

Ethical Considerations Regarding the Innovative Potential of Fintech

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Introduction

The onset of the global financial crisis in 2008 amid increasing dependence on technology has led to a significant transformation of the financial landscape with the rise of Fintech companies. This phenomenon has entailed the restructuring of the financial services industry through innovative business models that offer highly efficient and disruptive solutions (Gomber et al., 2018). It has brought about new forms of disintermediation, resulting in reduced prices and fees for financial services, coupled with improved quality (Zetsche et al., 2017).

The Fintech market has experienced substantial growth, reaching a value of nearly \$526bn in 2020, despite the challenges of the pandemic (World Bank, 2020).

This growth presents an opportunity to reshape traditional financial services and embrace more inclusive innovation across different settings.

Indeed, it aligns with UN Sustainable Development Goal 16.9, which aims to ensure universal access to legal forms of identification. Without some form of identification, it can be challenging to access institutions and opportunities that many of us take for granted, such as healthcare, social protection, education and finance (White et al., 2019). This opens doors for versatile innovation and greater financial access worldwide. However, there are also potential risks associated with the use of Fintech, including surveillance, data breaches, biased decision-making and other ethical concerns (Aitken et al., 2020).

Consequently, in a rapidly evolving Fintech landscape, ethical considerations have emerged as a crucial aspect that demands our attention. As Fintech innovations reshape the way we transact, invest, and manage our finances, evaluating the ethical implications surrounding trust, proximity, accountability, security, privacy and the technocultural gap becomes imperative. By exploring these dimensions, we can understand the ethical implications of the Fintech ecosystem and its impact on fostering responsible innovations for the welfare of individuals, communities, and society at large.

The aim of this article is to determine how these dimensions influence the potential of Fintech and artificial intelligence (AI) development, as well as university-industry collaboration in the context of Fintech. By analyzing the ethical repercussions of the Fintech phenomenon, we can gain a comprehensive understanding of its impact in both the financial and socio-economic spheres. We will consider the opportunities, potential risks, and challenges of regulation, innovation, and business-academia cooperation in the Fintech landscape. Additionally, we will propose best practices that can contribute to a more ethical financial innovation ecosystem.

This article is structured as follows. The next section presents the relevant key ethical principles

in the Fintech landscape, followed by an examination of ethics in AI-enabled Fintech. Section 3 focuses on university-industry Fintech collaboration. Finally, our conclusions will be presented in the last section.

Ethical Principles Influencing the Fintech Landscape

Technological advances, particularly in Fintech, are already influencing our lives and have the potential to become integral to various aspects of our existence. It is therefore extremely important to critically consider the impact of new technologies as they emerge, rather than when it is too late or too difficult to mitigate negative aspects of the technology that were not initially considered. In the following sections we will focus on the implications of key ethical dimensions in advances in Fintech.

Trust regarding Fintech

Fintech has deployed globally, but the use of Fintech services is still uncertain, since trust is a key factor in the adoption of new and innovative technologies, and even more so if they have an associated financial component (Fernando & Touriano, 2018). In this context, the information we have about this phenomenon is limited, so confidence in financial technology is subjective.

Previous studies have examined the process of trust transfer to

better understand the development of Fintech. According to Stewart (1999), based on the trust transfer theory, trust can be transferred from an individual to an entity through communicative and cognitive processes. Thus trust transfer is a means of establishing initial trust in unknown organizations doing business online. Consequently, trust can also be transferred in different contexts. For instance, offline institutional trust can be transferred to online and mobile channels in banking operations (Kang et al., 2011).

In the contemporary digital era, trust stands as the cornerstone of financial systems. Unfortunately, it has increasingly been eroded in recent decades and it is therefore imperative to understand that without a certain level of trust, the entire economic system could disintegrate (Boatright, 2011). Fintech companies need to bear this in mind and ensure that their innovations obtain the highest possible level of societal trust.

