

## [Research Note]

# A Preliminary Examination of Local Currencies :

“Thinking Outside the Box Will Become Common, as the Box Dissolves”

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### Abstract

The paper contains an overview of the local-currency movement, a discussion of four local currencies—Ithaca HOURS, BerkShares, the Capivari, and the Bristol Pound—and observations with respect to the utility of the second-mentioned when juxtaposed with the first.

### Key Words

local currency, Liberty Dollar, multiplier effect, Ithaca HOURS, BerkShares, Capivari, Bristol Pound

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*We find ourselves in the terminal phase of a historical system, an “age of transition.” We must turn to our intellectual, moral, and hence political duties in an age of transition. The first in line is the search for lucidity about where we are. Rosa Luxemburg said already at the beginning of the twentieth century that “the most revolutionary thing one can do is always to proclaim loudly what is happening” (Wallerstein 2003,44).*

To the discerning observer, there is ample evidence of imminent collapse on a number of fronts,

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which by implication would suggest that in some instances we are entering an age of transition. The creatures to emerge from these metamorphoses are difficult to anticipate. Many argue, as does Wallerstein, that the United States is a declining power.<sup>1</sup> There is much evidence to buttress this claim, but what arrangement will eventually emerge at some point during the descent? Will the global power distribution be bipolar (i.e., U.S. and China) or multipolar (e.g., U.S., China, Japan, Germany, Brazil, Russia)? Power politics is only one area in which the harbingers of collapse can be descried. In certain countries there is a growing distrust in heretofore revered institutions. Since the nuclear meltdowns in Fukushima, the Japanese public is far more skeptical vis-à-vis government and corporate assertions. Similarly, distrust of formerly revered institutions can be discerned in data from a recent Gallup Poll that was intended to gauge Americans' "Confidence in Institutions," which, among other things, yielded these percentages regarding levels of trust for the three branches of government.

#### The U.S. Supreme Court

Great deal% : 15

Quite a lot% : 22

Some% : 38

Very little% : 20

None% : 2

#### Congress

Great deal% : 6

Quite a lot% : 7

Some% : 34

Very little% : 47

None% : 5

#### The presidency

Great deal% : 17

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<sup>1</sup> There is much evidence to support this assertion, but the skeptical reader need only consider comments Secretary of State Hillary Clinton made at the Pacific Islands Forum summit in Avarua, Cook Islands in 2012. To reporters, she quipped, "We think it is important for the Pacific Island nations to have good relationships with as many partners as possible and that includes China and the United States." A more revealing statement came in her speech, in which she said, "I think, after all, the Pacific is big enough for all of us" ("Clinton: 'Pacific Is Big Enough for U.S. and China,'" *The Japan Times*, September 2, 2012). This would appear to be a retreat from the full-spectrum-dominance position of the not-too-distant past.

Quite a lot% : 20  
Some% : 27  
Very little% : 32  
None% : 4

Though the banks scored better than Congress in the “Very little” and “None” categories, the figures indicate significant distrust of this sector, as well :

Great deal% : 9  
Quite a lot% : 12  
Some% : 42  
Very little% : 33  
None% : 2 (Gallup 2012)

In many instances the distrust is of big institutions. Small businesses, for example, did not fare badly in the aforementioned survey, where 30% of Americans expressed a “great deal” of confidence in them and 33% expressed “quite a lot.” Indeed, the word “big,” as in “big government,” “big business,” and “big labor” connotes something negative in American English.

This paper constitutes a preliminary examination of a movement that embraces the concept of small, a delineation of which may prove serviceable to those attempting to divine what lies ahead—the local-currency movement. Its authors intend it to be a first step “to proclaim loudly what is happening,” or as Paul Glover, whose quote is embedded in the title of our paper, might put it—an exercise in “para-box” thinking at the dawn of disintegration. The paper will provide a brief overview of the local-currency phenomenon and present essential information with respect to several currencies, noteworthy for their longevity or novelty.

