

NEW WAYS TO PAY WITHOUT CASH

There are times when money might not matter as much as we think it does.

Suppose there was another way to 'pay' by offering your time and goods?

Margy Cockburn investigates an alternative economy

Let's start at the beginning. In a free market economy the things that are given most value are those that are scarce; the things that have least value are those that are plentiful. Sounds perfectly logical – but if you think it through a little more, being 'scarce' doesn't necessarily equate with 'most useful' or 'most important', and 'scarcity' can be manipulated by those with vested interests to maintain the status quo.

So entry to the legal profession, for example, requires years of study (to produce documents that are incredibly hard to understand) thereby limiting numbers who can practise and enabling solicitors and barristers to demand large sums of money for each hour of effort.

At the other end of the spectrum are the many mothers and unofficial carers in society who are not 'valued' at all and receive no payment whatsoever. Yet without them – the grannies who babysit to allow mothers to work, the mothers who bring up the next generation of lawyers,

the volunteers who are so important to their communities – the market economy would simply collapse.

We even seem to admire people who do no 'productive' work as such, they simply manipulate the money markets to make a profit without, it could be argued,

The vast majority of LETS activities excite no interest at all from the tax man, nor do they affect claiming state benefits

actually achieving anything useful for the world at all.

It isn't hard to see why our current system could be accused of being entirely unsustainable.

Leap of imagination

So, for a moment, take a leap of imagination and dump your 'money mindedness'. Remember, it takes two to tango. Every transaction is co-produced – the doctor needs a patient to treat, the teacher needs a child willing to learn, the

solicitor needs a client. Both sides of the transaction require the other, and it's this idea of co-production that is at the core of a growing number of 'alternative currencies' based on something more tangible than accountants' figures. They are a physical transaction of time, effort or goods between people.

In these schemes, whenever you do some work for another member, you're 'paid' for your time in credits, which you can 'bank' until you want to exchange or spend them

on someone else's goods or services.

The 'Timebanks' concept was started by Edgar Cahn in America, with the first UK project opening in 1998. A similar system, LETS (Local Exchange Trading Schemes), began in the UK back in 1985.

Open to people of all ages, skills and abilities, both schemes use a system of community credits that goes beyond direct barter between individuals and allows people in a community to give and take, access resources they may not otherwise be able to and, in the process, ►



SHARING IN ACTION

● Millie earns Time Credits by helping to staff an information point for the National Trust – an organisation participant. She is spending her credits by learning how to use a laptop.

● Marge earned credits by proof-reading for author Angelica and, when she was recovering from an operation, used her credits to get help collecting prescriptions and cooking her meals.

● Caroline wanted to plant a wood on

the land bordering her straw bale house in Somerset. She called in a team from Avalon Fairshares to get the job done and will earn credits by sharing her knowledge of sustainable buildings.

● In the North Cotswolds, Fairshares group member Tracey Henderson helps Timebroker Joanne Goldie with some of the administrative tasks and is proudly sporting a set of perfectly manicured nails acquired in exchange from another member.

establish a supportive community.

There are now around 80 active Timebanks, with another 38 in development, and over 431,981 hours have been traded. LETSlink UK has some 300 local groups and similar networks are now established in over 1000 localities, from Iceland to Albania.

The point about both these systems is that the amount of currency (the credits) grows as more transactions are carried out

“LETS is a bridge between people across which goods and services flow and friendships are formed. At its best it's like having an extended family always there for you.”

Ken Taylor, Bristol InterLETS.

and, unlike traditional money where one area can be exploited for its riches and the profit removed elsewhere, the benefits all stay within the local economy.

Equally important is the fact that in such a scheme everyone has something to offer, so those who are undervalued in the market economy – an

80-year-old who can help with dog-sitting, or someone with limited mobility who is a whiz at book-keeping – become equally important participants. This can work wonders in boosting the self-esteem of those who otherwise feel dismissed or ignored by the system.

Fair deals

When I met Jon Cousins, project manager of the combined LETS and Timebank

scheme at Avalon Fairshares in Glastonbury, he was late for his interview. His car had broken down and needed to be towed to a garage.

