2nd International Conference on Complementary Currency Systems (CCS)

MULTIPLE MONEYS AND DEVELOPMENT:

MAKING PAYMENTS IN DIVERSE ECONOMIES

The Hague, The Netherlands, 19 – 23 June 2013

The following is a list of the abstracts that will be presented during the 2nd International Conference on Complementary Currency Systems. They correspond to the Academic Panel, taking place the 19 and 20 June, 2013. They have been grouped into three "Academic Panels": A) Money in diverse economies; B) Insights on plural currencies; C) Study reports on CCS cases.

KEYNOTE SPEAKERS

Ethical encounters: taking back the economy by reframing transactions

Katherine Gibson

All over the world people are experimenting with different ways of organizing their economies such that the wellbeing of humans and non-humans alike is placed at the centre of concern. Given the challenges for development in a climate changing world in which inequality is not decreasing, it is incumbent on us to look seriously at these experiments and to work out ways of strengthening their capacity to achieve this goal. Complementary currencies are one such experiment. In this presentation I explore a range of ways that people are 'taking back' transactions as vehicles for ethical interconnection. What kinds of encounters with distant and proximate others are possible as we seek to obtain what we need to live well that we can't produce ourselves? Is it possible to enact an ethic of care in the process of exchange? As we become more aware of the other with whom we are connected via transaction, our economic subjectivity shifts and it is possible to begin to think of inhabiting a community economy. I draw on the technologies of self-inventory and ethical exploration elaborated in my new co-authored book Take Back the Economy: An Ethical Guide For Transforming Our Communities (Minneapolis: University of Minnesota Press, 2013) to suggest how together, we might move towards a different vision of development in which wellbeing is a direct, rather than trickled down, outcome.

Keith Hart

The euro crisis is a consequence of the neoliberal idea that politics can be banished from monetary policy, a dream shared by the techno-utopians who designed BitCoin. But it also represents the collapse of national capitalism as the dominant economic system of our times. This impasse ought to represent an opportunity for community currencies – and I once thought so – but many of them unconsciously retain the assumptions of national capitalism. Here I propose a strategy for a "human economy". This must be informed by an economic vision capable of bridging the gap between everyday life (what people know) and humanity's common predicament, which is inevitably impersonal and lies beyond the actor's point of view (what they don't know). Emergent world society is the new human universal – not an idea, but the fact of our shared occupation of the planet crying out for new principles of association. Small may be beautiful and a preference for initiatives grounded in local social realities is unchallengeable, but large-scale bureaucracies, whether governments or business corporations, are also essential if our aspirations for economic democracy are to embrace the movement of the world we live in. Money and markets should take forms that are more conducive to this end. It helps to recognize that they span the extremes of human experience. Money reflects our human potential to make universal society.

Academic Panel A
MONEY IN DIVERSE ECONOMIES:
CONCEPTUALISING PLURALITY

Monetary Plurality in Economic Theory

Jérôme Blanc, Ludovic Desmedt, Laurent Le Maux, Jaime Marques-Pereira, Pepita Ould Ahmed, Bruno Théret

The purpose of this paper is to track the topic of plurality of money in economic theories. We will try to throw light on the way theories are attracted towards both unicity and plurality, and more specifically by unification and diversification of money. It should also be noted, in this respect, that the economics of money has undergone considerable development since the 1970s. A survey of the diverse theories, whether mainstream or not, static or dynamic, holistic or individualistic, will reveal the surprising amount of attention devoted to the problem of monetary unicity and/or plurality.

We base our presentation on two lines of thought:

-The first of these lines concerns a situation of general equilibrium, as opposed to theories giving place to the forms of disequilibrium and regime-crises. General equilibrium theories usually see money as a financial asset and assume that it is neutral at least over the long term; theories of the second type, on the contrary, see money as a necessary condition for the development of trade, acknowledging that it influences the system of relative prices and consequently the dynamics of production. Thus money is presumed to be totally neutral ("super-neutral") in the New Classical Economics in the manner of Lucas (1972, 1995) and in the New Monetary Economics initiated by Black (1970) and Fama (1980). On the contrary, it is not neutral according to neo-Mengerian approaches and to those that are neo-Marxist, Chartalist and post-Keynesian.

-The second line of thinking revolves round the relationship between economic theories and the question of the unicity or plurality of money as a norm to be established. This relationship is often linked to the role assigned by the various approaches to finance. For example, the macroeconomics of the New Classical Economics school, in dealing with monetary "friction" within general equilibrium theory, maintains an approach that is largely "unitary", seeking to integrate it into its framework. In this respect it opposes the financial views of the New Monetary Economics, that are based on a pluralist notion of money, aiming moreover to ensure that it could be dispensed with the world of reality. Similarly, neo-Mengerian economists, who are pluralist and see financing as the heart of the proper organisation of money, are opposed to the unitarian approaches of Marxist, Chartalist and post-Keynesian economists.

Our survey of contemporary theories will give rise to a typology of the forms of monetary unicity and plurality, framing a new reading of monetary theories.

Learning from Nature: How Complementary Currencies stabilize the monetary system

Bernard Lietaer

A recent theoretical breakthrough makes it possible to measure quantitatively the sustainability of any complex flow network. This framework has been empirically confirmed by 25 years of data about natural ecosystems, all examples of large scale sustainable systems. This approach proves that a minimum of diversity is necessary for stability: a monoculture is never sustainable. An economy is also a complex flow network through which money flows. However, orthodox economic thinking imposes precisely such a monoculture in the monetary domain through a single national currency. This explains the systemic financial and monetary instabilities that have plagued economies around the world. Contrary to orthodox thinking, complementary currencies turn out to be a necessary tool to attain stability. Whenever a banking or monetary meltdown takes place, authorities invariably return to the "normal" monetary monoculture as soon as possible, guaranteeing the return of systemic instabilities in the future.

Complementary currencies and the global economy

Peter Brass

This essay describes the benefit of complementary currencies for the global economy. Especially in times of a deflationary crisis they are valuable to ease the economic disaster. But they should not be seen only as emergency monetary systems. The essay wants to incorporate the dynamical growth of local initiatives with new economical approaches, like the idea of superneutralisation of monetary systems, which was presented on the 1st conference in Lyon. It leads to the option to think about alternative monetary systems not only in local extension, but also in a global scale.

From Braudel's Triptych to the Closed Loop Economy

Szalay Zsuzsanna

Kékfrank, the regional currency which was presented at the International Conference on Complementary Currency in Lyon, found followers: the Balatoni Korona and the Bocskai Korona.

These three local currencies and other initiatives attracted considerable media attention in Hungary, so the official Bulletin of the Hungarian National Bank published an article (Helmeczi-Kóczán (2011): On trade vouchers called "local money". MNB Bulletin) to evaluate all these initiatives, following – as I will show – a typical mainstream-monoculture money paradigm.

According to Fernand Braudel, the traditional modern and global economy has three layers: at the bottom is the infra-economy, or the material life, where the economic life is based on unconscious daily routine. Above that is the market economy in its public form, where the daily transparent market exchanges are restricted to the surrounding area, there are no big surprises, the rules are known in advance. The top layer is the capitalist economy, or as Braudel notes: "the zone of the anti-market, where the great predators roam and the law of the jungle operates". Braudel's Triptich scheme gives us a tool to examine the internal characteristics of these essentially different three levels and to outline the middle level, as the operational area of the Complementary Community Currency.

Karl Polanyi's teachings are still or even more relevant in our days. The metamorphosis is going on; the threat to destroy society is in full charge. Polanyi's work can be very well adapted to reflect the present situation, where money as fictitious commodity is even more fictive than the two other commodities, land and labour. The regulation of it is much more important, due to money being an institution of society, an infrastructure that ensures division of labour, enables the flow of information and material between the participants.

Employing ecological principles based on the works of Braudel and Polanyi, I will argue for a financial framework of a closed or semi-closed loop economy. I will also show how the circular flow of local materials and money become increasingly important in the oncoming peak oil and post-carbon era.

COOPERATION

Gaming Simulation using Electronic Community Currency: Behavioral Analysis of Self-versus-Community Consciousness

Masahiro Mikami and Makoto Nishibe

Recently, due to the development of ICT (information and communication technology), new kinds of community currencies (hereafter CCs) have appeared and prevailed. Conventional CCs are classified into Paper-type (centrally-issued and circulating-type), Note-type (dispersively-issued and circulating type) and Account-type (dispersively-issued and mutually-paid type). ICT not only electronized these three types of CCs, but also brought the forth kind of CCs (centrally-issued and mutually-paid type). The CCs on such media as smart cards are centrally issued but owned in a decentralized way. However, as a result of prevailing networking technology and networking devices and lines, it is now possible to change the values on those media from servers and make payments by mutual value transfers.

Indeed, such payment technology has developed for the B2C (business-to-consumer) commercial transactions in the retail trade and logistics. Especially, contactless IC electronic monies that have rapidly developed in recent years in Japan are used as means to connect online information and offline stores. However, some of these prepaid-type marketing electronic monies assume the characteristics of CCs: a part of spent mount is donated to local governments and funds in a particular area. CCs that deal with non-commercial transactions (volunteer) and electronic moneys that deal with commercial transactions (business) would fuse further in the near future.

This centrally-issued and mutually-paid type of electronic CCs enhances the convenience and efficiency of individual payments by electronic record and calculation. In addition, they would change the manner of operation of CCs in two aspects. First, it will be possible to set out complicated and various media design (institutional currency design) and have more than one currency on one media. Furthermore, you can change, at the time of introduction or even during the circulation period, such parameters as premium rate, liquidation fee, depreciating rate, upper and lower limits of balance, points and fees per transaction. Second, traceability of transactional data will be improved and it will be possible to analyze, on a real-time basis, the records of individual transactions, overall issued balance, overall transaction amounts, velocity of circulation, circulation route, circulation network. Such information could be utilized to settle on suitable media design for issuers' objectives, and to manage and disclose information on CCs for participants.