As Klaus Schwab (2016), founder of the World Economic Forum, said: “In a world where nothing is constant anymore, trust becomes one of the most valuable attributes. Trust can only be earned and maintained if decision makers are embedded within a community and taking decisions always in the common interest and not in pursuit of individual objectives.”(p.102). Therefore, Fintech companies need to ensure that the tools they build

are trustworthy and secure, and that their business models do not abuse customer relationships by lacking security protocols, selling unauthorized data, or engaging in other inappropriate and unethical practices.

Proximity of Fintech

Proximity refers to the psychological or emotional closeness that decision-makers feel towards those affected by their decisions (Gillani et al., 2021; Wildermuth et al., 2017). This alludes to the notion of how connected an action is to its outcome. Thus, the more proximate a situation is, the more emotionally connected we are to it and the more likely we are to choose to act ethically.

Accordingly, in the case of Fintech, this could encompass different scenarios where apparently its application leads to a greater inclusiveness and closeness in terms of financial services, especially for the unbanked or underbanked (Gabor & Brooks, 2017). On the other hand, Fintech innovators are often so distant or unapproachable to users that they cannot empathize with their privacy concerns. As users, however, we so often accept the terms and conditions of Fintechs that we have become desensitized and do not really think through or question the possible future implications.

Accountability of Fintech

Accountability generally refers to the responsibility and obligation of individuals, organizations or systems to answer for their actions, decisions and resulting consequences, positive or negative (Mande, 2021). It encompasses transparency, integrity and the willingness to accept the consequences of one's actions (Herzog, 2019).

In Fintech, accountability can be understood in line with trust. From an ethical perspective, when we entrust something into someone's care, there is a certain level of responsibility to protect it. However, when we consent to share our data with third parties by virtue of using their platforms, they can use it as if they own it, but may not have the same responsibility to protect it. This represents a broader approach to data ownership and inherent responsibility, as it is linked to the idea of protection. Consequently, figuring out who is liable in the face of an adverse effect is really complicated and often leaves us walking a thin line.

In this regard, blockchain's anonymity provides greater protection for user data and privacy, at least within the system (Eyal, 2017). However, stolen personal customer data is also bought and sold on blockchain-based marketplaces, as law enforcement often struggles to identify the parties involved (Dierksmeier & Seele, 2018).

Similarly, blockchain technology appears to facilitate illegal transactions without intermediaries who can be held personally liable for such transactions, which could leave investors, and even the public at large, vulnerable (for example, due to the unaccountable structure of initial coin offerings).

Cryptocurrencies such as Bitcoin and Monero rely heavily on the aforementioned anonymity, leading to their adoption not only by many individuals, but also increasingly by governments that seek to circumvent transactions in the international financial system because they are subject to various restrictions on access to financial markets or linked to sensitive political issues on a global scale (Arner et al., 2017; Fosso Wamba et al., 2020). This phenomenon denotes a clear transformation of moral foundations, as the founders of cryptocurrencies (particularly Bitcoin) created these currencies in the first place based on moral principles – namely, the idea of decentralizing the market and democratizing finance by allowing people to bypass governments and existing forms of currency. Yet it is interesting to observe how what was initially perceived at least to some extent as a moral imperative is now being used in ways that may not have been originally envisaged.

Security and Privacy when using Fintech

Despite being commonly

associated with cryptocurrencies, blockchain technology has broader applications, particularly in terms of identity management. By leveraging the security and integrity of the stored information, blockchain can serve as a digital identity solution, enabling migrants and refugees without legal identification to access healthcare services (Fosso Wamba et al., 2020). This not only promotes inclusion but also provides avenues for financial access and empowerment.

As Fintech continues to expand, delivering financial services through mobile devices to underserved populations, the importance of cybersecurity and data protection gains significance (Aitken et al., 2020; Ryu, 2018). The growing user base, including individuals with limited technological literacy, raises concerns about their susceptibility to hacking and cyber threats. It is crucial to acknowledge that cybersecurity and cyber regulations are often reactive, making it challenging to establish comprehensive rules that encompass all potential risks.

