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REVIEW SYMPOSIUM

Ákos Róna-Tas and Alya Guseva, 2014, *Plastic Money: Constructing Markets for Credit Cards in Eight Postcommunist Countries*, Stanford University Press.

Key words: capitalist systems, credit, Eastern Europe, finance, markets

JEL classification: G10 financial markets, G11 financial services, P16 political economy

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It is always a pleasure to have an opportunity to comment on remarkably well-written, boldly innovative books. I am truly delighted to comment on Plastic Money.

To start with the most important things: I consider this book truly exceptional in three regards:

- The insight ensconced in the choice of the subject matter,
- The power of the mid-range concepts that the authors develop, and the consistency and self-discipline with which they manage to apply them to the eight cases they consider, and
- Perhaps the greatest achievement, the clarity of the writing.

The emergence of credit card markets is a brilliant choice for a strategic intervention in economic sociology in three subfields: the ongoing transformation of the world-economy, the sociology of markets, and the comparative-historical sociology of the post-statesocialist (as in the six east European and northern Eurasian contexts the book considers) and late-state-socialist transformations (as in the east and south-east Asian cases). All three of these fields are absolutely crucial for 21st century society, and all three have been remarkably generative of the sociological imagination. The Venndiagram of those fields, as presented in this book, is a real coup, and I wish to congratulate the authors for it.

Credit card markets are also a truly fortunate choice for another reason: This is one aspect of the post-state-socialist/late-state-socialist transformation where, at least on the face of the phenomenon, one would expect a great degree of uniformity in the way in which the process would unfold—it is, after all, a global financial institution, based on a highly standardized technology, and we are observing it as it enters societies that are pretty uniformly undeveloped in this regard. The book succeeds in showing the power of local variations in institutional constellations with almost no sense of uniformity, other than the basic idea of the use of a magnetic strip attached to a standard wallet-size plastic card that facilitates cash-less transactions through the instant application of preapproved credit. In that sense, this is a book in the sociology of the 'Varieties of Capitalism'—perhaps more precisely, of the 'Varieties of Post-State-Socialist Capitalisms and Late-State-Socialisms'.

The book develops its analysis of the eight cases via five 'mid-range' concepts: the problem of the two-sided market, the issue of standardization, information asymmetry, information sharing, and market origination and expansion. The concepts prove to be eminently useable in both being very meaningful in the eight varied contexts, and generative of a host of excellent insights about the complexities in the process of market institution building.

This is a remarkably reader-friendly book. The analysis is low-key, factual, gives sufficient detail without overburdening the reader, and admirably to-the-point—hence accessible to audiences that are neither familiar with the eight nation-state contexts, nor the 'world' of banking and payment technologies. At this point, I am seriously considering adopting it as a required reading in my standard junior-level course in Economic Sociology.

I also have a set of broader comments, questions, and concerns. None of them strictly qualify as ‘criticisms’. The book actually addresses almost all of them at some point, but it may be very productive to think through some of these issues.

First, let me introduce a visual aid. Figure 1 shows the trajectories of the eight cases in the project, plus the United States, during the 1990–2008 period. (These are the late/post-state-socialist years for which Angus Maddison offers estimates). The vertical dimension is position in the world-economy based on relative income (GDP/cap expressed as % of the world mean in a given year); the horizontal axis represents relative geopolitical-economic power (GDP as % of the world total). The labels next to the lines indicate the year with the earliest point being 1990.