## 1. Local Currency

The terms *local currency*, *community currency*, and *complementary currency* are sometimes used synonymously, but in this paper the authors will use either *local currency* or *complementary currency*, consonant with a recently published typology developed by Jerome Blanc. The primary focus will be on one type of local currency, Hours systems, which place the value of a bill on a time-labor scale. Hours systems, according to Blanc, are “convertible schemes ; local businesses are included ; [and there is an] interest of partnerships with local governments” (Blanc 2011, 9).

They are marked by distance from local governments and are market oriented. National currencies, as might be expected, and for-profit currencies are excluded from consideration. The authors will describe two of the more salient Hours systems below and present brief descriptions of two local currencies that were recently introduced, but first they will attempt to answer some questions that the reader may have concerning the topic.

### Prolepses

Is it legal? Isn't the practice tantamount to counterfeiting? No, not in the United States, providing that the currency is paper, as opposed to coin,<sup>2</sup> that it does not bear a likeness to American paper currency, and that it is not denominated for a sum under one dollar.

In *United States v. Smith*, the Fourth Circuit held that two slips of paper, each the size of a federal reserve note and each bearing a crude, backwards facsimile of one, were not "counterfeit" under a statutory provision which prohibits the uttering of counterfeit obligations or securities....

An item is "counterfeit" [as defined by *Federal Jury Practice and Instructions*] if it bears such likeness or a resemblance to a genuine obligation or security issued under the authority of the United States as is calculated to deceive an honest, sensible and unsuspecting person of ordinary observation and care dealing with a person supposed to be honest and upright (Solomon 1996, 100).

In 1862...Congress outlawed any note, memorandum, token, or other obligation "for a less sum than one dollar intended to circulate as money or to be received or used in lieu of lawful money in the United States..." (Krohn and Snyder 2008, 57).

Its legality is moot, as there cannot be many communities issuing such currencies. Why bother to examine, let alone promote, that which is rare and esoteric? Data compiled by Collom, who found that "82 local paper currency systems...had been attempted in 80 United States cities between 1991 and 2004," would appear to allay such concerns (Krohn and Snyder 2008, 56).

Prevalence does not imply permanence, though. Aren't these alternative paper currencies

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2 Do-it-yourself minting will attract the unwanted attention of the authorities. Interested readers are encouraged to explore the fate of the Liberty Dollar, which bore the visage of Representative Ron Paul. At the time of this writing, Bernard von Not Haus, its creator, awaits sentencing on counterfeiting charges.

ephemeral, here today and gone tomorrow? Indeed, some are. Collom found that of the eighty-two cited above “only 17 remained active in 2004.” Krohn and Snyder subsequently conducted an Internet search and “found only 10 of these 17 local currency systems to be functional.” (It should be noted that new ventures are inherently risky : they most probably will fail.) Two had been added in the interim, bringing the total of functioning systems to twelve : “Humboldt Exchange (Arcata, CA), Trade Market (Nevada City, CA), Northern Colorado Local Currency and Barter Project (Fort Collins, CO), BerkShares (Great Barrington, MA), NCPlenty, Inc. (Chapel Hill, NC), Ithaca HOURS (Ithaca, NY), Corvallis Hours (Corvallis, OR), Cascadia Hours (Portland, OR), Equal Dollars (Philadelphia, PA), Charlottesville Barter Network (Charlottesville, VA), Burlington Currency Project (Burlington, VT), and Madison Hours (Madison, WI) ” (Krohn and Snyder 2008, 56–57).

The United States already has a paper currency. Why does it need one or more alternative currencies? True, the United States does not need them, but proponents of local currencies believe that they possess a number of desirable characteristics. Prominent among these is the multiplier effect that these currencies are thought to possess.

Proponents of local currencies claim that local currencies revitalize local economies by restricting the currencies to circulate locally.... Whereas the national currency drains out of the local economy when it is spent on non-locally owned businesses or on goods that are imported from outside of the community, local currencies are not generally acceptable outside of the community and must circulate within the local economy. ...local currencies are thought to increase the size of the local expenditure multiplier (Krohn and Snyder 2008, 62).