These changes in the manner of CCs' operation would change the participants' information on CCs and on communities, and then affect their cognition and behavior. Various parameters of CCs and aggregate information on the amount in circulation, transaction and activity using CCs, when they are feed backed to individual participants, would transform their consciousness on communities and on CCs. This could be an effective way of vitalize commercial and noncommercial transactions within communities. In order to examine this possibility of electronic CCs, we performed an experiment with gaming simulation in a computer room and used ex post questionnaires. We examined how participants' behavior patterns would change, depending on (1) CCs' premium rate, (2) participants' consciousness on self and community, and (3) availability of aggregate information on activities in the community.

Community dock: a new policy approach for altering institutions

Masahiro Mikami and Makoto Nishibe

It has been pointed out that local communities should play a leading role in promoting regional development But how they can do it independently of local governments is still an open question. When Community Currencies (CCs hereafter) are introduced in local communities, it is also vital to induce local residents to willingly and positively participate in administration and activities in CCs.

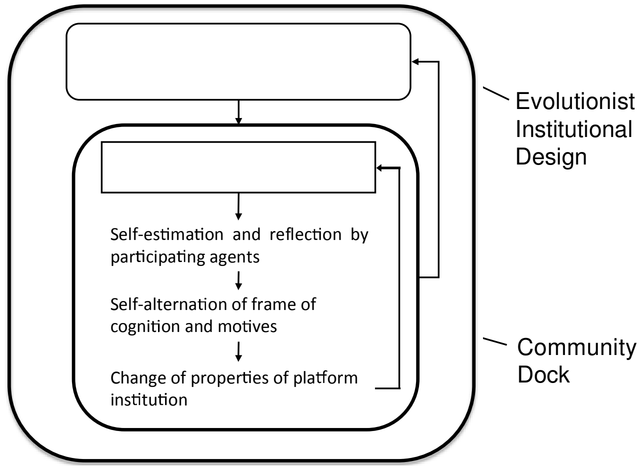
To such current issues, we propose a new policy approach and tool named "Community Dock" that can support spontaneous community development more effectively. Here community is conceived as an association of not only local residents, but also various organizations, companies and local government.

Community dock is a synthetic method of empowerment evaluation and continuous action for improvement by which research groups, in order to promote community development, periodically conduct comprehensive checkups over local socio-economy and subjective satisfactions of residents, and encourage communities, by presenting the outcomes of such checkups, to recognize, evaluate and solve the shared problems by themselves. So it is designed as a support tool for integrative and spontaneous development of social capital in local communities.

Community dock is composed of the following four phases: 1) Analysis and diagnosis of current performance of socio-economies of the community, 2) Self-estimation and reflection on the performance of the community and their own internal rules of participants in CCs, 3) Self-alternation of their frames of cognitions, motives, values and norms by participating agents of CCs, 4) Change of properties of CCs as platform institutions/ media.

The loop of community dock is subsumed by media design of CCs shown as Fig. 1. This indicates that, after sufficient numbers of repetitions of community dock, external rules of CCs as platform media can be redesigned in order to adapt the altered internal rules of participants and more effectively attain the initial goals. Media design of CCs is thus situated on the upper level of community dock in the whole picture of evolutionist institutional design.

(Fig.1) The Nested Structure of Evolutionist Institutional Design and Community Dock



Aspects for the cooperation of currencies

Jens Martignoni

The grassroots community of complementary currencies is growing. In more and more areas already several organisations were in close neighbourhood and the question of cooperation or even fusion might arise. But cooperation of complementary currencies is not yet very common. Theoretical aspects are little studied and should not be derived from national currency and mainstream economy because of their obviously false assumptions concerning cooperation. The paper starts with the basics of economic exchange and some fundaments of money as an instrument of cooperation and of currency as a group building phenomenon. The funding impulse of most complementary currencies today does not cover the question of interchange and cooperation. So additional issues have to be considered and are presented out of a current research project about the topic: Thoughts and principles of economic equilibrium of individuals and groups or communities, as well as the idea of trade balance, systemic compensation, exchange rates and clearing systems between currencies. What are the advantages and difficulties of cooperation and currency interchange? Which Points might be crucial for success? At last a case study about the Zurich region is presented where a process of negotiation and building of an interchange network between five CC-groups is in an ongoing process.

COMPLEMENTARITY

Monetary experiments of complementarity among state moneys in contemporary federal polities: some general principles and the case of the bocade of the Province of Tucuman in Argentina between 1984 and 2003

Bruno Théret

Federalism is a political set of principles of action and institution whose purpose is to accommodate unity with diversity without destroying one or the other, and it is not a surprise if social scientists can find in federations – as in Empires - a lot of empirical evidence on monetary plurality and complementarity. This paper addresses the issue of monetary federalism, considering that it is a figure of complementarity among monies caused by locality.

The proposed analysis is based on the hypothesis of institutional complementarity which assumes that the principles of organization of a monetary system have to fit, in a way or another, with those of the political organization of the society within which the monetary system functions as a community of account and a set of means of payments.

The first section will start with a development of the theoretical idea that with such a definition, money has intrinsically a federal structure combining unicity (of the unit of account) and plurality-diversity (of the means of payment). Then the paper will come to the fact that this intrinsic federal structure of modern money does not appear clearly in the monetary institutions of most of the existing federations, including Argentina where monetary plurality has always been outstanding. We explain this paradox in term of political repression of monetary federalism. The following sections will be devoted to an examination of the practical monetary federalism existing in Argentina from 1984 to 2003.

A second section tackles the question of why Argentina exhibits a noteworthy case of monetary federalism, even if it is a repressed one, and describes the different waves of issuances of provincial fiscal monies since the foundation of the federal Republic.

A third section will focus on the complementary fiscal money issued by the Province of Tucuman between 1985 and 2003 ; it examines why it was issued, and how it functioned at its outset and evolved.

Section four at last will examine if the bocade was an efficient monetary device, given the political and economic environment in which its life developed until its terminal redeeming by the federal State.

Unpacking complementarity: a conceptual criticism of so-called complementary currencies

Jérôme Blanc

In English as in other languages, the burgeoning new monetary forms are increasingly referred to as "complementary currencies" by activists as well as scientists. Economic historians themselves develop analyses of complementary circuits or currencies in Early modern Europe or in Asia since the 2000s. This paper aims at unpacking "complementary" by showing how it is conceptually misleading through an analysis of money as a plastic institution. In ordinary economic conceptualization, complementarity opposes competition. Consequently, "complementary currencies" would mean "non-competing currencies", in a dual view of monetary articulations.

After a short presentation of the intention of the paper (Section 1), Section 2 presents the problem of monetary articulations, referring to existing literature: competition is too often the only articulation mode referred to by economists, though another one is increasingly analysed, that is, complementarity. We state that complementarity is too vague to be relevant enough in monetary matters. In order to disentangle the various aspects of complementarity, we identify four basic relations between monies: commensurability, convertibility, co-use, coincidence. The economic postulate of fungibility of money (which is at the very root of the idea of competing currencies) stems from the combination of the two first relations: a common evaluation of holdings, followed by conversion. In any case, combinations of these four basic relations help build four distinct articulation modes: competition, simultaneousness, supplementarity and autonomy.

Section 3 draws on the case of contemporary "CCs" in order to identify the forms of "complementarity" they take and discuss the extent to which "complementarity" is misleading. Whereas pure time currencies are based on "autonomy" and "supplementarity", paper currencies aiming at ordinary commercial use like the chiemgauer, Brixton pound or SOL violette combine "competition" and "simultaneousness"; eventually, LETS money can combine "simultaneousness" and "autonomy". Section 4 will list a series of related issues and try to analyse them under the viewpoint of this variety of articulations: are some of these forms more viable than others? How the identification of this variety helps analyse the issue of monetary regulation? Does it lead to acknowledge the legitimacy of all or parts of this variety? Can monetary plurality be relevant, normal and cost-efficient?

CCS AND SOCIAL TRANSFORMATION

Reinventing Money: How Complementary Currencies and Mutual Credit Clearing Can Create a Sustainable, Regenerative Economy

Thomas Greco

Isn't it ironic that, despite the tremendous scientific and technological advancements and the massive increases in material production that have been achieved over the past two centuries, the world finds itself in the grips of an acute multidimensional crisis, with a large portion of the human population still living in poverty and squalor? It is a further irony that the levels of debt carried by all sectors, both private and governmental, have grown exponentially and much more rapidly than population or any measure of economic output. Every national government around the world is deeply in debt. And debt levels have now reached the point where we are being told that even the world's richest and most advanced countries cannot provide their citizens with the basic requirements for living a dignified life. We are told that social programs must be drastically cut because countries can no longer afford them.

This presentation explains how our predicament is a direct result of the way in which the global system of money and banking has been structured and managed, how it centralizes power and concentrates wealth in few hands, and increasingly subverts democratic government and personal freedom. It then outlines a parallel, peaceful, and ready path toward a better future, a path based on a fundamental reconceptualization of the ways in which we pay one another for the goods and services we need. It show that, by claiming and exercising the power we already have to give each other credit in an organized and localized way, we can escape the "debt-trap" and avoid the destruction of our communities and environments.

Based on a substantial body of theoretical knowledge, supported by decades of actual market experience, the presentation argues that private and community currencies and moneyless payment alternatives that are properly designed and managed can provide communities with liquidity based on local production, making them less dependent upon banks, national currencies, and global markets.