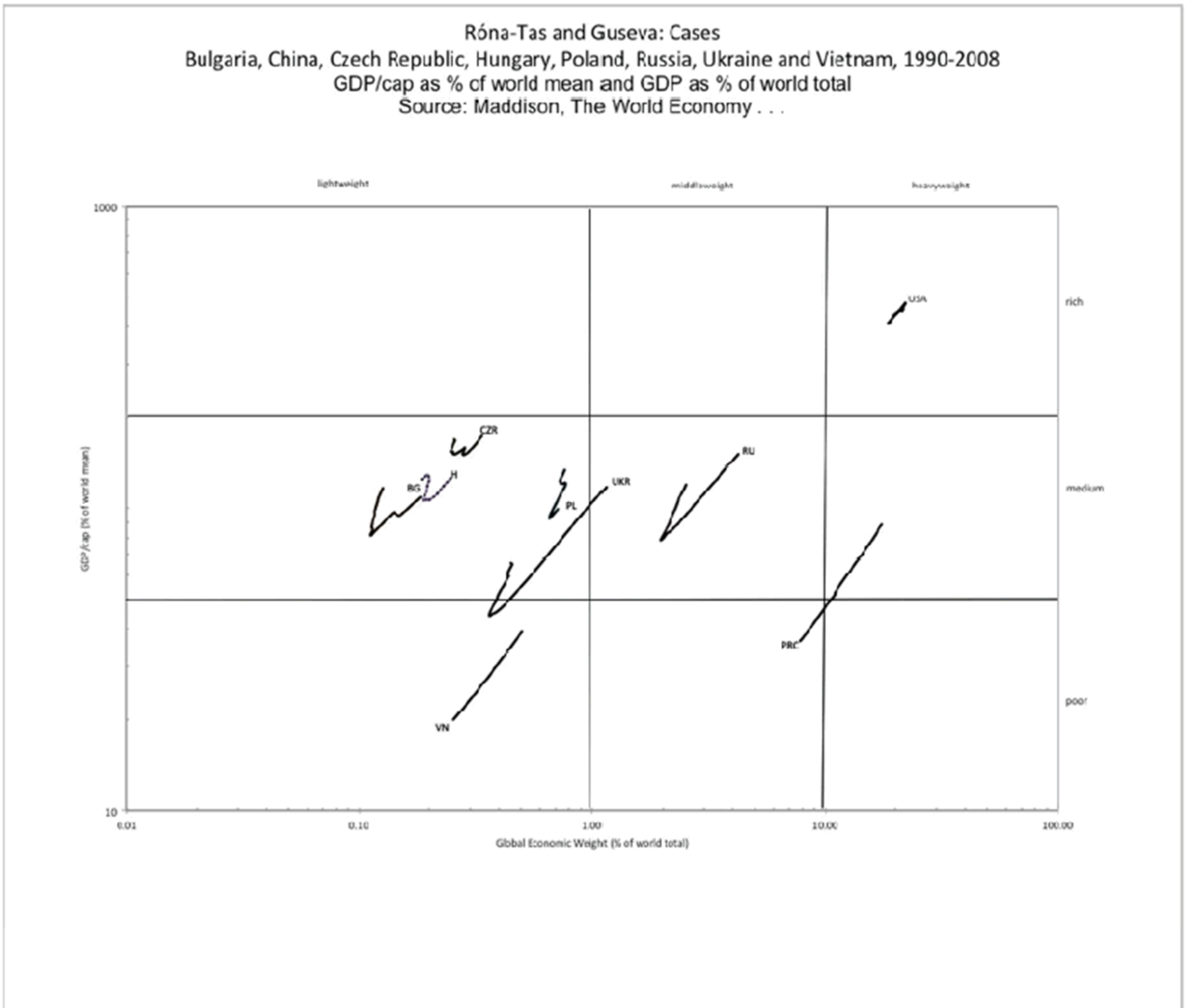

Figure 1 Global Economic Trajectories of the Eight Country Cases (and the USA). Relative Wealth (% of World Mean GDP/cap) by Global Economic Weight (% of Total Gross World Product). Computed from Angus Maddison, Statistics on World Population, GDP, and Per Capita GDP, (1-2008 AD). http://www.ggdc.net/maddison/Historical_Statistics/horizontal-file_02-2010.xls last accessed on November 1, 2015.

I am offering this illustration, because it throws light on some important aspects of the research design. Most obviously, the project only considered societies that had been or remain state socialist—as it turns out in the case of the PRC and Vietnam, which arguably continue to be so in some important respects. In other words, the design prevents the authors from being able to say much about the extent to which their findings can be attributed to *state socialism* since there are no cases that had not been state socialist, but are nonetheless located near these cases in the graph. This amplifies a theme that is, to my taste, somewhat hidden in the conclusion of the book: the case of the United States—the country where credit card markets had been created—is radically different from all the cases presented in *Plastic Money* in just about every important respect. It is possible to argue that that may have something to do with the fact that none of the eight cases is even moderately 'close' to where the United States is in the world. Stressing this 'take' on the cases would vastly sharpen the interpretive edge of the project.

The next question relates to the trajectories of the economic transformations that took place in the late-or-post-state-socialist context at the time the emergence of the credit card markets. As any institutional economic sociologist would argue, innovation is generally more difficult to undertake under conditions of economic decline than under conditions of growth. Except for the two arguably late-state-socialist cases of China and Vietnam, only Poland qualifies as a case showing a modicum of growth, and even there—although this is not shown on this graph because it picks up in 1990—the economic growth that has taken place did not quite reach Poland's peak position in the 1970s. In other words, the story *Plastic Money* tells is one of two societies that are rapidly growing, while all others have undergone a much more complicated transformation. It would be a truly interesting to consider how introducing a consumerenabling convenience product (the credit card) is really tough under conditions of a contracting economy where one would expect, *ceteris paribus*, declining consumption.

Next, the book makes two important and related arguments. First, in all eight cases, the state had been crucially involved in the creation of the credit card markets. Second, only China managed to forestall and—at least thus far—keep at bay the penetration of global competitors, such as the Visa and MC associations, transnational banks, and international credit bureaus despite the efforts of transnational capital. The conclusion of the book points out: 'size matters, and so does ideology'. I have no quarrel with this. The only thing I add is: we also know how size matters—i.e., it seems necessary to have the dimensions of the world's largest society with well-nigh full control over its banking system and ensconced in a state-socialist institutional setup in order to avert foreign control. Of course, even the Chinese state leaves open the question of whether 'foreign penetration' will produce another globalized outcome—namely, morphological assimilation to the otherwise global industry standards, and even eventual penetration by transnational banks, of what is today the state-controlled Chinese credit card system. This is only one of the many findings of this book, but one that has, I think, the capacity to become truly productive in global-comparative-historical sociology of strategic economic power.

