecom customers, such as small consumer loans. But to quote, "If enough money is captured from remittances, *the float and interest provide an additional benefit to the financial institutions*". (Bouwman, 2008: 239, emphasis added)

This is not necessarily 'banking the unbanked' – it's about generating the float. Mobile wallet transactions, which include both international and intra-African remittances, create a significant cash float for the associated bank.

One thing to consider is the custodianship of the digital wallet. This is complicated because the digital wallet is a product of the mobile network operator and its nonbank subsidiary. Electronic value equivalents of digital wallets are kept in a custodian account, which sits with the partner bank. But mobile money customer funds are pooled into a single account; there is no individual corresponding deposit account per digital wallet. And the telecom is the depositor. So, first, the mobile network operator earns interest on pooled deposits with the commercial bank; and second, the bank makes interest on the float.[6]

Because value held in digital wallets doesn't involve bank deposits in the strict sense, these wallets are not necessarily protected by deposit insurance systems. In most cases, the pool is subject to deposit protection, but the e-money account holder (individual digital wallet) is not. However, this varies by jurisdiction and the effects of that variation are themselves complicated and consequential. Indeed, this is complex terrain that is worthy of inquiry. We simply can't assume that we know much about the production and management of mobile money and these potential revenue streams. While technical and tedious, they are worth studying because they don't confirm obvious vectors of financial inclusion and financialization; and of course, they impact socio-economic stratification and wealth generation.

## The float as a market device

One outstanding question is this: How do mobile money liabilities get accounted for? In other words, the question arises as to the relationship between these electronic values and 'broad money', or the liquid liabilities of the central bank and the national banking system. While a lot has been written about mobile money, microfinance, and digital wallets, there is little written about this question. In contrast, central bankers and economists in Africa have written about how digital platforms have an impact on the money supply and monetary policy – an eminently political question. They indicate that monetary policy has become less effective due to the massive growth of mobile money payment instruments, which contradicts reports published by the Global System for Mobile Communications Association (GSMA), most often cited by academics (including myself).

So we have two scenarios. On one hand, telecom digital wallets and fintech platforms enroll low-income residents into microcredit products, to participate in financialization. This is predatory because they aim to bring the unbanked into the consumer loan market. This is what most research concludes. On the other hand, telecom digital wallets and fintech platforms generate the float, which is an ambiguous financial object. Technically speaking, the float represents money in the banking system that is briefly counted twice due to processing time for deposits and withdrawals. Banks lend float money to other banks to earn interest. People in the mobile money and fintech industry say that banks 'love the float': it's the basis for lending and they earn interest on it.

The float is a liquidity pool. We can think of it as the mobile money/fiat money interface. The liquidity pool is the means by which to go from one type of asset to another. We should note that liquidity refers to conversion, or the *ability to convert* an asset or a security to cash. Liquidity doesn't refer to cash per se; it refers to the ability to convert between two different asset classes – for example, from mobile money to Nigerian naira, or from bitcoin to naira, from e-money to naira, and so on. In order to appreciate the scale of this potential liquidity pool, we need to appreciate the scale of mobile money in Africa. See Figure 2 below.