The susceptibility of Fintech companies to cybercriminal activities is evident from incidents like the Mt. Gox crypto exchange hack in 2014, which resulted in substantial financial losses and bankruptcy (Abramova & Böhme, 2016). Such incidents highlight the urgent need for enhanced security measures to safeguard sensitive financial data. While there is a perception that

“crypto” technologies are more secure, there is also a rising concern about potential tracking through technological devices. Instances of fraud and hacking not only lead to financial losses but also compromise individuals’ privacy rights (Ryu, 2018), creating a paradoxical situation where the efficiency and convenience of Fintech innovations clash with the need for privacy and security.

While personal privacy and data ownership are highly valued, it is essential to consider the broader implications, such as national security and protection. Instances of significant breaches or hacks that compromise sensitive data or financial resources may necessitate government intervention, even if it potentially infringes on personal privacy rights – for example, through decrypting technological devices (Ng & Kwok, 2017). In this context, individuals who prioritize their own privacy and security may also acknowledge the necessity of certain measures to safeguard society. Thus, this dilemma requires us to navigate the delicate balance between preserving personal privacy and ensuring the welfare of the broader community.

Fintech’s Technocultural Gap

There are different types of culture that change at different speeds. In the case of Fintech, this disparity or disconnect can occur between technological advances and

the culture or society into which they are introduced (Abbasi et al., 2021). This can lead to potential differences in attitudes, understanding and adoption of technology between different groups and generations (Ryu, 2018). In other words, this concept alludes to the importance of considering cultural, social and human factors as well as the pace at which technology advances.

Furthermore, it can manifest itself in various ways and may involve a lack of technological literacy or resistance to adopting new technologies among certain individuals or communities. For instance, older people in China may encounter difficulties with using Fintech to make financial transactions (Huang, 2020).

In this sense, this gap often gives rise to significant social problems, misunderstandings, and conflicts. For instance, smartphones were adopted almost overnight, but it took almost a decade for people to realize their negative impact on their lives.

Despite the challenges posed by this gap, the example of Canada can be seen as an example of reinvention and creativity, where blockchain mining operations, while contributing to noise pollution and high electricity consumption, are also repurposing idle logging facilities and creating employment opportunities. Additionally, innovative approaches are emerging

to use the heat generated by mining equipment to heat industrial complexes and other buildings (Fowler, 2022). This means that the impact of these Fintech innovations on the natural environment is mixed-purpose, as culture catches up with technology, and at the same time is broader than person-to-person transaction costs or access to finance.

In this context, the Figure 1 illustrates the overall dynamics of the key ethical principles influencing the promotion of ethical Fintech innovation.

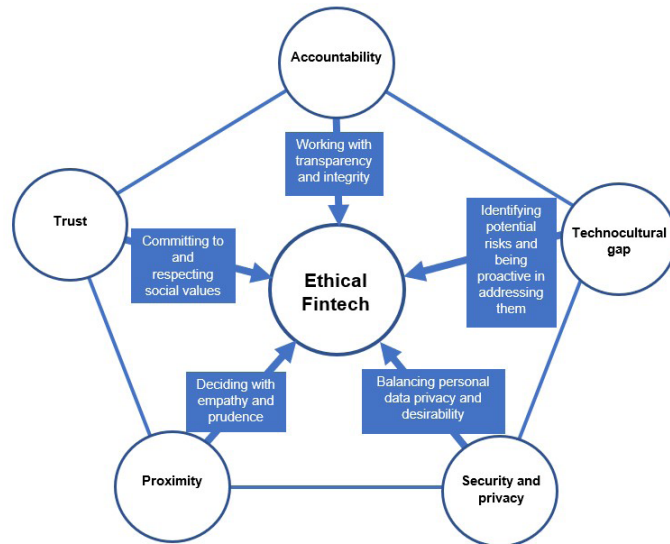
Ethics in AI-Enabled Fintech

Artificial Intelligence (AI), an umbrella term for various technologies, involves creating intelligent machines (McCarthy, 1981). With advances in computing power and data analysis, AI's capabilities continue to improve. This progress has contributed to the growth of AI-enabled Fintech, with machine learning playing a significant role. Algorithmic trading, risk management, fraud detection, and operational optimization in financial institutions are all benefiting from machine learning's efficiency and accuracy (Max et al., 2021). These applications rely on vast amounts of data, which serve as the fuel driving AI-enabled Fintech innovation.