Trophic economy part II

Stephanie Rearick and Marc Brakken

Previously we offered a trophic model for thinking about the relationship between different types of currencies and exchange mechanisms and how currencies assist and hinder the recognition of value and wealth. In our model, different currencies express unique perspectives on that which is valuable to an entity, such as how the rabbit values the carbohydrates found in the grass while the wolf values the proteins found in the rabbit. The protein may be more energetically powerful and rare than the carbohydrate, but the former cannot exist without the latter. In its turn, the carbohydrate cannot exist without the abundance of sunlight which the plant uses in their production. The scarce is the outcome of the abundant and cannot exist without it. Wealth, then, is that which is collected and aggregated on the basis of individual identification of what is valuable. Value itself transcends any individual definition and exists as an imminent potential. Through our model we assert that an economic system may be understood and empowered by recognizing that currencies like the dollar, apex species in our model, occur on the basis of a vibrant ecology of different forms of exchange and relation. Community development should be focused on the expression of potential rather than the measurement of dollars. We have since developed our model further, in part to address concerns of how to put our ideas into practice. Thus, we offer a variant which operates outside of spatial definitions of currency –local, national, supranational– to instead consider intermediary objects that we think of as currency: time, grain, gold, and so forth. We suggest in part that our common error to think of gold or other scarce commodities as symbolic of money itself, rather than as a type within an ecology, leads us to create alternatives set up to fail. By modeling community currencies off national currencies we are effectively putting a wolf on a leash and expecting it to compete with those running wild. Instead, we suggest that community currencies need to embody a different set of properties such as are expressed through grain, time, gift, and the commons – currencies which decay and replenish, not those which persist and require us to decay in their stead. More, we need to recognize the fundamental differences between these money objects and how they represent, and fail to represent, knowledge that we have of each other and our communities. The jaundiced money and debt of empire, predicated on distrust, has little place in our communities and homes. In addition, as we seek to address questions of community renewal, we need to recognize that our immediate answers are not of economics but of the types of societies in which we desire to live. The economic question follows from the social question. Through the Time For the World project, we are currently developing a distributed experiment in community production to test and investigate these ideas. Our paper will document outcomes and launch our model for large-scale dissemination and replication.

What Comes After Capitalism? - That is the Wrong Question

Tim Jenkin

Humanity is faced with many converging crises that together present a challenge greater than anything that has been faced before. These include resource depletion, resource wars, global warming, pollution and environmental destruction, declining biological diversity, stalled and collapsing economies, escalating debt, increasing inequality, population overgrowth, social breakdown, and others.

Capitalism is usually blamed for bringing about these crises and therefore its replacement with a more benign economic system is frequently suggested. Many alternative economic systems have been proposed, which creates another dilemma: which one to choose?

But can an economic system be blamed for humanity's woes, let alone simply be replaced by another one? After all, people relate to each other and behave in that economic system according to a set of rules and conventions that define the system. And who can say that a new economic system is going to solve the problems and not create other ones, or degenerate back into something resembling current-day capitalism or something worse? Who will decide which of the alternatives will be best, and do we need a new monolithic economic system that replaces global capitalism.

Theories of human evolution or development describe the path followed by humanity from its scavenging and hunter-gatherer origins to present day capitalism in terms of a series of 'modes of production' or economic systems. The evolution along this path is usually described as inevitable, even though different societies may advance along it at different times and at different speeds. There is much contention about how societies move from one stage or phase to the next, but most theories attempt to explain it in terms of population growth, pressures on resources and advancing technologies. Others explain it in terms of conflict between social classes attempting to improve their position at the expense of others.

Most of these theories fail to explain why there are vying social groups in the first place and ignore certain behaviours and phenomena because they are considered 'natural' or inevitable.

A more valuable approach to understanding social change and being in a position to propose alternatives to capitalism is to study the underlying 'operating systems' that define how these different economic systems function. In computing, operating systems define how computers work, and changing the operating system can change the entire computing experience using the same hardware.

The human 'operating system' is the matrix of relationships between people and these are primarily defined by how they exchange their various energy outputs that contribute towards providing their collective means of existence.

Exchange is a property of life on earth and not something unique to humans, but humans have developed exchange that goes beyond mere sharing, allowing them to exchange energies in an organised way in time and space. Organised exchange results in exchange systems, which provide the rules that establish relationships and guide behaviour. Exchange systems provide the logic according to which people acquire or produce their means of existence.

Throughout history humans have discovered many different ways of exchanging their energies and hence many different exchange systems have developed. Usually several of these operate simultaneously but one of them becomes predominant and defines the nature of the society and sets up the relationships between people. This in turn defines how they cooperate to produce their means of existence, set priorities, decide what to produce and how to produce it. In short, economic systems are defined more than anything else by the underlying exchange systems, which constitute the 'operating system' of the society.

Money, as we understand it today and historically, is just one of many exchange systems developed by humanity. It has no history of its own separate from the history of exchange systems. Money is a relatively new exchange system and for most of the time that it has been used it has not been the predominant exchange system. It was only in the last century that it has displaced other exchange systems to become the globally predominant one.

It is the money-based exchange system that defines how capitalism works. It is impossible to conceive of capitalism with people exchanging their energies without using money!

Replacing capitalism without changing the underlying 'operating system' will not bring about the change required to deal with the converging crises. So long as exchange is defined by the logic of money any new economic system will morph back into a variant of capitalism.

Capitalism is 'money-ism' so for there to be a new economic system there first needs to be a new 'operating system' - a new exchange system that does not use money.

Complementary currencies are experiments in new exchange systems, which need to be developed into fully-fledged exchange systems that can replace money-as-we-know it. So long as we continue to see complementary currencies as being complementary they will remain insignificant and have little effect in bringing about new economic systems. The time has come for us to abandon the notion of complementary currencies and instead develop and promote alternative exchange systems to challenge and replace the money-based one. It is a possible to develop exchange systems that are not driven by the logic of money, and it is only this that will help us create economic systems that will be able to tackle the crises of capitalism and create sustainable societies.

Academic Panel B
INSIGHTS ON PLURAL CURRENCIES: CCS AS COMMUNITY INNOVATION

What Influences Community Currency Growth and Spread? Understanding Grassroots Innovations for Sustainability

Gill Seyfang and Noel Longhurst

Community action for sustainability is an often-overlooked, yet potentially promising site of socio-technical innovation. In this paper we test the applicability of niche theories of innovation diffusion to 'grassroots innovations', by examining 12 community currency niches to identify the determinants of diffusion success.

These 'grassroots innovations' are formed in response to unsustainable mainstream systems, and aim to build and promote alternative systems of provision to enable more sustainable forms of production and consumption. We adopt a co-evolutionary understanding of socio-technical innovation which conceives of radical niches as being potential sources of new ideas and solutions; the sustainability transitions literature has examined the role of such niches in contributing to systemic change and strategic niche management has sought to codify the conditions required for niches to successfully diffuse their ideas and practices into wider society. Until now, however, civil society niches have not been systematically studied in the literature, and the implications of their very different characteristics to that normally considered (top-down, market-focussed, technology-based) have not been adequately explored.

We study the field of community currencies such as LETS, time banks and local currencies: parallel systems of exchange, designed to operate alongside mainstream money, meeting additional sustainability needs. From an international study of twelve successful systems, we analyse across the set of cases to identify the types of niche activities, contextual factors, and socio-technological characteristics of the innovation itself, which are most strongly associated with successful diffusion. We highlight where niche theory successfully explains the patterns of diffusion evident, and where additional or confounding factors appear to be at play. We reflect on how well the niche literature accomodates the realities of regime-crossing, social movement-based initiatives, and how niche theories might be adapted to better fit civil-society innovations. In so doing, we develop a model of grassroots innovation niche diffusion which builds on existing work and tailors it to this specific context. We conclude with a series of theoretically-informed recommendations for practitioners and policymakers to support the development and potential of grassroots innovations, and discuss the implications for further research.

Voluntary workers' differing perceptions of community money

Ken-Ichi Kurita

In Japan, community money is often given to voluntary workers to reward their participation in community activities. Community activities include the provision of assistance during festivals and other events, participation in communal cleaning activities and/or gardening, the collection of plastic bottle caps, and the avoidance of the use of plastic shopping bags. Voluntary participation in local communities is expected to increase because the provision of community money encourages voluntary workers to participate in different activities. However, some voluntary workers hesitate to accept community money. For instance, the results of several experiments conducted in Japan confirmed that some voluntary workers refused to accept community money offered to reward their efforts. Yet, some volunteers responded positively to offers of community money. Thus, it may be worthwhile to examine why volunteers who participate in similar tasks respond differently to offers of community money. A detailed analysis of voluntary workers' behavioral differences is required to increase participation in voluntary activities by the introduction of community money.

This study aims to discover why volunteers possess differing views of community money. We focus on voluntary workers' diverse perceptions. In particular, we apply concepts based on motivation crowding theory, a topic of discussion for many years in the fields of social and economic psychology. Based on our introduction of this theory into community money research, we examine the relationship that exists between voluntary workers' psychology and their levels of acceptance of community money. The analytic process includes: (1) a survey based on motivation crowding theory, and (2) a discussion of the diverse perceptions of local residents who provided both positive and negative responses to the provision of community money. This study reveals that local residents' views of the provisions of rewards for voluntary work and their perceptions of community money exerted significant influence on voluntary workers' intrinsic motivations. The impact of this influence ultimately produced voluntary workers' differing responses to offers of community money. We propose that voluntary workers' differing perceptions dictated their intrinsic motivations and caused their positive or negative acceptance of community money. Thus, based on these results, we demonstrate that voluntary workers' differing perceptions exerted significant influence on the amount of voluntary work performed in local communities.

Reputation currencies – can they develop and spread sustainability macro-norms?

Robin Krabbe

This paper is based on doctorate research investigating the potential of community-based initiatives to develop and consolidate sustainability macro-norms. Norms arise from repeated human interaction and are in essence govern human behavior. Biological norms have evolved culturally into a level of maladapted norms, promoted in part by the state and the market, which can both act to undermine the self-organising capacities of communities. In particular, norms of exploitation act to transfer benefits from some groups to other groups, leading to inequality. Money as debt and scarcity-based, and interest bearing is one of our most problematic institutions that has evolved from its basic function as a means of exchange.