Finally, the inclusion of Vietnam and Ukraine (the latter dipped below 50% of the world average GDP/cap during the period covered in *Plastic Money*) is a truly powerful reminder that, when we are talking about a consumption-enabling and consumption–enlarging tool *par excellence* as the credit card, we are actually talking about is a forprofit service geared toward people with consumption levels, and perhaps even more important, consumption *patterns* that are unlikely to be relevant to a large proportion of those societies. I have two specific class locations in mind. First, people with relatively low-consumption and quasi-peasant patterns of life and, second, the bottom sections of the post-state-socialist industrial proletariat that have, and most likely will never, find suitable employment and thus will be pretty much forever locked out of consumption beyond mere survival. The relative size of such groups tends to be greater societies in the bottom segment of the global distribution of the world's states (marked as 'poor in the graph), and it stands to reason that this might partly explain the relatively low penetration of credit card markets in the poorer societies among the cases observed. In this sense, I truly missed a more detailed discussion of the socio-economic boundaries between those who are part of, and those who are locked out of, consumer markets, and the subtle meanings such consumption tools impart into a context already severely segmented by income-class.

On a related note, I wonder about the necessity of the emergence of markets for consumer-enabling technologies, such as credit cards. Even if these transformations have been unavoidable, were they *necessary*? I am asking this with the idea in mind that, at the peak of the state socialist period during the last third of the 20th century, approximately one-third of humankind and a little over twenty percent of the world's economic value added existed within some kind of a state-socialist 'system'. The story of the emergence of post-state-socialist 'plastic' markets was thus part and parcel to a broader transformation that involves the ongoing encapsulation of those economies under the sway of global capital, in an increasingly 'frictionless' way. In that sense, then, is this story just another instance of the creation of technological, financial, and consumption-goods dependency?

Finally, *Plastic Money* raises two broader sets of questions. First, to what extent do any of the cases examined in this project approximate Gerschenkron's *latecomer's advantage*? In what way could we improve upon Gerschenkron, based on the findings of this project? Second, What are the implications of this story for what we think we know is the future of surveillance, radically asymmetrical knowledge systems, normalization and standardization of masses of humans by capital, states, and perhaps—as we saw at least in some cases presented in *Plastic Money*, in incipient forms—strategic coalitions of the two?

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How plastic is the future of money?

Akos Róna-Tas and Alya Guseva have written a very fine and important book about the development of markets for credit and debit cards in eight post-communist countries. It is a rigorous, well written, analytically astute and thoroughly informative study. For any reader with an interest in the future development of money—forms of currency, as well as payments systems—the book is an invaluable resource because it sheds light on the specific characteristics of the post-communist societies. I also find the book analytically and theoretically interesting, because perhaps unlike the majority of work in the sociology of money, this study is grounded in debates about the social order of markets that are central to economic sociology. Having said this, one observation I would make about the book is that it tends not to draw so much on the literature in the sociology (and/or anthropology) of money. While there are references to Viviana Zelizer, for example, there is no mention of the work of Bill Maurer and others on payments technology, and questions about the nature of money itself—its relationship to credit and debt, for example—are left to one side. The book is fundamentally about markets as social order, and money is somewhat secondary to this. There is no worked out theory of money that frames the book; indeed, the closest the authors come to providing it is when they say that plastic cards have two sides, payment and debt (p. 22). This is not necessarily a criticism: the book is rightly situated within a more specific set of debates about post-communist transition. But the implications of this study for the sociology of money certainly need to be thought through. What follows is a very limited attempt to do this, although rather than dealing with broader theoretical questions about the nature of money, my comments will focus primarily on current debates about monetary diversification and the future of money, specifically the end of cash and banking reform. My comments have been written very much in a spirit of enquiry. Having read the book, I want to know more.

In order to explore the eight empirical cases covered in the book, the authors conducted extensive fieldwork, drawing on 184 interviews with key figures from banking and related institutions, as well as data drawn from various conferences and workshops. They have clearly immersed themselves in the empirics. But my focus here will be on the implications of this study for broader debates about the future of money, especially the end of cash, taking in arguments about Fintech, Bitcoin and the development of mobile payments. In particular, I have a number of questions to put to the authors, which are mainly about where they see these eight countries going in relation to these trends:

- Are we likely to see technology companies encroaching on the banking system in the post-communist countries, just as we are seeing them do so in the US and Europe?
- Where do mobile payments fit into the picture of developing credit card markets portrayed here—for example, is there still a significant 'unbanked' sector in any of these countries for which something like M-Pesa is likely to appeal?

In addition, I would also be interested to hear the authors' views about how these developments would have been experienced by customers themselves:

- What did the authors glean from their interviews about how questions of trust, for example, were negotiated between banks and their customers?
- Were issues such as 'financial literacy' raised as a concern, for example, and if so, in what terms?
- And on a more theoretical note, to what extent might the developments described in this study fit into a different kind of narrative, focusing less on the construction of markets per se and more on the process of financialization?