A Matter of Trust

Regarding the issue of trust,

Figure 1. Ethical Fintech



Source: Author's work

many AI innovations are increasingly permeating the financial ecosystem while we, as humans, tend not to trust things we do not understand about technology and especially how it works. Instead, we tend to trust our own ability more than we probably should. As a result, we are resistant to change, continually over-trusting ourselves and under-trusting technology.

AI relies on training algorithms to recognize patterns through extensive data input, refining and repeating the process to achieve success. However, this training process introduces the potential for human error and bias. If the data used already contains discriminatory or cultural bias such as the developer's bias, the resulting

algorithms will inevitably be biased (Turner Lee, 2018). Algorithms are thus not as neutral as many people have come to expect, presenting a challenge for lawyers, technologists and ethicists, not only in terms of programming, but also in creating a moral code for employees of AI technology companies that transcend national borders and whose products and services increasingly permeate societies. However, this challenge must be addressed prudently, because what is appropriate in one cultural context may be questionable in another, illustrating the importance of ethical relativism across cultures.

Distributional Conflicts

The international nature of the

financial industry and its pivotal role in the economy make it vulnerable to systemic consequences, as seen in the 2008 financial crisis. In today's technological landscape, even individual unethical behavior can disrupt the financial system – for example, through hackers exploiting AI decision-making patterns. Thus, AI failures may have wider implications beyond personal relationships, encompassing considerations of the common good.

Similarly, the welfare state, built on the principles of solidarity and economic contributions to assist the disadvantaged, may encounter challenges in the realm of insurance due to the precise assessment of individual risk profiles enabled by AI algorithms (Hagendorff, 2020). This scenario gives rise to ethical and equity concerns that can impact willingness to provide financial support to others. Individuals with a lower risk profile may exhibit less willingness to contribute to those with a higher risk profile if they have the option to opt out. This can lead to heightened distributional conflicts and ethical questions about who should bear the financial burden such as whether the healthy should pay for the unhealthy and the rich pay for the poor.

Reductionism and Fairness

The fairness debate lies at the core of AI-Fintech ethics, as biases and injustices in AI models can reinforce each other (O'Neil, 2016). Therefore,

it is crucial for financial firms to assess their datasets thoroughly because they may contain historical biases stemming from different social norms. Financial firms should also take care when designing algorithms to avoid discriminatory outcomes. Otherwise, seemingly efficient AI systems may categorize or quantify people's characteristics in ways that lead to dehumanization and marginalization.

The issue of AI bias becomes more problematic in black-box algorithms which lack transparency and can cause harmful effects at scale (O'Neil, 2016). Additionally, private companies are often reluctant to allow scrutiny of their practices. This raises the question: How can we create inclusive algorithms when the data, developers, and organizations lack diversity and inclusivity? While algorithms are valuable tools, they do not always align with our ideals of fairness.

This phenomenon brings us back to the question of trust. We are aware that biases present in data and resulting models are influenced by human nature and carry value judgments (Argandoña, 2021), implying that we do not have a flawless track record. However, we may be entering an area of complete amorality, built upon existing historical data, which could introduce new biases or further entrench existing biases in decision-making processes. Thus, we face a dilemma: Which should we trust more - the inherent human biases

in existing systems or the potential biases in AI datasets that will emerge in the future?

Improving AI and Proximity Challenges through greater accountability

Establishing trust in AI is a complex undertaking that requires organizations to develop reliable systems with transparent, explainable, and reproducible models (Morley et al., 2019), especially given its potential impact on people's financial well-being. In this context, the interpretability and transparency of AI models are key factors in ensuring ethical accountability, as they allow users and stakeholders to understand the decision-making process behind AI-driven outcomes. Furthermore, these aspects enable responsible entities to be held accountable for the deployment and management of AI algorithms.

Human oversight and accountability are essential in Fintech when AI algorithms are involved in decision-making. This requires establishing ethical guidelines, conducting regular audits, monitoring algorithmic performance, and intervening when necessary to identify and rectify biases and prevent discriminatory results (Hagendorff, 2020; Turner Lee, 2018). For example, an AI-driven loan application system should not unfairly reject applicants based on factors such as their home address or minority status.