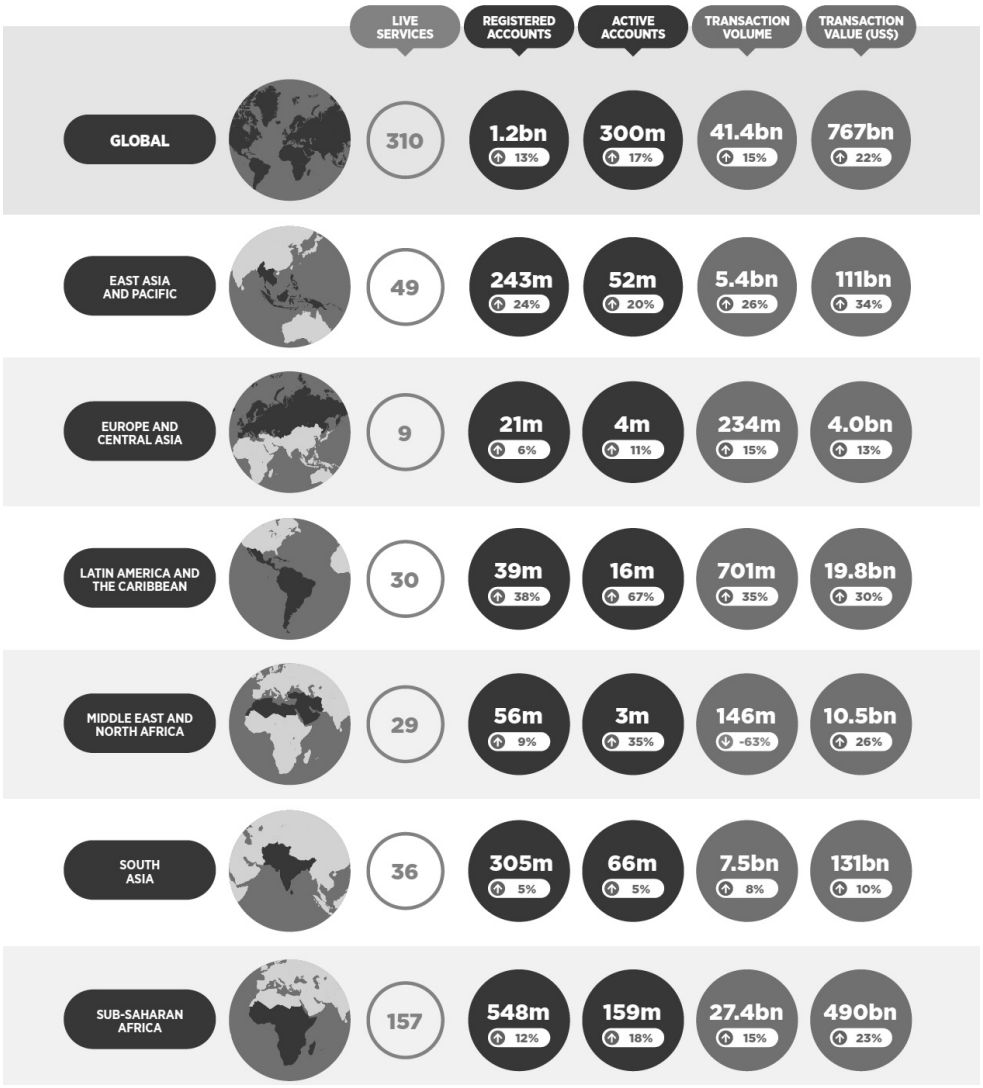


**Figure 2**. Regional growth of mobile money in Africa, 2020. *Source*: GSMA, 2021: 8.

In 2021, Sub-Saharan Africa had by far the largest number of active accounts, the largest volume of transactions, and the largest transaction value – a whopping $490 billion of the global $767 billion. On the African continent, this involves $84 billion in peer-to-peer remittances, but it also involves significant intra-African trade (business-to-business). And this entails 42 different currencies! The main problem for transactors is the cost of settlement and foreign exchange loss.

Remember, intra-African remittances and payments are international currency operations. Settlement between African currencies involves buying and selling dollars because they are nonconvertible currencies (or 'soft currencies'). As of 2017, only about 12% of intra-African payments were cleared within the continent. The rest are routed through overseas banks in Europe and North America. An African currency must first be exchanged for dollars, pounds, or euros, and then swapped a second time for a different African currency, which adds an estimated $5 billion a year to the cost of intra-African currency transactions (IMF, 2022).

However, increasingly, money transfer operators can access money markets through digital finance platforms or digital payments gateways. For example, MFS Africa is a pan African real-time payments network operating in more than 30 African markets and connecting over 320 million mobile wallets. MFS Africa claims to 'render borders insignificant', which should be read as a strong political claim.