In empirical terms, the 'end of cash' debate that we have been increasingly engaged with in the advanced capitalist countries seems a long way away from the postcommunist cases studied in *Plastic Money*. According to figures produced by MasterCard in 2013 (see http://newsroom.mastercard.com/wpcontent/uploads/2013/09/Cashless-Journey_WhitePaper_FINAL.pdf), Belgium tops the league of cashless countries with 93% of consumer payments taking non-cash form, followed by France (92%), Canada (90%), the UK (89%), Sweden (89%), Australia (86%), the Netherlands (85% and the US (80%). In Belgium, 86% of the population has a debit card, while the figure is 69% in France, 88% in Canada and the UK, 96% in Sweden, 79% in Australia, 98% in the Netherlands and 72% in the US. By contrast, looking at the cases covered in *Plastic Money*, non-cash consumer payments make up 55% of the total in China, 41% in Poland, and 31% in Russia (tellingly, perhaps, MasterCard does not even have—or publish—data for the five other countries). But when it comes to trajectory—i.e., the rate of change from cash-heavy to cash-less—MasterCard's figures are interesting, because they place China extremely high on their index (at 100!)—something they attribute to a combination of rapid urbanization and government leadership—with Poland also quite high (at 55), which they attribute to growing rates of acceptance. As the authors make clear on p. 233, cash still dominates in the societies they study in the book, where even those that have them tend use them mostly for withdrawing cash rather than actual payment. I would be interested to know more about why—in cultural and social terms—they think this is the case.

There seems to be a 'tipping point' in the journey towards a cashless society—MasterCard sees it around the mark where 70% of consumer payments are non-cash—and it seems clear that the countries examined in *Plastic Money* are not yet at this level. Nonetheless, some of the crucial questions that arise concerning the declining use of cash are germane to this study, and I would be intrigued to hear the author's views on them in relation to the post-communist countries studied in the book. They include:

- The implications of non-cash payment for the link between money and identity (or conversely, the increasing lack of anonymity associated with money as use of credit and debit cards and other forms of non-cash payment grows).
- Related but not reducible to identity, the question of security also comes up in relation to declining cash usage. This is partly about issues such as fraud, but it also connects up to questions about surveillance as concerns grow about the quantity of personal data now bound up in payments systems, about who controls access to such data, and about how the data are used.
- The implications of the growth of plastic money for financial inclusion—in countries where cash usage has declined significantly, there are clear connections between cash and social class. This is a well-established issue: I found papers going back to the late 1960s that make a direct link between credit card usage and social class (see Matthews and Slocum, *Journal of Marketing* vol. 33 no. 1).
- There are further, more culturally focused issues connected with the use of plastic money. As the authors observe on p. 108, cash is tangible, easier to handle and use, and perhaps less expensive to use than plastic. One might even go so far as to say that cash feeds on our 'fetishistic' relationship with money in a way that plastic cards do not.

Perhaps one reason we do not find such issues covered extensively in the book (at least from the perspective of customers as opposed to banks) is that the interviews that were conducted tended to focus on the institutions involved in this story—representatives of banks and credit card companies, mainly—so although the book sometimes refers to 'cardholders' as active economic agents, and to rates of acceptance, there is little by way of empirical data on this angle, indeed one could argue that cardholders are silent actors in this story. I wonder whether this is simply a question of research design, or also a reflection of their choice of theoretical framework? This is not really a criticism. As the authors make clear right at the beginning of the book, they are focusing on the construction of card markets that developed against the backdrop of 'the largest effort of market building in recent history', i.e. the transition from a planned to a market economy that took place following the collapse of communism in 1989 (p. 25). So the emphasis throughout the book on market construction (especially the five puzzles that the key players had to solve in order to develop card markets) is perfectly understandable and surely correct. Having said this, one of the main aims of the book was to take up the challenge of viewing the 'creation of consumers' (p. 30) as a major theoretical challenge that was facing those who were researching these societies (largely because demand was taken for granted). In this sense, I would be interested to know more about the consumers in question—not just as consumers, however, but as new users of a particular form of plastic money, as opposed to cash.

- What were the main fears of consumers, and how were these overcome?
- How did their understanding of money change once credit cards became a more

widely accepted part of their everyday lives?

- How did perceptions of money in relation to credit and debt change as a result of the development of card markets? (This matters in light of what the authors say about the balance between credit and debt cards, see p. 233.)
- To what extent did the development of card markets shift emphasis in trust relations regarding money from the state to banks?

There is also an interesting banking/monetary production angle to this book, which reflects back on debates about the financial system that have been taking place in the so-called advanced capitalist societies since the 2008 crisis. In part, the story the book tells is about the transformation of the banking system in the post-communist societies is a story about a shift from what the authors call a 'system of monobank finance . . . that allowed only the simplest and most limited forms of credit' (p. 51). But for all of its apparent backwardness, such a system resonates with the kinds of proposals we have been seeing made in the UK and US, especially, since 2008 for a return to more basic forms of banking—e.g. narrow banking, limited purpose banking, or some version of the old Chicago Plan for 100% money. In some instances these proposals focus on the problem of controlling credit expansion, and of ensuring that the banking system as a whole—particularly the commercial banks that are supposedly at its core—is not exposed to reckless lending or flawed financial engineering in the way that it seems to have been in the build-up to the 2008 crisis. But the Chicago Plan proposals, especially, are about the creation of money itself, because they argue that a system in which the bulk of money in circulation has been produced by commercial banks as credit—and plastic cards account for a substantial proportion of this—is inefficient (because credit cannot be rationally controlled), ecologically damaging (because monetary production, being tied to credit, demands incessant growth in order to service debt), and socially unjust (because credit is allocated by banks according to their own commercial interests, resulting in unnecessary levels of financial exclusion). Against this background, the developments described in *Plastic Money* could be seen as a step backwards, not forwards, in the evolution of money in post-communist societies. I am aware that the book focuses on the specific question of how card markets were constructed (as opposed to broader questions about the national economy—see pp. 242-3), but I wonder what view the authors might take of these debates about restricting the influence of banks over the production of money in light of their research into a process that leads in the very opposite direction? For example, were political concerns raised about the implications of plastic money for monetary governance in general—or are they likely to be as these markets grow?

