

A Recipe for Successful Community Currency

by Paul Glover

Printing local money sets the table for a feast provided by your city or town. Here are my suggested ingredients for spicing local trade with local cash.

1. HIRE A NETWORKER.

During the past 15 years, nearly 100 American community currencies have come and gone. Ithaca's HOURS became huge because, during their first eight years, they could rely on a full-time Networker to constantly promote, facilitate and troubleshoot circulation. Lots of talking and listening.

Just as national currencies have armies of brokers helping money move, local currencies need at least one paid Networker. Your volunteer core group-- your Municipal Reserve Board-- may soon realize that they've created a labor-intensive local institution, like a food co-op or credit union. Playing Monopoly is easier than building anti-Monopoly.

Reduce your need to pay the Networker with dollars, by finding someone to donate housing. Then find others to donate harvest, health care, entertainment.

2. DESIGN CREDIBLE MONEY.

Make it look both majestic and cheerful, to reflect your community's best spirit. Feature the most widely respected monuments of nature, buildings, and people. One Ithaca note celebrates children; another displays its bioregional bug. Use as many colors as you can afford, then add an anti-counterfeit device. Ithaca has used local handmade paper made of local weed fiber but recently settled on 50/50 hemp/cotton. Design professionally-- cash is an emblem of community pride.

3. BE EVERYWHERE.

Prepare for everyone in the region to understand and embrace this money, such that it can purchase everything, whether listed in the directory or not. This means broadcasting an email newsletter, publishing a newspaper (at least quarterly), sending press releases, blogging, cartooning, gathering testimonials, writing songs, hosting events and contests, managing a booth at festivals, perhaps a cable or radio show. Do what you enjoy; do what you can.

By 1999, Ithaca HOURS became negotiable with thousands of individuals and over 500 businesses, including a bank, the medical center, the public library, plenty food, clothes, housing, healing, movies, restaurants, bowling. The directory contained more categories than the Yellow Pages. We even created our own local nonprofit health insurance.

Imagine millions of dollars worth circulating, to stimulate new enterprise, as dollars fade.

4. BE EASY TO USE.

Local money should be at least as easy to use as national money, not harder. No punitive "demurrage" stamps-- inflation is demurrage enough. No expiration dates--

inspire spending instead by emphasizing the benefits to each and all of keeping it moving. Hungry people want food, not paper, so hard times can speed circulation.

Get ready to issue interest-free loans. The interest you earn is community interest-- your greater capability to hire and help one another. Start with small loans to reliable businesses and individuals. Make grants to groups.

5. BE HONEST AND OPEN.

All records of currency disbursement are displayed upon request. Limit the quantity issued for administration (office, staff, etc) to 5% of total, to restrain inflation

6. BE PROUDLY POLITICAL.

Local folks from all political backgrounds find common ground using local cash. But local money is a great way to introduce new people to the practicality of green economics and solidarity. I enjoyed arguing with local conservatives, then shaking hands on the power we both gain trading our money. Hey, we're creating jobs without clearcutting, prisons, taxes and war!

You can make it likelier that your money is spent for grassroots eco-development by publishing articles that reinforce these values. By contrast with global markets, our marketplaces are real places where we become friends, lovers, and political allies.

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