One approach of addressing these maladaptations is the deliberate development and consolidation of sustainability macro norms. Ten are tentatively identified in this research, being appropriate self-sufficiency, self-determination, completely generalised strong reciprocity, trust, social respect, environmental respect, deliberative social learning/democracy, intrinsic motivation and synergistic satisfiers, commitment to increasing equality of opportunity, and an optimistic vision for the future. It is suggested these norms form a basis for community discussion about their potential for progressing towards sustainability, defined as long term wellbeing. The norm of reciprocity is identified in the first instance as enabling communities to be self-organising (that is organize without interference from higher levels) which ensures that individual self-interest is aligned with broader interests. Cooperation via reciprocity already occurs in small groups, but breaks down at the wider level when individuals are not known to each other, and therefore have no basis of trusting 'strangers'. This research identifies reputation currencies as a mechanism for surmounting this problem and hence both increasing intra-trading and inter-trading in community currency systems.

This paper will briefly discuss a recently commenced project (Community Exchange North-West Tasmania, known as "CENTs"), which aims to develop via three stages. The first stage has two aims, to build community capacity and to build social relationships via a conventional community currency model. The second stage aims to build the use of feedback via recommendations to increase reciprocity and trust. The third stage aims to introduce a reputation currency. In essence, the latter would involve participants firstly collectively agreeing on the criteria which would guide the allocation of credits to participants (using the sustainability macro-norms as a basis). Participants would then be allocated credits according to the extent to which other participants in their reference group perceived they had provided social value according to the criteria. An important issue would be trust by all participants that these credits would not be unduly biased by personal interests. This would then allow the scaling up of local community currency systems to increase their reach, while simultaneously developing and consolidating sustainability macro norms.

Correlation between Currency Consciousness among Participants of Community Currency and Its Circulation

Shigeto Kobayashi, Takashi Hashimoto, Ken-Ichi Kurita And Makoto Nishibe

More than 650 community currencies were introduced in Japan. Few community currencies succeed in circulation with a certain economic scale over a prolonged period. A systematic schema for circulating community currency, even if it is settled beforehand, does not always work. We should consider not only the systematic schema but people's thinking to money in order to accept community currency in an area as currency. We suppose, as an important underling structure of the currency system, there exists money consciousness which forms not only a standard for decision making in a given money system but also a standard of values for various currency systems.

We investigated correlations between circulation state of community currency and money consciousness among participants of community currency using a questionnaire in areas where community currencies are introduced. The questionnaire consists of 27 questions asking people's attitudes toward money. We have conducted the questionnaire survey in Japan, Argentina, Brazil, and Italy. More than 500 people answered this questionnaire.

A factor analysis of the questionnaire yielded three factors: "currency diversity"(F1), "fairness"(F2), and "profit orientation"(F3). F1 includes items relating to the presence of multi-currencies in an area. F2 includes items relating to fair distribution of money. F3 includes items relating to worship of money. These factors seem to be the three important underlying dimensions of money consciousness.

From the analysis of the questionnaires, we found the following 2 points. First, the operators of community currencies tend to put more importance on "currency diversity" and "fairness" than others do. Their money consciousness is quite a contrast to that of members of financial organizations. Members of financial organizations place less significance on "currency diversity" and "fairness" than ordinary people do.

Second, the users of community currency with high circulation have higher "currency diversity" and "fairness" than the users of community currency with low circulation. Users of community currency (Palmas) that Banco Palmas issues have higher "currency diversity" and "fairness" than the user of community currencies with low circulation in Japan. However, this fact does not mean that introduction of community currency enhanced "currency diversity" and "fairness" of the users. In an experiment of community currency circulation conducted in the Musashino area in Japan, no significant differences were found in the three factors between before and after the circulation experiment. However, the users of greater understanding of community currency be come to place a high value on "currency diversity".

By analyzing money consciousness in terms of the three factors, we conclude that the participants of community currencies with high circulation have the characteristic money consciousness that is higher "currency diversity" and "fairness" than that of the participants of community currencies with low circulation. Our next task is to offer useful suggestions about introduction and promotion of community currency from cognitive aspect such as user's money consciousness and user's level understanding of community currency.

MONETARY ASPECTS OF CCS

Increase Community Currency Circulation: Back It with Appropriate Core Resources

Joey Renert

Hidden beneath the multitude of terms used to describe alternative currency systems (LETS, mutual credit, time bank, etc.), there is actually no conceptual difference between them; every currency in existence is resource backed. All currencies are economic tools and the resources used to back them comprise all potentially available goods and services in the economy. Whether currency organizers know it or not, they have already chosen a set of core resources that are truly backing their currency. This choice has profound implications for the future success of their endeavor.

First, the maximum amount of currency that can be issued is equal to the supply of the core resource(s) backing the currency. All currencies when created contain the implicit promise that they can be redeemed for some specific resource, which can be any good or service imaginable. The moment that a currency cannot be redeemed for its promised resource, the currency ceases to have trust and will no longer be accepted.

Second, the circulation potential of a currency is defined by the demand for the core resource(s) backing it. A currency backed by resources with low demand will not be widely circulated as few people use or need those resources. On the other hand, high-demand resources used by nearly everyone in the community, if used to back the currency, will have a larger circulation potential and a greater motivational force to be accepted.

Third, the only way for any community currency to achieve independence from a National Currency is through investment in their Universal Resource(s). Universal Resources are community based resources that are entirely produced locally, are in near universal use within the community, and are demanded outside of the community. Having a core Universal Resource backing a currency will ensure that the growth of the community currency is automatically aligned with the supply and demand of locally available production capacity. As local capacity increases, surplus production of the Universal Resource can be traded to purchase imported items not manufactured in the community.

In addition, community currency organizations occupy a specific competitive market niche using alternative currency as their business model. Whether their value proposition is as an employment firm, merchandise discounter, non-profit fundraiser, or credit cooperative, they still must compete with other providers of the same service who only use National Currency. What differentiates community currency enterprises from their competitors is the challenge of exclusively supporting local resources. And like every organization, continual investment in their competitive advantage, ideally their Universal Resources, will determine the survival of their business and their currency.

This paper will explain the principles just outlined above. In addition, a general survey of some well-known alternative currency systems in operation around the world will be made that will describe: The core resources backing them; The natural constraints resulting from that choice; Suggestions for which Universal Resources may be appropriate backing for those currencies and; How any value added by the currency organizers is enhancing acceptance of their currency and can be leveraged for future investment.

On velocity in several complementary currencies

Josep Peplluis de la Rosa I Esteva

We analyse the velocity of several complementary currencies, notably the referent WIR, with RES, Chiemgauer and RegioGeld, Sol, CES, Berkshares dollars, and more cases. Then, we describe the diversity in their velocities, and potential explanations for that. For example, WIR velocity is 2.6 while RES velocity is 1.9 while being similar currencies, being the difference the WIR blended loans among other benefits. Hypothesis on how the velocity can be increased apart from prevailing demurrage approaches will be described using the comparative method among the cases.

CCS as subject to financial regulation in the EU

Hugo Godschalk

The traditional national currency CC is usually issued in one of the basic designs of money: cash (notes, coins or other materials), scriptural money or electronic money (prepaid token or account-based). Although a CC is per definition no legal tender it is subject to the domestic financial regulation of the monetary system including payment systems. The regulatory regime differs regarding to the three types of money. Not only the type of money but also the interdependency of the CC with the official state currency could be crucial for regulation.

Within the non-profit CCS most of the currency is worldwide still issued as paper money, while commercial CCS are usually more sophisticated based on cashless systems, like emoney. Especially cashless open-loop systems, whereas the CC is issued in exchange for state currency and could be redeemed by its holder, are subject to e-money regulation. The consequence would be the issuance by an authorised institution, like a bank or an e-money institution, supervised by national authorities. At this stage CCS must co-operate with authorised institutions or in a long-term scenario setting up its own financial institute.

In Europe most of the non-profit CCS are - due to their homeopathic monetary relevance for the BNP - still not on the radar of the central banks and other national bank supervisory authorities. A few systems started already - mainly for legal reason - a co-operation with financial institutions (like Chiemgauer and Bristol Pound). Some cash-based CC reported about conflicting issues by threatening the central bank monopoly of cash issuance. Commercial CCS have often already entered the regulatory playing field.

In the European Union financial and monetary regulation is no longer a domestic issue. Several EU Directives are an attempt to harmonise the regulation of banks, the issuance of e-money and the activities of payment service providers. Within the Euro-zone this harmonisation and unification is forced by SEPA (Single Euro Payments Area) since 2002. Therefore especially for the CCS which are going cashless have to deal with specific regulation. In most of the cases the EU-wide e-money regulation will be relevant.

In some stage of economic expansion and growth non-profit CCS have to leave the niche and legal grey zone of paper money by entering the cashless payments world. This is not a threat, but a challenge for building up innovative, trusted and authorised CCS, which could play a more robust role in the economy.

CHARACTERISATIONS OF CCS - REGIONAL ECONOMIES

Neither public nor private: CCS as club markets

Georgina Gomez

The two critical institutions to perform exchanges are markets and money. A complementary and Community Currency System (CCS) has these two institutions as its core pillars, being an economic scheme that combines its own non-state means of payment and its own circuit of exchange among participants, who voluntarily agree to use that means of payment in their exchanges. The making of markets and money by the actors that trade in them is not exceptional. All over the world markets are being organised to trade an endless variety of commodities, from new financial instruments in New York to corn and potatoes in the Andes to unwanted Christmas presents through Internet auction sites. The starting point thus seems the intention of economic agents to depart from some products and the need for an institutional setting to perform the transfer, which is not always available. This research focuses on markets and money that do not arise spontaneously but are organised as a social structure that agents build with their own resources at some point in time. Market-making agents have a number of motivations, like the prospect of economic gain or social reputation or to affect the distribution of power and profit opportunities. What types of markets and money are these? What are the implications of this actors' organisation process in terms of trust, prices, rules of exchange and distribution of power?