As I have already said, debates in and around the sociology and anthropology of money have been increasingly dominated by research on payments systems, not so much on credit per se. Given the prevalence of debit cards in *Plastic Money* (much more than credit cards, it seems to me), this is a highly pertinent study that begs many questions about the developmental trajectory of money in a system where banks and financial institutions have not achieved the pre-eminence they have had in the so-called 'financialized' countries. I therefore look forward to reading the authors' thoughts about the relevance of these debates to the cases examined in their book.

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Plastic Money: Constructing Markets for Credit Cards in Eight Postcommunist Countries presents the results of the continuing comparative research program that sociologists Alya Guseva and Ákos Róna-Tas have conducted for more than 15 years.

The first milestone of Guseva and Róna-Tas's program was a piece on strategies used by banks in the US and Russia to evaluate future credit card customers (Guseva and Róna-Tas, 2001). Unlike banks in the US, where decisions to sort customers are determined by automatized algorithms on the basis of data of past behavior, officers of banks in post-communist Russia selected their customers on a case-by-case basis preferring individuals who would be easy to track in the future. In the authors' terms, while in the US, repayment uncertainty is mechanically transformed into a calculable risk, in Russia uncertainty was dealt with by 'social anchoring'. The classification of credit strategies was extended when Róna-Tas (this time with Hiss (2010)) added a third type. Like in the case of Ukraine presented in *Plastic Money*, the selection of new credit card customers is sometimes entrusted to credit analysts, employees whose professional expertise is to evaluate *in situ* individuals' expected credit and moral behavior.

In her book published in 2008, Guseva (2008) studied the ways in which issuers of credit cards deal with another important dilemma. In terms used by economists, credit cards—like newspapers or search engines— are part of two-sided markets or platforms: in order to get revenues from merchant fees, banks need to attract consumers willing to use cards as a means of payment. In the early days of the industry in the US, banks' preferred strategy was mailing unsolicited cards. In post-soviet Russia, Guseva found a combination of two different practices. Cards spread very widely through 'payroll programs' and the use of credit was extended with aggressive sales strategies, such as situating the bank's salespeople in stores to offer credit to consumers that were about to buy expensive items.

Plastic Money consolidates and extends Guseva and Róna-Tas's already strong research program in at least two important directions. First, based on the authors' previous work and literature from economics and other disciplines, the beginning of the book conceptually organizes the challenges faced by credit card issuers in two parts: credit and payment puzzles. Second, the book describes and compares the way in which credit and payment puzzles have been dealt with by bank officers in three groups of post-socialist countries: Hungary, Poland and the Czech Republic; Russia, Ukraine and Bulgaria; and Vietnam and China.

The comparative exercise is no doubt remarkable. This book get as close as you can to a real scale social experiment: it compares the history of markets for very similar goods, credit cards, most of the time of the same size and, mostly, the same brands, constructed almost simultaneously in eight different countries. The book also, almost automatically, contributes to several of the most relevant empirical and conceptual 'grand challenges' faced by sociology today, such as post-communism, the diffusion of neoliberalism and financialization. *Plastic Money* is an important and well-researched book.

If this text was a traditional book review, it could simply end here. But, as it is part of a review symposium I am allowed to go a bit further. I use the remaining space to ask four speculative questions. These questions, of course, are tied to my own experience as researcher and reader of social studies of finance coming from a generation and an institutional context that differs from those of the authors of this book. With speculation, though, I don't mean merely to share whatever reading this book provoked in me. I mean something closer to what Vaughan (2014) refers to when she speaks of 'analogic theorizing', a form of analysis that is actually not that far from the comparative method followed in this book. However, instead of comparing different national trajectories, findings in this type of analysis are presented by seeing them through the lenses of different theoretical approaches. My aim of what follows is not to criticize what is in the book. As I said before, *Plastic Money* presents a remarkable, almost exemplary comparative research and the book already contains a lot of work. But, considering that the empirical material collected for this book will be most likely used in the authors' future endeavors, I want to use this exercise to speculate about alternative strategies to think about some of the important questions this book raises but is not equipped to answer.