Primarily, accountability should be assigned to specific agents such as programmers and data scientists. However, given the multitude of actors involved in AI outcomes, a comprehensive approach that fosters a shared corporate culture of accountability is necessary. Organizations should also strike a balance between their decision-making authority and what they delegate to AI (Burr et al., 2020), in line with their values, legal requirements, and ethical standards. Moreover, empowering users and providing accessible mechanisms for dispute resolution and addressing user complaints are essential components of accountability.

This last aspect is paramount in terms of proximity, as it implies an inherent sense of accountability to those affected. Coeckelbergh (2016) argues that the use of technology in financial markets can create moral distancing and detachment between users of technology and the individuals and communities impacted by financial decisions. This detachment can be exacerbated when AI technology serves as an intermediary, diminishing the sense of moral responsibility. Additionally, when the affected individuals are geographically distant from financial markets and unknown to AI designers, the moral obligations further weaken. Consequently, unless AI systems are purposefully designed to prioritize empathy and closeness, these complex technologies may contribute to a state of moral

invisibility, making it challenging to establish a genuine sense of proximity and moral responsibility towards those affected by financial decisions.

Deontological and Utilitarian Perspectives on Security and Privacy

In AI-enabled Fintech, security and privacy raise ethical considerations from both a deontological and utilitarian perspective. Deontologically, protecting security and privacy is viewed as a moral duty and individual right, respecting autonomy and valuing privacy (Anshari et al., 2021). AI has an ethical obligation to implement robust security measures and safeguard personal information, even if it may not always directly benefit customers, as seen in peer-to-peer (P2P) lending companies (Thakor, 2020).

The overall consequences and benefits of data usage in AI-enabled Fintech can also be evaluated from a utilitarian standpoint. Advocates of utilitarianism argue that extensive data collection and analysis can lead to improved financial services, personalized experiences, and increased efficiency, benefiting individuals and society (Max et al., 2021). However, we must critically assess the potential risks and harms associated with data breaches, unauthorized access, and misuse of personal information. Striking a balance between potential benefits and potential negative consequences

is crucial to ensure the greatest good for the greatest number of people.

The Technocultural Gap in Legislation and the Need for Ethical Intermediaries

In the context of AI-enabled Fintech, ethics and law may not always align. The rapid development of technology presents challenges in assessing its impact and anticipating unforeseen outcomes, despite the increased adoption of technical and deontological measures such as stricter norms and regulations and more codes of conduct following the financial crisis. This can result in situations where certain actions are technically legal but may be considered unethical, and it becomes difficult for the law to proactively address all potential issues and stay ahead of unethical behavior.

The speed of AI progress can further exacerbate digital divides, particularly for communities with limited technological access and expertise. This means that the introduction of AI may bring about significant uncertainty in various domains. Expanding knowledge about AI technology can help reduce this uncertainty and is a moral imperative that all stakeholders should actively pursue, as highlighted by Svetlova (2022). However, it is important to acknowledge the inherent complexities and limitations in understanding and controlling AI systems, including the development of explainable AI and gaining a

deeper comprehension of collective machine behavior.

Relying solely on legislation and government regulation may not be sufficient to control and regulate AI phenomena effectively. A broader approach is necessary which recognizes the systemic nature of AI-induced risks and critically considers the distribution of benefits and harms associated with AI technologies. Instead of focusing solely on individual components, this approach should emphasize the relationships within the AI-enabled financial ecosystem.

In this regard, a necessary step at a systemic level could involve the establishment of an ethical intermediary such as professional associations or system-wide intelligence hubs. These entities would play an integral part in promoting professional ethics, education, and moral debate. During industry-wide digital transformations, they could act as think tanks or arbiters, addressing AI ethics, providing expertise in understanding and managing systemic impacts, proactively defining zones of uncertainty and facilitating multi-stakeholder consultations to clarify core values and tensions.