This study seeks to better understand the institutions of markets and money created by the actors that use them. The research is guided by a combination of theories from the "Old" institutional Economics, economic sociology and a Polanyian approach to the economy. In The wheels of commerce, Braudel (1977) distinguishes between "public" and "private" markets. The public market was a gate through which local actors, actions and objects changed hands, away from the non-market self-sufficiency of traditional domestic or village production. In contrast, private markets were specific networks of trade, finance and information, wholesaling and vertical integration up and down lines of supply. These networks operated above, behind and between the public markets and were populated by quite a different type of participant. That is, through meetings and activities restricted to those in the networks. Braudel blamed private networks for crushing the public markets and called these "anti-markets" (1982:136). Slater (2001) further elaborates that public markets are subject to intensive state regulation, in contrast to private markets emerging from attempts to escape these regulations. Bradach and Eccles (1991) present these markets as hybrid forms of coordination that represent class, rather than a focus on prices, and consider these markets as "bearers of class". In this line, Bauman (1998) studied markets created and attended by the new poor.

The restricted access and membership to participants who know each other means that these markets and money include some and exclude others, so only participants invited, falling into a certain group or class, or agreeing to certain rules are allowed to take part. The rules of access are defined by those who built the market in the first place and this study will characterise them as "club markets". The choice of name is based on the definition of clubs as associations that provide goods consumed jointly without rivalry but for which exclusion is possible (Cornes, 1996). Club markets provide an institutional setting where transactions take place, assimilated to integrating a collective good used jointly by buyers and sellers. Excludability is the core difference between club markets and public markets, as it is between public and club goods. The research will conclude with a typology of money and markets as public, private and club.

The Financing of Complementary Currencies: Risks and Chances on the Path toward Sustainable Regional Economies

Rolf F. H. Schroeder

Costs and cost coverage of complementary currencies has been, for a long time, neglected by researchers. This article provides an analysis of the different types of costs incurred and asks for appropriate means of financing such projects. This implies a short discussion of the potential offered by the application of new technologies. It follows a critical appraisal of funding from public as well as private sources. Both tend to dwindle during crises of the established capitalist economy, i. e. at times when they are most needed. Furthermore, this economic dependence implies the risk that structures develop that run contrary to the criteria of a social and solidarity economy. Self-financing appears to be a viable alternative; however, considering overall transaction costs, the burden to be carried by participants is considered to be a significant constraint with regard to this source.

In the following part of this paper the question being raised is whether and how to finance regional systems, systems that have a significant economic impact. An important basis for the following considerations is the observation that complementary currencies operate within boundaries, boundaries defined in a variety of different ways. A scenario presented in this section illustrates the potential of this feature with regard to the construction of new systems. It includes a spatial and a time limit: transactions in regional markets are assumed to be subject to reduced tax rates as long as debits and credits are balanced over a certain period of time. The reasoning in favour of such a model within the framework of the sustainability discourse, its shortcomings and some other aspects are discussed.

The scenario outlined above is certainly not meant to be a blueprint ready for immediate implementation. In contrast to successful complementary currency models that mushroomed after the media took up pictures and stories from the first pilot projects such images will not be available in respect of the type of system envisaged in this paper. This is considered to be an indication of the importance of the cultural sector. In summary, only the interplay between practical, academic and cultural work will produce a paradigm comprehensive enough to overcome the serious conceptual deficits of present-day complementary currencies as outlined in this paper.

Complementary Currency Systems: Social and Economic Effects of Complementary Currencies

Arjo Klamer, Lotte Boonstra, Aldo Do Carmo jr. and Eleftheria Karioti

All over the world Complementary Currencies (CC) emerge in response to economic and social problems. They provide alternatives for established monetary systems. When the currency has mainly an economic purpose it aims at enabling transactions that would not take place without it. When a currency has mainly a social purpose it aims at strengthening communities or networks of people. Complementary currencies are generally viewed as experiments to investigate the possibilities of a new economy.

We have researched the social and economic impact of complementary currencies. We have done so from a cultural economic perspective. The focus in this perspective is on the realization of values. Accordingly, we look not only at the realization of economic values, as economists are used to do, but also at the realization of social and cultural values. We furthermore distinguish different logics in which complementary currencies function. These are the governmental logic (the domain of governance, control and management), the market logic (the domain of exchange, of transactions) and the social logic (the domain of communities, of social relations). Our evaluation includes all these dimensions and therefore does justice to the variegated character of complementary currencies.

We collected our data in an intensive literature review and with anthropological fieldwork for a social currency in the Netherlands, a regional currency in the United Kingdom and several B2B currencies in the United States. We talked with CC practitioners from all over the world to make an accurate analysis of the operation of CCs in the different logics.

We identified four parties working with CCs: (1) grassroots initiatives, (2) commercial enterprises, (3) non-profits and governmental organizations and (4) digital experts.

As to the social impact of CCs we found:

- Social currencies have a social impact in terms of self-esteem and decrease of isolation, however the impact is limited to relatively small groups.
- Social workers and mediators are needed to simulate and sustain transactions.

- Usually transactions are embedded in reciprocal relations; consequently the social aspect is more important than the mere financial aspect.
- Social currencies tend to have many non-participating members. Especially members who join the currency for idealistic reasons do not feel the urge to use the currency.

As to the economic impact we found:
- Currencies that focus on businesses have more economic impact than currencies that focus on individuals.
- Spending is always more difficult than earning credits. Proper spending options increase the value of a currency.
- The possibility to converse CC-units for legal tender decreases the velocity speed, as users tend to converse CC for legal tender. They use CCs as a marketing tool or to reduce transaction costs. Disconnecting CCs from legal tender will increase the velocity speed and economic impact.

As to the governance of the currencies we found:
- Initiating a currency is never enough; human mediation is needed to instigate transactions.
- Ownership is a crucial factor in the success of a currency. Grassroots initiatives have a strong group of volunteers; top down initiatives have more resources but tend to lack the feeling of ownership.

In general we found the impact of CCs limited. If we were to judge their performance on the basis of the actual number of transactions, intensity of circulation, social impact and the like then we have to conclude that their role is marginal.

CCs need strong support in order to have a chance of succeeding. Motivation to support them cannot be based on success of existing CCs but requires a vision of the future that allows for a drastic change in the current monetary system and recognizes the need for many complementary monetary systems. From that perspective CCs can be viewed as necessary experiments that are targeted towards the future needs of communities and networks of people.

Social Currencies in Brazilian Community Development Banks : What Role in Territorial Development ? The case of Banco Palmas

Marie Fare, Carlos de Freitas and Camille Meyer

Brazilian community development banks (CDBs) have established various financial mechanisms aiming to restructure poor and peripheral local economies.

The financial instruments that have been created include an instrument to facilitate access to microfinance and a social currency, combined with the definition of vocational training programmes and support for business start-ups. Put together, these different activities constitute the endogenous and resilient territorial development strategy defined by community development banks.

In this communication, we propose to assess the role played by social currencies in the development strategies defined and promoted by CDBs. We will focus in particular on the potential and limits of creating a social currency and on its capacity to have a spillover effect throughout the territory. We shall do so by specifically studying the case of Banco Palmas, Brazil's leading CDB.

Two hypotheses emerge on the social currency and its territorial impacts: on the one hand, the social currency is a tool for mobilising and networking territorial stakeholders through the symbol it carries (representation of the community, involvement of stakeholders…); on the other hand, its impacts more generally depend on it being included in strategies to restructure the local economy and on its linkages with other territorial development tools, including microfinance, but also capacity building – over time – for communities.

There is very little scientific literature devoted to social currencies in Brazil's community development banks. This case study is especially worth developing further since there are today more than a hundred community banks in Brazil.

This text is based on empirical studies conducted recently (2012) on Banco Palmas, which is located in Fortaleza, comprising qualitative and quantitative data allowing the potential and limits of establishing a social currency and its territorial impacts to be highlighted.

This article is divided into three parts. First, we will look back at the history and creation of Banco Palmas, paying particular attention to its collective dimensions, which were inherent to social movements in Brazil in the 1990s. We will then present the main instruments for economic restructuring developed in Banco Palmas' territorial development strategy. We will analyse their interlinkages with the social currency. We will subsequently highlight how the creation of the Palmas currency fits in with the mobilisation and networking of territorial stakeholders. The issues of empowerment and self-organisation will be raised, as well as the importance of adopting a new collective agreement in the form of a social currency. Finally, we will conclude by developing questions about the legal status of the currency and community banks, and the relationships that the latter have with public authorities.

MANAGEMENT AND EVALUATION

Validating and improving the impact of complementary currency systems: proposition of an impact assessment process and scoreboard for social, environmental, economic and political development goals

Leander Bindewald, Christophe Place

For over 15 years, selected complementary currency, community credit and alternative finance initiatives such as the "Transition Currencies" in United Kingdom, the "NU-spaarpas" in Netherland, the "SOL" in France, and "Regiogeld" in Germany and Austria, received financial support from national and international public institutions like City Councils and the European Union's Cohesion Fund. Favourable public policy in terms of currency acceptance and emission frameworks in combination with progressing professionalization in the design and implementation of CCSs and a growing academic interest is currently accelerating the spread and proliferation of different currency models and applications around the world. Consequently there is an increasing demand for impact evaluations of such initiatives, which is only being addressed disjointedly and with no referential work available. Different approaches to impact assessment are currently being conceptualized within the CCS movement, all aiming to reveal the high potential of CCS initiatives for various developmental objectives (WILLIAMS, 1996). The contribution of this paper is to first review the evolution of categorization, objectives and scale changes of CCS initiatives and secondly to propose a "Theory of Change" framework and Impact Assessment Scoreboard for CCS initiatives as a first, organic and bottom-up and incremental step towards impact evaluation and standardisations for this innovative field.