Speculative questions 1 and 2. On varieties of sociologies

Plastic Money is a book of economic sociology. Recent economic sociology is a growingly varied field. Guseva and Róna-Tas, however, do not situate their work in this landscape. Doing this could help to better deal with two of the problematic issues raised in the book, the voice of the local experts and the role of economics. For comparative purposes, let me assume that recent research in economic sociology can be organized in a table composed of two axes (a slightly less simple summary can be found in McFall & Ossandón, 2014): the first is about modes of problematizing, the second about different relations with economics.

A well-established approach to research in economic sociology is deductive. Problems are defined in a conversation with relevant literature and only afterward become objects of empirical research. Think for instance about Beckert's piece (1996) in which economic sociology is seen as the study of the social mechanisms used by economic actors to deal with uncertainty. The problem, social mechanisms to deal with economic uncertainty, is universal and abstract, and the role of empirical research is to describe and compare its manifestations. A much less deductive sociology of economic life can be found for instance in the work of Zelizer (1997). A concept such as 'earmarking' is born from Zelizer's interest to theorize issues that are firstly problematized by the actors she studies.

Like most research projects, *Plastic Money* is most likely the outcome of a combination of induction and deduction, and probably even abduction. But, if it has to be classified into one, I would say this book mostly follows a deductive logic (it is closer to Beckert than to Zelizer). Guseva and Róna-Tas continue a respectable tradition, which could be traced all the way to Weber, in which sociological research compares how people in different places make sense of similar problems. In this case, the issue is how similar credit and payment puzzles are dealt with by officers of banks in eight countries. Of course, this is not a bad position, but it could be done differently. Therefore, my first speculative question is: *what would be the consequences if the material collected for this book was analyzed more inductively*? My guess is that such an exercise will give more space to the voices of the actors interviewed for this project, which, perhaps unavoidably, are silenced by the comparative style that organizes the book. The book left me curious to learn more about the practices, skills, and puzzles identified by the people interviewed in the different countries. It is not that there is a need of more quotations. But instead of comparing how the same problems were dealt with in the eight studied countries, the specific issues that the natives in each case identify as most problematic could be analyzed and theorized.

Economic sociologists relate to economics in different ways. A first type, albeit critical to orthodox neo-classical economics, tries to complement what economists studying similar issues have done before. For instance, in Uzzi's work (1997) the neo-classical image of an anonymous *at arm-length basis* transaction is complemented with its socially embedded counterpart. A second type of economic sociology, in the vein initiated by Durkheim and more recently pursued by Bourdieu, rather than expanding economics tries to develop a competing integrated social science. Third, a more recent type of economic sociology, developed specially after the work of Callon, treats economists and their ways of problematizing markets as part of their object of research. I would classify *Plastic Money* in the first category. The definition of the conceptual puzzles is informed by work conducted in economics and the comparative research proves the importance of conducting research that extends the narrow neo-classical focus by including broader institutional and social contexts.

Certainly, like with the first question, the position taken by Guseva and Róna-Tas is not inherently problematic. I believe, however, that unlike the situation in 2001 when economic sociology meant the 'new economic sociology', this is no longer an obvious approach to choose. Guseva and Róna-Tas partly recognize this issue when they justify the importance given to economics in this book in terms of *performativity*. Economics *performatively* constructed credit card industries in the studied countries. This is no doubt a plausible remark, but this book is not devised to prove it. The book is designed to show how similar credit and payment puzzles were dealt with in different countries; not how economics helped to produce credit card industries in the places here studied. My second speculative question is *how could the performativity hypothesis be tested*? Considering the type of empirical material used in this book, a way to start dealing with this issue could be by re-reading the interviews in the different countries in search of traces—such as concepts, formulas, or bibliographic references—of economics and analyze the role these traces play in the ways in which bank officers and regulators frame their interventions.

Speculative questions 3 and 4. On multiples social studies of credit

So far, I have used different approaches to research in recent economic sociology to elaborate two rather general questions. To arrive at my next two questions, this section takes a narrower, more specific approach. The research that informs Plastic Money was conducted several years ago. For that reason, probably, the book doesn't rely on the recent sociology and anthropology work related to consumer credit. Examples include (and organized around the theoretical categories already mentioned): the work influenced by Zelizer conducted by Wilkis (2013) in Argentina; the rich French sociology of credit inspired by Bourdieu (Lacan & Lazarus, 2015); and the research developed in the US (Maurer et. al., 2013), the UK (Deville, 2015, McFall, 2014), and Chile (Ossandón, 2014) developed after Callon's work.

I think future installments of the work of Guseva and Róna-Tas will benefit if they involve this growing literature. It will help them, for instance, deal more convincingly with the role played by the United States. *Plastic Money* does not only compare trajectories of credit cards in eight post-communist countries; it also compares them to the United States. The US, the authors explain, is what they name a 'performative case'. This country is not only mobilized as a rhetorical device, in order to help North American readers relate to stories that might appear too exotic, but because it was used as an example in the practical construction of markets for credit cards in the studied countries. Like with the performativity of economics mentioned before, this is a perfectly plausible statement, but it is not demonstrated in this book. For example, readers do not learn how bank employees in the different countries compared and imposed the US case to their own reality. As it stands now, instead, the US plays a role not that different from the role it played in some mid- 20th century sociologies of modernization: the US as a standard modernity with which every other modernizing country is compared. I assume this is not what the authors wanted to achieve. One way this confusion could be avoided is to widen the sample of external cases. Therefore, my third speculative question is: *what if the finding in the eight studied cases are compared not only to the US but also to the trajectories of the credit card industries in places like Argentina, France, or the UK, which have all been recently studied by sociologists and anthropologists*?