Whereas I might have thought of phoning the AA, Jon simply got in touch with one of the Fairshares participants and a deal was done. For the hour spent towing the car, the rescuer received a time credit of one hour in her account that she will be able to exchange for something she needs at a future date.

It really is that simple. But if you are operating a Timebank, you do need a bit of software to record transactions done and a full-time, funded 'broker' to act as a matchmaker between those offering and those requesting something.

No stigma

Crucial to the Timebanks philosophy is that each hour spent (whether it's by a brain surgeon or a babysitter) is equal in value. There are some who are able to collect more credits and some who will need to use up more credits, but being in debt does not carry the stigma it does in the market economy.

The system needs people to ask for something in order to keep the thing moving. In fact, one of the things to avoid is a group where there are lots of well-intentioned givers but no takers.

"Money is actually a physical representation of energy and energy is only useful when it moves," says Jon. "The problems start when we invest the symbol of this energy – the token we call money – with more importance than the act of giving itself. It then becomes very divisive – if you hold the token you can demand

people's energy. If you have no tokens you have no power to ask for anything. But energy needs to flow, if someone hoards money then they are denying that flow – the Timebank makes sure that the energy stays within the community and maintains the flow."

The way Jon puts it, it's deep stuff. But if you take a look at what happens in practical everyday terms within the variety of schemes around the country, it becomes abundantly clear. Quite simply, it works. The examples in the panel on the far left show some of the many different ways the sharing can operate.

LETS get involved

The LETS system is run by volunteers (who earn credits for their administrative input) and each local group is completely free to decide the currency it trades in (including time) and to set the rates for services.

LETS began in the pre-internet age, and groups use printed cheques and a simple card index, spreadsheet or access database to record transactions and information on Offers & Wants.

However, LETSlink UK is currently working on producing an 'Integrated Community Currency' software program and resource pack that will provide a total, user-friendly and secure system to help groups run a scheme and allow the effort to be put into action rather than into administration.

One question people often ask is, do the credits earned count as taxable income? Well, if you did a good deal of 'LETSing' using your own professional skills and earned credits in sterling, the Inland Revenue just might show some interest. But



the vast majority of LETS activities excite no interest at all from the tax man, nor do they affect claiming state benefits.

In Bristol, LETS member Ken Taylor has gained credits by helping with people's family histories and, the morning I spoke to him, was being visited by a retired cabinet-maker who was going to fit some kitchen shelves for him. Ken has also made use of the interLETS scheme (members from one area can inter-trade with those in other areas, so widening the bank of skills available) getting people in Exeter to do research for him at their local registry office.

The south-west Dorset LETS group managed to field the skills to provide two participants with their entire wedding day – the catering, decorations, even the music,

“The only really sustainable exchange system is one based on people doing things for one another.”

Jon Cousins, Avalon Fairshares

came from within the group. And the happy couple have been busy offering piano tuning and massages ever since to help balance their accounts!

Over to you

If you are interested in exploring a new and thoroughly social way to trade, a way that values everyone and can play a central part in re-establishing a sense of community – without the 'charitable'

overtones – get in touch with LETS UK or Timebanks. Place the emphasis back on people, and put money in its place! ■



Clockwise from top: Avalon Fairshares folk help plant a wood for member Caroline Barry; North Cotswold Fairshares Time Bank members set out their stall... and do a spot of community planting; retired cabinet maker Dennis Shreeve gets some help putting up shelves



David Leadbeater from North Cotswold Fairshares Timebank helped found an allotment co-operative, and kids from Blockley Playschool, a group member, gave a hand with the planting!



WANT TO SET UP YOUR OWN local alternative currency?

For information on LETS go to www.letslinkuk.net or contact admin@letslinkuk.net Tel: 0207 607 7852 (For a full information pack on how to set up a local group, send £12 to LETSLINK UK, 12 Southcote Road, London N19 5BJ)

You can get more information on Timebanks at www.timebanks.co.uk, from info@timebanks.co.uk or by contacting Stella Parkes at City Works, Alfred Street, Gloucester GL1 4DF Tel: 01452 541439