A transaction made in a local currency, however, will not always result in a multiplier effect. Trade substitution—i.e., the use of the local currency instead of the national without a concomitant increase in the amount of money spent on goods and services produced locally—is not a local expenditure multiplier. In fact, Krohn and Snyder concluded that the economic benefits are minimal during good times.

Local currencies have a history of spontaneously arising to the benefit of local populations in circumstances of inadequate banking services, shortages of money, and high unemployment. The benefits are consistent with monetary theory and have been quantified for Argentina [during its financial crisis] in the early 2000s. The experience of the United

States during the 1990s, however, suggests that local paper currencies do not offer large economic benefits during periods of economic and financial stability. Seigniorage [the profit gained from producing money] from local currencies is small, and it is debatable that restrictions on circulation imply that a local currency increases the size of the local expenditure multiplier. ...In relatively good economic times, printed local currencies do not appear to foster local economic development as proponents assert (Krohn and Snyder 2008, 66).

But as the opening lines of this article suggest, these are most definitely not good times. Local paper currencies may possess another attractive characteristic: the ability to create cultural capital in the regions in which they are used. Jacob et al. define this as “the sentiments and dispositions that constitute one’s attachment to particular places” (Jacob et al. 2004, 55).

## 2. Some Prominent Local Currencies

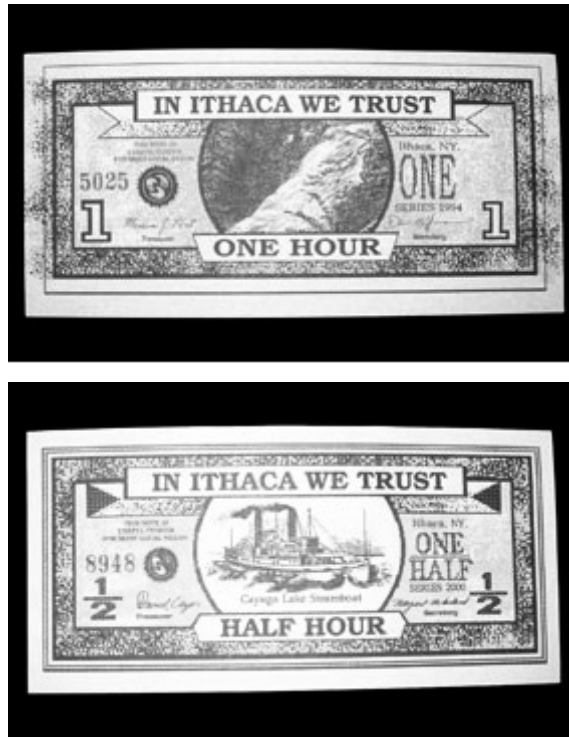
### Ithaca HOURS

The most prominent extant local currency in the United States is Ithaca HOURS. It has received press coverage, been the subject of documentaries, and in the mid-1990s saw an estimated 2,000 residents of Ithaca using them as a medium of exchange (Jacob et al., 2004 : 29). As previously mentioned, Ithaca HOURS is the brainchild of Paul Glover, an activist and 2003 Green Party candidate for mayor, a man with a colorful résumé.

Paul Glover...is ostensibly a member of Ithaca’s “Bohemian” community. His income is consistently below taxable levels and he lists his occasional sources of income as masseur, dishwasher, teacher, farm worker, freelance writer, chess player, factory worker, graphic artist, library worker, yard worker, and lumberyarder [sic] (Jacob et al. 2004, 32).

The venue for the use of this local currency is Ithaca and its environs, a city located in Tompkins County, New York. Jacob et al. put the population of the county at 100,000.