In the closing pages of *Plastic Money*, the authors reflect about the future of the credit card industry. In this context, they mention the growing challenge that technology intensive companies, most notably phone providers, are imposing on the payment industry. What they do not mention is that this has already been the object of an important amount of social scientific research, notably the many studies conducted by Bill Maurer and colleagues (Maurer et. al., 2013). Their research is not only relevant in terms of depicting possible futures, but, I believe, also for thinking about the sociology of credit cards in different terms. Guseva and Róna-Tas have found inspiration in the economics of two-sided markets to analyze credit cards. In the work of Maurer and others, instead, services such as mobile money are analyzed as 'payment infrastructures'. Guseva and Róna-Tas in fact mention that the construction of credit card networks is, like railroads or telecommunications wires, a work of infrastructure. In light of this, my fourth and final speculative question is: *what would happen if 'two-sided platforms' and 'payment infrastructures' are exploited as two different modes of valuing and regulating credit cards*? Studying this question might help organize the different ways in which credit cards are understood by regulators in the different cases studied in Plastic Money. For instance, while in the Central European countries cards seem to be regulated as two-sided platforms, in China they are treated like other infrastructures, and in Russia and Ukraine there seems to be tension between both perspectives. This tension could also be seen as a more abstract problem for today's sociology of money: are credit cards a type of financial service or a form of privatized money?

This is where my speculation stops. I would like to end by thanking the authors for the very stimulating research they keep providing to those who, like me, are struggling to sociologically deal with the puzzling world of credit.

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In Arthur Conan Doyle's *Silver Blaze*, the plot hinges on Sherlock Holmes's reference to 'the curious incident of the dog in the night-time'. The curiosity is precisely that the dog did nothing in the nighttime, an observation that allows Holmes to deduce that the mystery he was there to solve—the murder of the horse trainer John Straker—was no murder at all. Since there could have been no stranger in the stable, the problem is recast. It turns out that Straker was in fact kicked in the head by a horse on the moor. There are still mysteries—what was Straker doing with the horse on the moor, why did he have a knife, where did the horse then get to, and so on—but they are of a different character than are those that launched the investigation.

I am going to suggest that there is a curious incident—a dog that doesn't bark—in *Plastic Money* as well. I should emphasize, though, that I do not want to push the metaphor too far. Guseva and Róna-Tas unquestionably identify and resolve at least one important mystery (or, if I were to push the metaphor, I might say that they do identify one dog barking and one crime, but they do not take up the fact that another dog, perhaps in another room, does not stir and so miss a second crime).

The book beautifully identifies and unpacks a puzzle rooted in the empirical observation that 'in every country in [their] study people [used] their bankcards primarily as ATM cards and not as payment cards'. This is a puzzle in part because there is incentive: there is deadweight loss inherent to the widespread use of cash since electronic payments have far lower transactions costs. But it is not an easy path, as Pareto improvement all but necessarily passes through politics and institutions.

The argument and findings Guseva and Róna-Tas provide are consistent with the best tradition of the first wave of writing on the post-socialist transition in the sense that they—like Stark (1996, p. 995)—describe 'organizations and institutions [rebuilt] not *on the ruins* but *with the ruins* of communism'. But the book is more significantly a contribution to the exciting second wave of that writing. That second wave has gone beyond just a focus on the particulars of market construction in post-socialist countries to concern itself with a far more general set of debates on the nature of globalization and capitalist variation.

Their account is, accordingly, focused on cultural issues around debt, traditions of relational banking, to mistrust of the state and the salience tax evasion—which is eased by cash transacting—as well as to the effective monopoly position in the immediate postsocialist transition of a relatively small number of banks across the countries studied. The most interesting addition to standard stories follows from their examination of the different strategies that different players—most of whom are embedded not just nationally but who are tied into the global financial circuit—experiment with as they confront what Guseva and Róna-Tas (p. 243) refer to as 'the chicken-or-egg problem of [constructing] two-sided markets'. Their interviewees are vexed by the need to coordinate two groups—those who use the cards as payment (the cardholders) and those who accept the cards as payment (the merchants) (p. 57)—in the face of 'strategic uncertainty created by information asymmetry' and the 'predicaments of information sharing among unequal players' (p. 243).

This—the payment systems story—is the dog that does bark, the one that in the book directs us towards something surprising and about which some new thinking is needed (and provided). The other dog—the credit dog—obviously gets some mention in the story but I at least felt like it a was a plotline that got introduced but never quite developed.

The credit story runs through the book because credit rather than debit cards took hold in the United States first, and did so because they 'enabled purchases by those who did not have immediate access to cash'. This, Róna-Tas and Guseva write, explains in turn why it is the credit (rather than debit) card concept 'that was imported all over the world' and partially justifies their lacing the American story through the narrative throughout. The other justification, which is no less important, is that the major international credit card brands—which 'originated in and are administered in the United States'—do more than just 'set the functional rules for issues all over the world'; they have also shaped those rules by 'direct pressure and coercion' (p. 15). It is striking, therefore, that the means by which banking institutions have sought in recent years use credit cards to squeeze profits from their users differs quite profoundly between the United States and the postcommunist countries studied.