Looking at the distributed knowledge base of these monetary innovations, one will find a plethora of terminology describing CCS models (SHROEDER, 2011). Common motivations and core objectives of such initiatives revolve around strengthening solidarity and sharing in communities, develop local employment and galvanizing the economy (MONNAIE EN DÉBAT, 2011; CAHIER D'ÉSPÉRANCE RICHESSES ET MONNAIES, 2011; DERUDDER, 2011). Verifying that such tools are efficient and effective in fulfilling those objectives is the research purpose of impact evaluation of CCSs. In 2012, first impact measurement indicators and impact assessment scorecards have been proposed in the context of CCS (COLLOM, 2012; PLACE, 2012). Acknowledging these in lending important orientation towards the development of standards, we here propose that it is necessary to first consider the differences of objectives and targeted outcomes of the different CCS models and initiatives en-route to develop comprehensive evaluation tools. To this end we propose a Theory of Change (ToC) framework and Impact Assessment Scoreboard (IAS) for the incremental development of a coherent set of indicators across different CCS systems building up to a comprehensive yet specific standard of impact evaluation in CCSs.

The objective of the proposed framework is to provide the conceptual guideline and terms of reference to enable currency initiatives to incorporate the ToC and IAS methodology into their project processes at any stage. In the context of an ongoing international and cross-sectorial collaboration project around the consolidation of complementary currency tools (COMMUNITY CURRENCIES IN ACTION, 2012), this evaluation framework and process will be tested, validated and improved through its application to eight conceptually different currency projects across northwestern Europe. Preliminary finding from the unique data set of this work in progress will be included in the conference paper. From this conceptual and action research driven approach we expect to ultimately derive the impact evaluation standards necessary to validate CCSs as viable, trustworthy and efficient tools for sustainable development.

It’s the founder, stupid! The influence of ideological alignment of regional currency initiators on the currencies’ development

Thomas Kiesgen, Jan Stuckatz, Iona Summerson, Lukas Fesenfeld, Daniela Russ

There is a plethora of economic, political and sociological research on diverse topics related to regional and alternative currencies. However, less emphasis has been put on the personal dimension of the topic. The founder of a currency often plays a pivotal role in introducing and developing the concept of a new currency. Their ideology and ideals shape the constituency of the users, the size of the user group, their interconnection with similar projects and the goals that are pursued with the introduction of regional currencies. Is it possible to identify different types of initiators of regional currencies? Further, to which extent do the “worldviews” of regional currency creators shape the development that these projects follow?

We propose a threefold typology of possible goals that are pursued while setting up and designing alternative currency projects. First, inventors of these currencies may be driven by the wish for a different society or paradigm change. This type is often associated with political ideology, be it left or right in political terms, such as Marxism, neogramscianism or rightist regionalism. Second, initiators of regional currencies may follow a logic of functionalism. The core characteristic of this kind of motivation is the idea of promoting the regional economy. Two scenarios can be imagined. Either a regional currency can be drafted as a remedy for serious economic problems in a region or it can be simply employed to enhance an already functioning economy. Finally, one can identify the inventors aiming at sustainability. Initiators driven by sustainability are similar to the first type, although they do not seek to completely alter society but rather envision a change in the behavior of individuals towards society or the environment. According to this type, resources should be managed to ensure they will still be available for future generations and social cohesion should be fostered by the introduction of a currency. Moreover, the aspect of financial sustainability through currency diversification plays a crucial role for inventors aiming at sustainability.

Therefore, we are going to employ a combination of expert interviews with regional currency initiators across Europe and Qualitative Comparative Analysis using fuzzy sets as an innovative social science method. With this typology we aim to shed light on an often neglected aspect of regional currency research. It is not the sheer economic and cost-benefit analysis that can explain the functioning of a regional currency but rather, our hypothesis predicts that the founder and the specific characteristics of the founding group play a crucial role within the workings of such a currency.

Worth the money: the creation, measurement and management of economic value.

Andras Novoszath

In this paper I am looking at how money contributes to the measurement of 'economic value'. Doing this ¨C drawing on literature from the disciplines of science and technology studies, and especially from (post)actor-network theory ¨C I am considering money as a knowledge making method assemblage brought about by the ongoing practices of multiple material-semiotic elements; making particular things visible while concealing others; and enacting particular agencies and (dis)abilites. The knowledge-makers, that is, the users, by each act of pricing and exchange measure goods, services and contributions, and ¨C by the practice of accounting ¨C also participate in the public enumeration of the aggregate economy.

Presumably, however, different kinds of monies bring about differences in the ways goods and services become measured and valued. Accordingly in my research, based on my and other's relevant ethnographic fieldwork, I am looking at how different types of monies and complementary currencies, like the Bristol Pound, do or can create such differences. Here very various types of characteristics can become important, for instance pricing, calculation and enumeration, design and affective experience, and institutional background.

The question of money however is hardly separable from questions of credit and debt and from the role of the financial institutions which produce them. The total sum of issued money in an economy is created by very particular loan-making practices, which amount ¨C consisting, in a given point of time, the 'whole' of the value of the economy ¨C is distributed among the different actors. In relation to this I am looking into how this 'whole' comes about and how it is distributed and managed with special emphasis on the regulating and loan making practices of participating institutions; how money works as a recorder remainder or memorytechnology of these debt-relations, and how the introduction of a complementary currency, and the activity of its issuer (e.g. a credit union) changes this picture.

Academic Panels C
STUDY REPORTS ON CCS CASES
LEARNING FROM PRACTICE

A Practitioners Guide to Cultivating and Developing Government and Institutional Support for a Complementary Currency

Mike Unrau

Since an unanimous Notice of Motion in Calgary City Council in 1999, Calgary Dollars has been promoted and more recently, funded, by the City of Calgary – Family Community Support Services. Acceptance of Calgary Dollars by the City of Calgary has included Calgary Transit tickets (bus and LRT), and recreation centre tickets. Calgary Dollars' government involvement has been recognized in, a nationally-televised French-language profile on the Canadian series Architects of Change, and Councillors Pincott, Farrell, and Cara supporting the Office of the Mayor to expand C$ acceptance within the City of Calgary.

Calgary Dollars is focused on the Spruce Cliff area, a poverty "tipping point" community as identified by the City of Calgary. Calgary Dollars is collaborating with Bow Cliff Seniors, including programs that involve food, flea markets, and micro-enterprise. Markets provide food and a chance for positive social interaction along with economic benefit. This area of Calgary includes the highest concentration of public housing in Calgary, therefore offering our program to seniors, new Calgarians and LICO families and individuals.

2012 Outcomes presented to City of Calgary Council:

Indicator: Calgary Dollars (C$) and federal dollars earned/spent by participants through C$ transactions:

-25% up to C$240/yr (24% in 2011 report)
-12% between C$240-C$600 (10% in 2011 report)
-50% over C$600 (16% in 2011 report)
-50% earned over $240 annually because of C$ (new question)
-50% bartered goods or services without monetary exchange (new question)

Indicator: Participant perceptions of the effect C$ has on their economic capital

FCSS#5

-48% disagree or strongly disagree that they worry about money after using C$ (new)

Indicator: Percentage of participants who report:

a) being better able to live within their means
b) greater satisfaction with the quality of life their income provides

FCSS#14

-38% agree or somewhat agree that after using C$ they are more able to live in their means (25%)
-57% feel they will be better off a year from now (new)

Indicator: Participants who establish relationships with people:

a) from other ethno-cultural backgrounds
b) with economic and/or educational status different than their own

FCSS #5

- 69% said they have a few friends or more of a different ethnic group (73%)
- 55% said they have half or more friends of a different educational level (new)
- 69% said they have half or more friends of a different household income level (new)

Indicator: Percentage of participants have access to resources to help them in a financial crisis

FCSS #5

-90% would have one or more contact for a job due to C$ (65%)
-61% had more than one contact to loan $500 if needed (53%)

Indicator: Participant perceptions of the effect participating in C$ has on their obtaining social and community support

FCSS #5

- 62% agreed or strongly agreed they are more involved in community issues (41%)
–38% said they agree or strongly agree they have established relationships of trust due to C$ (43%)

The Calgary Foundation has matched a Calgary Dollars granting program, Take Action Grants, making up to $20,000 of granting capital (50% federal) available in $2000 grant amounts to individuals and grassroots initiatives. Recent Take Action Grant (TAG) recipients include awarding a grant to the Reclaiming Indigeneity initiative created and managed by youth on the Morley native reserve. The project developed childrens learning, storytelling, and suicide prevention while integrating Calgary Dollars currency as a financial literacy asset. Other TAG recipients include Stichting Rights, the African Womens' Community peer-support for professional women new to Calgary's culture. TAG is grassroots granting at its best, providing financial literacy, social capital, and an injection of financial support for vulnerable Calgarians to help themselves.

Community Development and Social Currency: main effects and results of Banco Palmas

Juliana Braz

This article attempts to approach the development process of solidarity finance public policy in Brazil, starting from the end of the 90's. We will start with a brief historical account of the birth of grassroots movements during the military dictatorship, in 70's and 80's, and its importance in the return of democracy in Brazil. Together with the historical account, we will also enumerate the economic changes and the entering of Brazil within the process of economic globalization, as well as the resurgence of cooperative ideas and initiatives of the solidarity economy. Within in the field of solidarity finance it is necessary to establish a link with the increase of incentive policies to support microcredit. In contrast to other Asian and Latin American countries where such experiences took place during the 70's, in Brazil it only saw visible growth in the 90's both with the creation of microcredit organizations as well as the dissemination of government programs. Thus, this text presents the context by which solidarity economy initiatives grew stronger and its interface with the institutional environment created by the microcredit and financial inclusion agenda. It is important to highlight, that this paper does not aim to analyse municipal or state level public policy, in spite of their relevance in strengthening the solidarity economy and microcredit initiatives. Federal Government actions will be the focus of our analysis with the showcasing of changes encouraged within legislation as well as within the political and institutional environment at the Central Bank of Brazil and at Public Federal Banks. Furthermore, this paper will attempt a more in depth presentation of the community development bank (CDB) experience and the use of social currency. Also, we present the difference between CBD and the traditional microfinance and moreover how this experience has linked itself to different government policies and its challenges in consolidating itself as a solidarity finance public policy.