Ithaca HOURS were introduced in 1991 for the purpose of promoting “local economic strength and community self-reliance in ways which will support economic and social justice, ecology, community participation and human aspirations in and around Ithaca, New York” (Krohn and Snyder 2008, 68). At the time of this writing, Ithaca HOURS come in six denominations. Two specimens, downloaded from Ithaca HOURS, Inc.’s website, appear below. With respect to their



design, the reader will note that the currency is sufficiently dissimilar to that of the U.S. dollar, but like the greenback, it is a fiat currency :

At present, no monetary systems are backed by an actual commodity (such as gold), but instead notes are simply declared to be money by an authority (“fiat money”). In the case of U.S. currency that authority is the national government. In the case of Ithaca HOURS that authority is the board of the corporation. As such, Ithaca HOURS are taxable, and it is illegal to counterfeit them (Ithaca HOURS, Inc. 2010).

Krohn and Snyder summarize the Ithaca HOURS basics thus :

Although anyone can exchange Ithaca Hours, individuals and businesses that pay a \$10 fee receive 2 Hours (worth \$20) and a listing in the Ithaca Hours Directory, indicating that they accept some amount of Ithaca Hours for the goods or services provided. The Directory is the system’s “yellow pages” and is distributed throughout Tompkins County and on the system’s web site. Low-cost publicity and a small amount of local currency are incentives for businesses to participate in the system (Krohn and Snyder 2008, 58).

A number of claims have been made with respect to Ithaca HOURS: their use has expanded the local money supply, doubled the minimum wage to \$10, and promoted sales of locally created goods and organic produce through premiums offered to HOURS users. They have facilitated new business startups, helped reduce dependence on imports of transport fuels, made grants to nonprofit community organizations, provided zero-interest loans, and stimulated community pride (see below for more on this) (*passim*).

In September 2009, one of the authors of this paper had the opportunity to stay in Ithaca and observe the actual status of the currency. He would like to share his observations here. “At the height of its popularity in the mid-1990s, close to 2,000 Ithaca area residents were buying and selling goods and services with HOURS” (Jacob et al. 2004). However, almost all of the people the author interviewed did not know anything about Ithaca HOURS, and the few people who had heard of them said that they had never seen them. Even shop owners at Ithaca Commons, which is the central shopping area in the city, did not know about the currency. Only one store had posted a sticker stating, “We Accept Ithaca Hours.” The author talked to as many people as possible, including Stephen Burke (President, Board of Directors, Ithaca HOURS) and Carol B. Chernikoff at the AFCU (Alternatives Federal Credit Union), and was left with the impression that the currency is not so vibrant as it once was or as depicted in TV news reports from the 1990s (available on YouTube) and in some literature on the subject.

Jacob et al., whose case study predates the economic collapse, found the *puissance* of Ithaca HOURS to be situated more in the cultural than in the economic realm.

While HOURS have not yet, nor will they likely in the foreseeable future, become even a second-choice currency for most Ithaca residents, they nevertheless carry a symbolic value far beyond even their economic potential. They represent both a celebration of the virtues of a self-reliant local economy and a resistance to the dehumanizing effects of the global economy. An inquiring survey researcher would be hard pressed to discover Ithaca residents unaware of their local currency [This, of course, is not consistent with what the author observed.] and who did not at least implicitly acknowledge that HOURS stand for the protection and enhancement of the quality of their community life. It is arguably here, in the symbolic realm rather than in the material world of goods and services, that Ithaca HOURS make their lasting contribution (Jacob et al. 2004, 55).

But perhaps Ithaca HOURS' finest hour is yet to come. In an undated but recent article Glover



writes that “while much of America tilts beyond chronic recession into early depression, it is time to begin an orderly national transition from dollars to HOURS. This profound heresy becomes perhaps inevitable, since dollars have become tokens of unrepayable debt. And, bluntly, they’re a tool with which speculators gamble our jobs and homes” (Glover). Should, as some anticipate, the dollar lose its status as the world’s reserve currency, Ithaca HOURS’ pipsqueak puissance may prove far more potent in the economic realm. In an e-mail to one of the authors, Glover writes the following : “When hyperinflation hits, HOURS can become a steady measure of value, to the extent a region generates its own food and fuel.” It may not be very long before the prescience of this statement is validated.

For further information, the reader is directed to the website of Ithaca HOURS, Inc.