University-Industry Fintech Collaboration

Fintech innovation presents challenges that necessitate a broad conversation involving various stakeholders. Siloed discussions

among big businesses, the public sector, and users will not lead to sustainable market outcomes that consider all perspectives. To comprehend the implications of these challenges, comprehensive education is crucial. It should focus on critical discernment and reflection regarding financial complexities, fundamental human questions, and the ethical and responsible use of technology. Universities, as knowledge hubs and collaborative platforms, can play a vital role in fostering this education and promoting cooperation among stakeholders, driving ethical progress.

Furthermore, universities, as public institutions, have a third mission: to contribute meaningfully to society by creating and sharing knowledge and technology. This mission has led to an increasing need for closer collaboration with industry in order to build an innovation system and support the potential economic growth and welfare of the region and country.

Joint Efforts Are Needed

In the context of Fintech innovation, collaboration between universities and industries is becoming increasingly central. Such interactions contribute to the development of innovative financial firms in both developed and developing countries (Laidroo & Avarmaa, 2020). The demand for Fintech talent further underscores the necessity of collaboration to safeguard talent within the

Table 1. University-Industry Fintech Collaboration Based on Ethical Principles

Ethical Dimensions	Implementable University-Industry Actions
Building Trust	Trust is vital for successful university-industry collaboration. It relies on transparency, open communication, and shared ethical values. Embracing open innovation facilitates collective intelligence by openly sharing knowledge and expertise, nurturing trust, and fostering a collaborative environment (de Wit-de Vries et al., 2019).
Accountability and Responsible Innovation	Ethical accountability is crucial for prioritizing user and societal welfare in financial innovations. Industry and academia must consider social impacts, adhere to legal frameworks, and address risks in developing Fintech solutions. According to Stahl (2022), this requires aligning responsible innovation with societal needs and engaging stakeholders to harness collective intelligence. Integrating risk anticipation, stakeholder deliberation, and ethical principles into research and innovation processes enables active influence on the trajectory of innovation while ensuring risk prevention, research integrity and ethical compliance.
Security and Privacy	In the era of Fintech, ensuring robust security measures and protecting user privacy are ethical imperatives. University-industry cooperation should prioritize data protection and implement privacy-enhancing technologies.
Proximity	Close collaboration and proximity between universities and industry enhance mutual understanding and drive effective development of Fintech solutions for real-world challenges. Bridging the gap between academic research and practical implementation is crucial to ensure relevant, usable, and ethically aligned solutions.
Bridging the Technocultural Gap	Bridging this gap necessitates interdisciplinary collaboration and a deep understanding of societal implications. University-industry cooperation should embrace diverse perspectives, incorporating insights from social sciences, humanities, and ethics.

Source: Author's work

Fintech ecosystem (Mei et al., 2018). Government involvement is also crucial in fostering Fintech companies, particularly in emerging economies, and facilitating effective communication between academia and businesses (Galan-Muros & Davey, 2019). However, conflicts often arise

between the profit-oriented goals of industry and the knowledge dissemination and educational aims of universities. The latter are of instrumental value to industry, but of intrinsic value to universities. Similarly, publicly funded universities face the dilemma of sharing knowledge with industry partners while fulfilling their obligations to the public. These misalignments in value priorities highlight the need for a broader and more empathetic approach to promoting ethical financial innovation in the interests of society at large.

Successful university-industry cooperation requires institutional, strategic, and structured collaboration driven by ethical considerations and mutual trust. It involves adopting the role of the other and embracing a Kantian approach of reciprocity which is often rendered as “do unto others as you would have them do unto you”. This approach entails creating a shared vision of desired transformations, devoid of selfish attitudes or interests, that incorporate purposeful actions for the common good. This collaborative model transcends the traditional knowledge flow from universities to businesses and emphasizes the importance of multiple links, flows, and backflows between partners.

In this spirit, ethical financial innovation necessitates a consensus space for proactive collaboration among stakeholders across different disciplines, cultures, and

regions, with a particular emphasis on incorporating the voices of marginalized communities directly affected by tech development. Genuine, effective cooperation should therefore be inclusive, generating synergies not only for financial benefits, but also for a deeper commitment to the development of ethical values.

In this regard, Table 1 suggests possible actions that can pave the way for a better university-industry relationship with respect to five key ethical principles.