Time to get *realistic*: unmasking the myths to reveal the reality of time banking practice in England

Ruth Naughton-Doe

Communities, researchers and policy makers worldwide are seeking solutions for the increasing numbers of economically marginalised people. Community currencies, including time banks, have been presented as one solution to this problem. Time banks facilitate the exchange of skills and services in communities through the currency of time. Time banks broadly aim to develop social capital and promote well-being through building co-production relationships in communities. The specific goals and mechanisms are diverse, but many perceive time banking as a solution to common challenges such as providing social care in an era of recession and reversing the breakdown of community.

Time banking has existed for 30 years and is now operating in over 50 countries. However, despite the rhetoric and growing global interest, a systematic review completed as part of PhD research demonstrated a deficit of high quality empirical evidence. This paper will argue that time banking in England has been the victim of over claiming about outcomes leading to subsequent unrealistic expectations. Furthermore, time banking practice is claimed to have homogenous benefits. However, practice is diverse and outcomes vary across regions, models and demographic groups.

Evidence will be presented from four time banks in various settings including a rural and urban community, a GP's Surgery and a Day Centre for the homeless. The case studies were selected to represent the diversity of time banking practice in England. Through collecting data on context, output, outcome and mechanism, the realistic evaluation methodology explored in what circumstances time banks worked best, for whom and why.

The findings revealed some myths about time banking practice in England and the scale of impact. The evidence confirms that in some cases time banking can build well-being and grow social capital. However, contrary to reports from the time banking community, outputs are usually low and individual outcomes mostly modest Furthermore, whilst person to person exchanges do occur, this research suggests there are limits to what time banking can achieve in terms of social support, service provision and community regeneration. This is in part explained by theoretical debates about the co-option of time banking by mainstream policy in the UK.

The paper will argue that a growth in time banking needs to be accompanied by a growth in research evidence. Policy interest without evidence has led to over claiming and confusion as to what time banking can achieve. Myths about the potential of time banks to provide social care services and regenerate communities need to be addressed. Such significant contributions are unlikely to be achieved in the context of reduced public spending, limits to the approaches used in England and the constraints of member participation. If time banking is to realise its potential, it is necessary to acknowledge the diverse practice, develop realistic implementation strategies and aim for realistic outcomes.

The Perception of Community Currencies in Korea - Using Q methodology –

Baeg Eui Hong and Joonmo Kang

As North (2000a) argues that different political and social objectives play a critical role in the success of the community currency movement, the purpose of this paper is to investigate the diverse perception of 'community currency' among administrators of community currency groups in Korea. Also, the paper tries to investigate the different design features of each perception categories.

In order to measure the subjective perceptions of 29 administrators from 22 active community currency groups, Q methodology was used. Then, in-depth interview was conducted in order to investigate the different design features of each group.

The research result shows that there are four different types regarding the perception of community currency among administrators in Korea. First is the 'neighborhood community' type. Administrators in this type agree on the mainstream economic values and views community currency as a tool to revitalize the community and to empower local residents. The second is the 'alternative community' type. Those included in this type are against the capitalistic ideas and views community currency as the means to resist the growing neoliberal ideas. The third type is the 'livelihood community' type. Administrators in this type agree with the capitalistic ideas; however they see community currency as a tool that can help ones daily life and develop one's livelihood capabilities. The last type is the 'ecological community' type. Those in this type believe community currency is the alternative of capitalism and a way to maintain an ecological community.

The design features of each perception types were not found. This might be because the community currency groups in Korea lack the proper foundation as a public policy, thus specific design elements could not be investigated.

CCS AND SUSTAINABLE DEVELOPMENT

Complementary Currencies for Sustainable Development in Kenya

William O. Ruddick and Jem Bendell

State-provided public services have traditionally been lacking in informal settlements, due to several socio-economic factors including questionable legal status of those settlements. The lack of formal economic activity also restricts the ability of local governments to raise revenues for public services, or for for-profit corporations to provide services. Therefore, how the informal economy in informal settlements could play a greater role in achieving sustainable development goals, and how governments and non-governmental agencies can better relate to the informal economy is a key development challenge. Based on research in Kenya, we find that Complementary Currencies are able to enhance sustainable development objectives in line with the Social and Solidarity Economy (SSE).

In the two case studies analysed here, Complementary Currencies enabled and empowered networks of informal micro-enterprises to take an active role in local development programs. Further we find that Complementary Currencies offer an innovative tool for understanding and tracking informal economic transactions, which provides greater visibility for future analysis, support and policy intervention. Thirdly, we find that complementary currencies offer a means for informal micro enterprises to organize into self-supporting networks that encourage business growth and incubation.

The first case study presented is the Eco-Pesa complementary currency program. The use of complementary currency backed by development aid funding, resulted in increased revenues of informal businesses and provided a means of business-driven social services, through which 20 tonnes of waste was collected and other community and environmental service work was completed. The second case study presented is the Bangla-Pesa, a mutual-credit model complementary currency currently being implemented, in which local business are creating a credit clearing system without official currency backing.

Emphasis is placed on the advent of digital currencies. With digital currencies such as M-PESA in Kenya, the ability to understand the informal economy has grown to a huge extent. Leveraging mobile phone infrastructure, open-source software and a cultural acceptance of mobile phone transactions, complementary currencies, have the ability to grow in scale dramatically.

As Complementary Currencies become more widespread in Kenya, and have a hand-hold on vital daily needs of people, special attention must be made to analyse and mitigate their risks and propose policy frameworks and governance models to keep these systems safe to use and free from abuse. Therefore, this paper reports lessons learned in Kenya and suggests paths forward in research, pilot programs and legislation related to using Complementary Currencies as a tool for sustainable development.

Sustainable territorial development and monetary subsidiarity

Marie Fare

This text examines on the one hand potentials and impacts of Complementary Currencies (CC) in terms of sustainable territorial development from the based on the analysis of two case studies of the SOL Alpin (French) and Accorderie (Quebec). On the other hand in a prospective approach, it suggests a monetary arrangement enabling the promotion of sustainable development by underlining the monetary conditions of the transition to a new model of development. To assess the potentials and impacts of CC we built a reading grid combining sustainable development and territorial economy from approaches to strong sustainability in a bioeconomic perspective. This evaluation grid, co-constructed from two empirical studies on the SOL and Accorderie includes three potentials CC that we have identified in relation to the challenges of sustainable territorial development: the territorialization of economic, social and political activities, the revitalization and stimulation of exchanges and modifying practices, values and social representations.

SOL Alpin is essentially a loyalty e-card only to promote the social and solidarity economy and sustainable development. The Accorderie is a Quebec scheme trying to fight against poverty and exclusion from an innovative approach by combining a system of exchange of services based on the time, access to microcredit and buyer's group. The empirical corpus is composed of observations, a literature review, qualitative interviews and the results of the questionnaire. The choice of combining qualitative and quantitative evaluations allows us to obtain a rich empirical corpus without losing information.

According to empirical studies, we find first that the objectives of boosting trade and territorialization activities remain limited by the size of schemes. Secondly, each scheme supports one or more aspects of sustainable territorial development. If CC can be tools at the service of sustainable territorial development, the challenge is to identify the relevant conditions for their implementation, their acceptability and their scale of action. Insofar as these schemes are various as the objectives of sustainable local development, it highlights the need to consider a plural monetary arrangement. One type of currency cannot fulfill these objectives, which is a strong argument in favor of the implementation of the principle of monetary subsidiarity. It features a complementary monetary organization where each level of action relevant circulates a specific currency which socioeconomic and territorial sphere is unique. It is in fine to go beyond the monetary complementarity principle by determining a unique scale of deployment for each type of currency to foster sustainable territorial development.

This article is divided into three parts. We first explain the potentials of CC in relation to issues of sustainable territorial development (territorialization of activities, revitalization and stimulation of trade and modifying practices, values and social representations). Thus, we compare these potentials in the two cases studied from the results of empirical studies on the SOL Alpin and Accorderie highlighting their impacts and limits. Finally, we propose an arrangement able to support sustainable territorial development. This arrangement provides beyond the approach to complementarity, to lay groundwork for a perspective on monetary subsidiarity.

Possibilities and Issues of Community Currency towards the Endogenous Development in Hilly and Mountainous Areas: A Case Study of Forest Volunteer Activities in Japan

Yoshihisa, Miyazaki and Ken-ichi, Kurita

This study evaluates the positive effects of community currency for endogenous development in hilly and mountainous areas. Recently in Japan, these areas have faced various problems, such as the devastation of the natural environment, the exhaustion of the local economy, and the decline of community networks. We do not have a simple, easy way to solve these kinds of problems because the issues faced in these areas are very complicated. Thus, we must come up with new and useful ideas in order to make breakthroughs in improving the current conditions. After the 1980s, the problems of hilly and mountainous areas have been recognized as a policy concern, and the Japanese government has come up with a number of different measures. However, it has been difficult to attain the sustainable development of local communities. It is crucial to create a situation where local residents can recognize their own problems and take the initiative in solving them by working with local businesses, the local government, and nonprofit organizations (NPOs).

In this study, we will clarify various roles of community currency, focusing on the case of forest volunteer activities. It should be noted that forest volunteer activities intended to preserve forests and make connections with intraregional economic agents, such as the local stores, can create various positive effects in the local community. In particular, we put emphasis on the role of community currency as the medium for associating various activities and stimulating intraregional circulation among agents (forest volunteers), goods (local products and thinned wood), and money. In other words, community currency offers possibilities of promoting endogenous development and connecting different agents in the community.