ABC Finance is another payments gateway and currency exchange platform.[7] Their services include international payments and settlements, forex, and treasury management. ABC Finance ensures connectivity between commercial banks and mobile payment channels through APIs and, increasingly, Web3. They claim to be the first digital exchange to do digital currency/African currency conversions and digital currency/mobile money conversions.[8] The ABC pitch is that they bring traditional finance to counterparties. *But note*. They are not bringing traditional finance to consumers or to the unbanked; they are bringing traditional finance to the counterparties, which are remittance operators and money transfer operators.

At an industry conference, the CEO of ABC Finance noted a central problem: No one will hold African currency in Africa's various national banking systems. Because the vast majority of government and corporate bonds are denominated in dollars, African central banks are mandated to support the value of their respective currencies, which incites them to ration dollars and other hard currencies. This results in difficulties pooling and balancing flows of African currencies. ABC's response is to become the largest nonbank foreign exchange broker in Africa. It buys and sells currencies using its own balance sheet. In other words, it sells balance sheet liquidity and offers wholesale foreign exchange, sometimes using cryptocurrency stablecoins. Hence why the CEO presented their platform as a means to "deconnect Africa from the US dollar".[9]

This is not just one CEO's concern. Others working in the digital payments, fintech, and financial sectors in Africa share her view. They generally indicate that the float, which is here produced through the nonbank/bank interface, is a primary site of value production and potentially a device for market-making.[10] Additionally, as many people working in Africa note, and as ABC Finance believes, it also provides a means to circumvent the very conservative national banking system, which generally serves the commodities sector and top tier corporates. In the past, the national commercial banks served traditional colonial era sectors, summed up by a local expression, 'cement, beer, banks'. Today, that would be rendered 'cement, ports, mining, oil'. The digital finance platforms are in the business of intermediation and value creation that circumvents the commercial bank/commodities sector alliance.

Alongside these private platforms, formal public initiatives are being forged, such as the

Pan-African Payment and Settlement System (PAPSS). Launched in 2021, PAPSS is a cross-border, financial market infrastructure that enables payment transactions between various African states and currencies. It provides real time gross settlement through participating central banks, which will provide pre-funding, eventually for the participating African currencies. The aim is to decrease time and cost of settlement, and to reduce the need for banks to source hard currencies to support transactions between two African parties. Most importantly, this is a response to soft currency subjugation. PAPSS aims to eliminate overseas (non African) intermediaries, such as the SWIFT system. And it is devised to generate the conditions for local currency lending instead of dollar financing, which entails the extension of local currency bond markets (see Gabor, 2021).

We can critique all of this. We can critique MFS Africa, ABC Finance, and PAPSS as instances of marketization, or the extension of private, market-based solutions to political-economy problems. But for many Africans, this represents a possible first step in the liberation from dollar hegemony, or at least from the costs of hard-currency subjugation. This isn't to say that we can draw from this more general conclusions about dollar hegemony. Of course, that endures on a global scale – for all of us (Mehrling, 2022; see also Weisenthal and Alloway, 2022). The point is that, before jumping to conclusions about financialization, it seems important to consider local actors' concerns about the undoing of colonial and imperial institutions – banking and monetary institutions being a bastion of neocolonial relations – no matter how belated and no matter how effective these may turn out to be. And we should remember the work of the Cameroonian scholar and economist, Joseph Tchundgjang Pouemi, who wrote *Money, Servitude and Freedom: Monetary Repression in Africa* in 1980 – over 40 years ago. Today, we can also refer to Senegalese development economist, Ndongo Samba Sylla, who co-authored *Africa's Last Colonial Currency* (Sylla and Pigeaud, 2021); and to the many economists in Africa who are grappling with questions of platform economies, regimes of value, and new forms of value as problems of both subjugation and autonomization.

## Politics of the float

Focusing on the float as a market device, as per Callon, Millo, and Muniesa (2007), gives insight into the emergent forms of value that are generated from telecoms, nonbank financial institutions, digital wallets, new revenue streams, and the float itself. As a market device, the float is a site where there is something at stake for multiple actors. But how does all this relate to the Global North/Global South divide in particular?