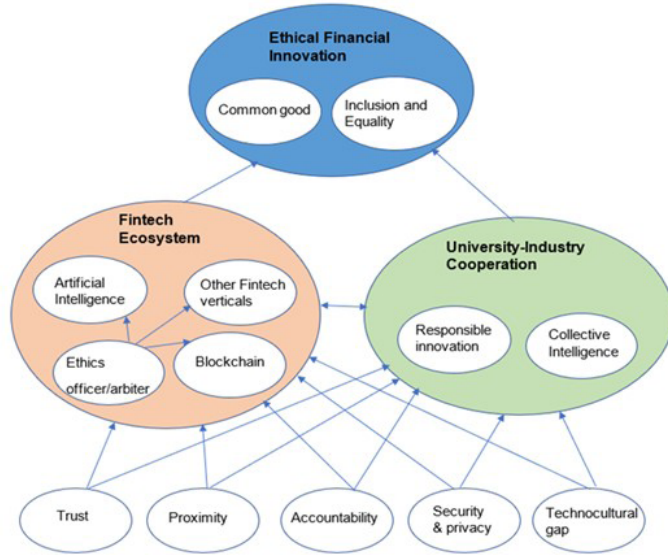
We outline the dynamic interactions and interventions that could be utilized to promote more ethical financial innovation in Figure 2, taking into account the previous discussion.

These suggestions for interventions are broad, but they can be translated into concrete policy proposals or organizational practices if there is a common will to promote mutual trust and cooperation between the various parties.

Conclusion

The ethical dimensions surrounding trust, proximity, accountability, security, privacy and the technocultural gap play a significant role in shaping the potential of Fintech and its impact on society. The Fintech ecosystem must prioritize building and maintaining trust by ensuring that its innovations are trustworthy, accountable, promote

Figure 2. University-Industry Fintech Collaboration Based on Ethical Principles



Source: Author's work

proximity between innovators and communities, and are secure and insightful enough to bridge the challenging technocultural gaps.

Trust is fundamental not only in the adoption of Fintech services but also in fostering meaningful collaboration between stakeholders, particularly for achieving a beneficial equilibrium within university-industry partnerships. This equilibrium is vital for promoting ethical and responsible innovation. In cases where AI is involved, there should be a shift from a design-for culture to a design-with-and-by culture, with a specific focus on vulnerable communities. By nurturing trust and inclusivity, Fintech can create an environment

where all participants work together for the common good, ensuring that innovation is driven by shared values.

Proximity is another critical ethical consideration in Fintech. The aim should be to provide inclusive financial services, address the digital divide, and empower users with the necessary tools and knowledge to participate in the Fintech revolution. This also implies the need for greater technological literacy on the part of affected communities and stakeholders. In essence, it is only fair if proximity fosters a sense of empathy in Fintech innovators, allowing for the cultivation of greater social understanding of these communities and their diverse contexts.

Accountability is essential in Fintech to maintain consumer trust and ensure responsible conduct. Fintech companies should uphold transparency and integrity, particularly in the use of AI models, where explainability and delegation are crucial. In this sense, rather than prioritizing rapid iterations, it is important to sacrifice a little efficiency to make AI fairer, aligning it with pluralistic human values. It is prudent to preserve the human element in the process to verify if everything is resolved or interpreted correctly, thus ensuring accountability and ethical behavior.

In Fintech, security and privacy hold paramount importance due to the extensive amount of personal data involved. Fintech companies bear an ethical responsibility to implement robust security measures and safeguard personal information. However, finding the right balance between convenience and data

protection poses a significant ethical challenge. To bridge the technocultural gap and effectively understand and control the Fintech ecosystem, the establishment of ethical intermediaries becomes crucial. These intermediaries can facilitate ethical discussions, provide expertise, and address AI ethics in the industry, compensating for the retrospective nature of regulations and ensuring a proactive ethical approach.

In short, by incorporating ethical considerations into the development and deployment of Fintech, we can create a more responsible and inclusive financial ecosystem. This will prioritize the welfare of individuals, communities, and society as a whole. Fintech has the potential to become a purpose-driven catalyst for innovation, harnessing technology for the common good while mitigating risks. •

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