In this survey, we will consider, on the basis of a questionnaire and interview, the relationship between forest volunteer activities and community currency circulation. The object of the main research is the NPO Tosa-no-Mori Kyuentai, which is based in the prefecture of Kochi in Japan. The community currency called Mori-Ken being issued by this NPO is given to participants in a forest volunteer activity as a token of gratitude, and also to companies, banks, and other agents that support this activity. The currency can be used at local shops, and also exchangeable for local products. This community currency is finally refunded after circulating through the local area. The currency is expected to achieve simultaneously both the promotion of volunteer activities and the vitalization of the local economy.

In conclusion, we show that community currency is functioning effectively as a medium that connects forest volunteer activities and the local economy and stimulates intraregional circulation among local agents, goods, and money. This medium can be thought to lead to endogenous development in hilly and mountainous areas. In addition, we will also discuss the future possibilities and present issues of the Tosa-no-Mori system to support small-scale forestry, using the results of the questionnaire and interview survey.

STUDY REPORTS ON CCS CASES

Las monedas complementarias en el norte y en el sur. Aportes diferenciales en la construcción de 'otra economía'

Ricardo Orzi

Marketing strategies for a complementary currency system (CCS) - A mobile payment system project in Russafa and Gran Vía, Valencia (Spain)

Enric Montesa and Yasuyuki Hirota

Marketing, defined as "*the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large*" (American Marketing Association, 2007), has been widely used on implementing any social project, but very few, if any, studies have been conducted so far for CCS. The lack of appropriate marketing strategies has been a hurdle to restrict the growth of thousands of experiences and many of them would have attained a critical mass to have a significant social and economic impact on the local / regional community if they had elaborated sound marketing strategies for their target groups. It is therefore crucial that the CCS community in general should pay more attention to this instrument.

This paper will consist of two parts: on the first part, different aspects of marketing will be examined, such as the "*value*", relationship marketing, "*Blue Ocean*" by Kim and Mauborgne (2005), social marketing, CSR, diversity of stakeholders and analysis of some CCS examples from this perspective. The diversity of stakeholders, among others, is the most complicating factor because each target group has its own economic, social and political interests on joining such a system. For instance, consumers are happy to have their purchasing power increased while business owners tend to be only concerned with having more turnover by accepting this means of exchange without being eager to take part in the holistic community building process to be stimulated by this tool. So providing appropriate messages for different stakeholders is fundamental on attracting more users / members and accelerating CCS' growth. Some other strategies are also needed to change people's mindset and to promote behaviours consistent with CCS' values.

The second part will deal with a new CCS project based on the virtual payment system which is expected to start in spring 2013 as the initiative of the non-profit Russafa Innova for Russafa and Gran Vía neighbourhoods, Valencia, Spain with the aim of increasing social cohesion among people and of boosting the local economy. Both of them, located next to the city centre, are bustling areas with dozens of fashionable restaurants and bars, but Russafa is also home to hundreds of immigrants from different origins, symbolising the emerging multicultural Spain. Two types of currencies will be implemented in parallel (Timebank-like non-convertible one and euro-backed convertible one) to pursue different purposes, with electronic supports to allow people to pay with smart cards, by mobile phones and/or at websites. A marketing strategy, to be developed from the analysis on the first part, will be depicted as well as this CCS scheme in general to show how appropriate methods will be practiced on the basis of the deep understanding on its stakeholders' profile.

Prices in parallel currency: the case of the exchange network of Chania

Irene Sotiropoulou

This paper belongs to an ongoing research process of investigating in-depth the various types of parallel currencies and other non-monetary structures in Greece. The present working paper has as a case study the Exchange Network of Chania, which is a parallel currency scheme established in autumn 2011 in the city of Chania, at the island of Crete, Greece. The name of the parallel currency is Unit/Monada and it has been established at a nominal parity of 1:1 with the euro currency, which is the official currency of Greece. The Exchange Network of Chania holds an open market every other Sunday where people can transact using the parallel currency, provided they are registered members of the scheme. The rule about price-setting is that people are free to set the prices they think are appropriate for each case.

The paper investigates the prices set within the network and tries to examine what prices are attributed to which products and services, how those prices are set and what they reveal about the values of the goods offered. Moreover, the further aim of the paper is to explore the implications of those prices concerning the function of the scheme itself, within the context of the local economy of the Chania area.

The data have been gathered during regular visits to the open markets of the scheme since January 2012. Given that there are no statistical data concerning prices which are collected by the scheme itself, the methods have been: to keep detailed notes about the prices and the products offered at the open market, to discuss the prices with the vendors, and to gather any other price information available to members, through my observation by participation in the scheme as a full member. The price data have been collected in separate sets for each open market attended, which allows to investigate any increase or decrease of prices during 12 months of data collection.

Therefore, the paper attempts to contribute original research findings concerning prices in parallel currency schemes and study several important issues which arise in multiple currency practice.

A la sombra del Arbolito

Miguel Puertas and Marcelo Gryckiewicz

Para el presente trabajo he podido contactar a algunos de los protagonistas y, pese a que existe mucha literatura y artículos circulando en Internet, también existe una orfandad informativa en lo que respecta a los créditos, a los cupones físicos. Gran parte de la historia de estas monedas sociales es reconstruida oralmente por los protagonistas, y a ellos me remito en cada oportunidad como referentes. Generalmente al pie de cada nota se consignan las fuentes consultadas, a algunas de las cuales es posible acceder vía internet, ya sean trabajos académicos o publicaciones periodísticas.

Quienes no están ni estuvieron en el “tema del trueque” -si es que algún conocimiento a su respecto poseen- ven, o creen ver, una sola realidad: que el trueque era uno solo -como quizás debería haber sido- pero la realidad fue muy distinta del primer club nacido en Bernal surgieron diferentes redes (agrupaciones de nodos), ya sea por cismas o fraccionamientos de nodos existentes o por escisiones internas generadas en distintas concepciones de lo que el trueque era o lo que debería haber sido según sus organizadores y miembros.

A lo largo del presente catalogo se tratara individualmente a cada red. No obstante seguir una numeración correlativa, para ello se toma en cuenta una “línea de tiempo” en sentido lógico: es decir conforme fueron surgiendo. Luego se presentarán dentro de cada red los créditos o vales internos propios de cada uno de los nodos. A continuaciónn, se enumerarán los nodos independientes, los nodos que no se pudo determinar a que red o región pertenecían (pero dan un “aire de seriedad”); Luego nodos de los que tomé conocimiento por diferentes fuentes que emitieron sus propios créditos pero no poseo ni imágenes ni como estaban compuestas sus series y, por último, los “clones de la franquicia social”. La agrupación de las distintas provincias esta daba alfabéticamente quedando configurado el catálogo de la siguiente manera: Buenos Aires; Buenos Aires Ciudad Autónoma; Catamarca; Chaco; Chubut; Córdoba; Corrientes; Entre Ríos; Formosa; Jujuy; La Pampa; La Rioja; Mendoza; Misiones; Neuquén; Río Negro; Salta; San Juan; San Luis; Santa Cruz; Santa Fe; Santiago del Estero; Tierra del Fuego, Antártida e Islas del Atlántico Sur; y Tucumán.

COMPARATIVE PERSPECTIVES

Update on Complementary Currency Projects in Central America

Erick Brenes

Based on the previous paragraphs, the author propose the presentation of an empirical paper that; first: gives an update of the indicators from the same two projects after two years of execution in order to evaluate their performance, and second: to re-evaluate the general conclusions about STRO approach to build sustainable local economies presented in the previous paper and third: to draw general conclusions about complementary currencies projects as a tool to develop sustainable local economies.

Co-option, Resilience or Resistance? Lessons for Community Currency Systems from the UK development of Time Banking

Lee Gregory

Community currency systems (CCS) often seek to promote alternative values and practices often in opposition to capitalist systems, yet seemingly fail to change political and economic structures. Drawing on UK research into time banking by the author, the paper illustrates the alternative values offered by time banking and the role these play in community development and local economies. It will be suggested that ideological ambiguity rests at the heart of CCS facilitating co-option into mainstream policy and that this co-option is perpetuated by the focus on resilience within local communities against global, neo-liberal economics. Consequently the alternative values and their potential development in society are therefore abated. To conclude the paper suggests that co-option is often the case for community self-help initiatives largely as a result of government "support" for the schemes and efforts to promote alternative values must be part of wider welfare reforms.

The paper starts by explaining the key aspects of time bank theory which suggest that alternative values exist, drawing a distinction between core and market values and illustrating the distinction between political and technical goals. This is then examined in relation to the alternative values put forward by other CCS to illustrate similarities and differences. The use of time banking in the UK is then explored in relation to different Government ideologies since 1997, considering first how time banking has developed and second how it has been gradually co-opted into neo-liberal thinking. Co-option is then associated with the idea of community resilience. The aim of this discussion is to illustrate how, within a policy context where individuals and communities are often seen as the source of their own social problems, the ideological ambiguity of time banks facilitates its manipulation to fit other ideological priorities. In particular time banks are attached to the self-help view that whilst communities are the cause of social problems they are also the solution. It is here that community resilience becomes a useful concept for policy makers to draw upon when seeking to use CCS in policy programmes: causing the political goals to change. But this process removes the possibility for promoting alternative values which supporters of CCS advocate. In highlighting this process some suggestions will be offered as to how this might be avoided in the future linking the development of CCS with other welfare reforms to promote alternative values and resist co-option.

Comparative analysis of the Hungarian complementary currency systems

Gábor Sárdi, József Varga and Anett Parádi-Dolgos

Since the beginning of the crisis, the increasing attention in complementary currencies can be discovered in Hungary as well. There are already some local currencies operating in the country and a couple more initiatives are in progress. Each of them has its own story and results. They have different association forms, receive different level of local government support and have somewhat differing operating strategies and techniques.

The aim of the study is to compare three major systems as well as to analyze some of the critiques that have arisen against them. Hopefully it may help us draw some conclusions about the perspectives alternative currencies can provide for the Hungarian regions and about the future of such systems in the country.