Today we hear strong calls to 'decolonize knowledge'. In reference to Africa, that's said to be a matter of 'recentering the margins' (for example, see Langley and Rodima-Taylor, 2022). That is an extremely important commitment. We just need to ensure that *African* claims are what is at issue – that is, that their articulations, in the plural, are what is at stake. The point is not to merely decenter theories, or to displace one Euro-American theoretical debate with another Euro-American theoretical debate – both are anchored in Euro-American debates, even with reference to decolonization and especially with reference to the so-called Global South. Efforts to displace the center so as to reposition the margins as foundational, and not residual, must first consider the terms themselves: center/margin, core/periphery, Global North/Global South.

We should remember that the Global North/Global South distinction comes from the Brandt Line of 1980. The rich north, the poor south. In the early 1990s, postcolonial studies scholars and activists revised that distinction, noting that 'the Global South' is a metaphor, not a geographical location: we can put New York, Johannesburg, Mumbai, London, Sao Paulo,

Istanbul, Jakarta, Cairo, Dubai, Athens, Sydney, and Shanghai on the same plane – they all include global norths and global souths. But we ignore that important point when we refer to Emerging Markets, Frontier Economies, and even developing countries in our references to the Global South – and thereby participate in a developmentalist paradigm. In my view, when we refer to the Global North/Global South distinction, we *start* with a power differential and then show how that differential is performed. And that's a problem.

We therefore constantly re-instantiate and reconfirm 'marginal' spaces and residual categories as just that – marginal and residual. We continually remap developmentalist (modernization) theory. We have claims to decolonize but then we engage in this exercise of remapping that reinscribes 'people of the South' into the logics of capitalist dependency where they figure as endpoints.

As a thought experiment, we could make a list. We could put three things on that list: Microfinance loans (e.g., MShwari, Kenya); Buy Now Pay Later (e.g., Afterpay, Australia); and Payday Loans (e.g., Advance America, USA). All of these involve unsecured short-term credit. They all reflect the fact that banking is expensive for low-income populations, everywhere – in Africa and in the United States of America.

Instead of starting with a power differential between the Global North and the Global South, it would be constructive to study these credit markets in one frame – for instance, through a market device like the float. The point in doing this is to account for the production of power differentials – or the fault lines of value production.

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## Notes

1. Amongst many examples of work that renders visible the materiality of digital practices, see Dourish (2017) and Jaton (2021).
2. I am referring here to a huge literature which I cannot cite properly in this essay.
3. This conclusion is made clear in Elyachar (2006); see Langevin (2019: 791) for specific reference to fintech and the World Bank Global Findex Report.
4. This remark was repeated by industry participants from the digital banking and microfinance industries at a workshop I organized: 'Fintech Platforms and the Future of Credit Scoring', in Accra, Ghana, 11 February 2022.
5. The planned National Integrated Identity Management System was ruled illegal by the highest court in Kenya in 2021 due to questions related to data privacy and security. This example can be contrasted with other examples, such as the Indian experience, where 1.2 billion people were biometrically registered between 2009-2015. But the point is that financialization cannot be presumed to be always already effective.
6. Some telecoms are required to pass on a percentage of interest earned to customers, but this varies by jurisdiction.

7. This is my anonymized rendering of a global financial services firm founded in Kenya.
8. In most recent news, ABC Finance partnered with FTX, the global cryptoexchange founded by the infamous Sam Bankman-Fried.
9. Comment made during ABC Finance CEO's presentation to the Africa Financial Services Investment Conference, London, 11 October 2021.
10. This raises two crucial dilemmas: the impact of mobile money on the money supply and the role of mobile money in credit creation. Mobile money issuance is recognized has having an impact on control of the money supply and relevant policies have been enacted; see reports issued by the IMF and various central banks. Because the telecom subsidiaries (nonbank financial firms) deposit 1-1 equivalent amounts of mobile money in the commercial banking system, there is no credit creation. However, it is worth confirming whether this is the case across all regulatory regimes, and that enforcement is enacted. Also, it's unclear as to whether the telecom subsidiaries invest the float in treasuries, which would imply consequences for shadow banking and potentially for credit creation. Thanks to Anush Kapadia for his very helpful comments on these points.

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