The American story today is one in which bank profitability relies less on fees gotten in exchange for the provision of a more efficient payment system than it does on banks' ability to convince its clients to use their credit cards as a means to borrow. It was not unheard of in the United States, at least prior to the crisis, for 'prepayment risk' to dominate 'nonpayment risk' in banks' lending calculus. The resulting logic is one in which the nickels and dimes gotten through efficiencies in the payment system are dwarfed by dreams of a steady stream of interest payments, late payment fees, and so on. It is a world in which it is not unheard of for an issuing bank to rescind a customer's card not because she had not paid her bills but precisely because she had. It is also a world that fed the insatiable appetite of international capital for Asset-Backed-Securities of any type, including those where the assets are credit card receivables.

The contrast with the countries that Róna-Tas and Guseva study is striking, in that their account is filled with stories of bankers obsessed with nonpayment risk. Some are so worried that they require cardholders to have an amount of cash on hand that is greater than the line of credit given, effectively demanding security for an ostensibly unsecured line of credit.

This difference does not, again to be clear, go entirely undiscussed. Róna-Tas and Guseva explain why there has been no run up in unsecured credit card debt in the postcommunist world. They cite institutional differences, including a 1995 European Commission directive that regulates the use of automated decision-making in the provision of credit. They recognize that there was certainly plenty of profit obtained through consumer lending in the countries studied across the years studied but suggest that there nonetheless a series of obstacles ‘to the development of mass credit card markets’ rooted in some combination of ‘the lack of credit bureaus and reliable information about potential clients’ and to the relative absence of a consumer culture conducive to the spread of unsecured borrowing. And so, we get a telling quote from ‘high level managers at McKinsey’s Shanghai office’ who complain that ‘more than half of Chinese cardholders today are unprofitable customers’ on the grounds that those cardholders are with only rare exceptions ‘frequent revolvers’; the vast majority—85 percent—‘pay off their entire monthly bill’ (p. 224).

These arguments are convincing. But still, there seems a curious incident in the sense that there are a few potentially suspicious characters lurking about. Róna-Tas and Guseva describe the complex and interesting transformation of the banking sectors of postcommunist nations in more detail than can be done justice here, save to say that one upshot of their various privatizations was that ‘in the end the four European Union members emerged with banking systems owned predominantly by foreign financial institutions’ (p. 38). They are also attentive more generally to the rapid embedding of those banking systems in international circuits of capital and expertise, and do of course recognize that it is McKinsey managers who lament that a debt-centric approach to the diffusion of credit cards won’t deliver the returns in China that it had in the United States. Still, it is striking to me at least that there are not more such quotes sprinkled through the book.

I do not mean here that Róna-Tas and Guseva have misled in their selection of the material they present. They interviewed an enormous number and range of people and I am quite confident that those people were in fact wrestling primarily with the very hard task of generating the ‘two-sided’ market that gives the book its conceptual backbone. But that story about the spread of a ‘payment card [that] is nothing more than a platform where . . . two groups can meet for business’ need not be a story just about consumers and merchants. It could have been—and has elsewhere been—a platform for borrowers and savers to transact to (ostensibly) mutual advantage.

The international buyers of postcommunist banks are in many cases associated with banks that are active in securitization (Hungary’s MKB is controlled by Bayern Landesbank, for instance), and the years studied were years in which there was growing demand for euro-denominated asset-backed-securities of credit card receivables.[1] And yet, even with these suspicious characters wandering about, and even though it is clear in the book that both supply and demand of consumer credit did grow in the countries in question in the years studied, the payment card was just not the platform matching global capital with the interest payments and late payment fees of the postsocialist consumer.

In closing the book, Róna-Tas and Guseva note that they have added to the body of research that ‘has pointed out the various ways that local conditions remain recalcitrant to the onward march of globalization’. However, they do not simply compare existing card markets, as is more commonly done. Instead, they began with ‘a set of problems or puzzles that these markets had to solve in order to triumph’ and used those problems—around a particular set of two-sided markets—to guide their historical inquiry. This is clever and useful, and they do in fact uncover forms of variation that I would not have predicted (i.e. there are surprises). But there are other theoretically interesting forms of local

[1] The relative absence of credit scoring in Europe—which Róna-Tas and Guseva link in part to the above mentioned 1995 directive—may make ABS of European credit cared receivables harder to price. They are, however, obviously pricing. The first references to such ABS I was able to find is from MBNA Europe in 1996. And, more generally, they are securitized in many European banking systems.

recalcitrance to the global story that that stem from problems that did not perhaps have to be solved, as a payment card can obviously triumph without linking the thirst of international capital for ABS to the postcommunist consumer. I would be interested to know more about the dynamics of that particular absence, of that local recalcitrance, of the reasons why the question seems never exactly to have come to the forefront of attention. There is, though, enough in this very good book already. I'd like to read the sequel though . . ..