### BerkShares

BerkShares is a local currency that circulates in the Berkshire region of Massachusetts to encourage residents to buy local products and services with the aim of increasing patronage of local businesses. This currency was started in September 2006. Over 2 million BerkShares have circulated within the local economy since inception. Approximately 180,000 are currently in circulation (BerkShares Inc.<sup>3</sup> 2012).

According to the *BerkShares Directory* (2008), more than 300 local businesses participated in the arrangement and accepted the local currency at the following rate of exchange : 100 BerkShares = 90 U.S. dollars. The rate was revised to 100 BerkShares = 95 U.S. dollars in February 2009, and this rate has continued up to the present day.

Participating businesses as of June 2012 were 365, which constitutes the latest information available. A variety of businesses accept BerkShares, classified in the directory under such headings as “Agriculture / Farms / Farm Markets / CSAs,” “Arts / Cultural Organizations,” “Education,” “Entertainment,” “Health / Wellness,” “Lodging/Hotels/B&Bs,” to name a few. The directory also contains the names of accountants and attorneys.

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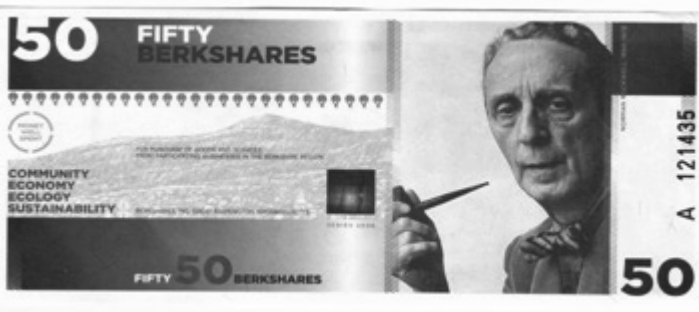
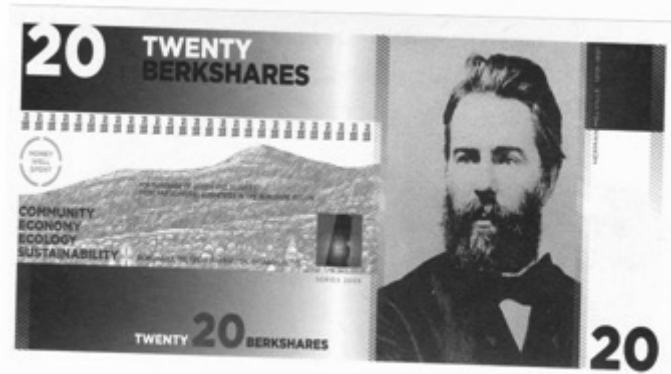
3 BerkShares, Inc. is a non-profit membership organization established to promote economic self-reliance in the region.

4 One hundred and sixty-four businesses in Great Barrington accept them ; Lenox comes next with twenty-four businesses ; Sheffield and Stockbridge follow with twenty-one businesses each. (*BerkShares User's Guide & Directory*, 2009).

Although BerkShares are circulated throughout the Berkshire region, they are most prevalent in Great Barrington<sup>4</sup>. One of the authors had a chance to visit the area. He went to several stores in Great Barrington, such as women's apparel shops, a shoe store, some restaurants and coffee

The denominations are pictured below.





Obverse





Reverse

shops, and a carpet store. All accept BerkShares, and their proprietors/staff claim that the currency is still popular in Great Barrington, although less popular than when it was introduced. The following is an example of how BerkShares purchases work : 10 BerkShares can be bought for \$9.50, which means that the buyer gets a 5% discount. Those 10 BerkShares when sold will bring the seller \$9.50. This system is very simple and straightforward compared with that for Ithaca HOURS. Although one Ithaca HOUR is set at \$10, it is not so easy to make the conversion. (See below for more on this.) With BerkShares, transactions can be made in either direction at any time at participating banks at the fixed exchange rate of 5%. This simplicity is important and

seems to be the key factor for the success of this local currency.

#### Management of BerkShares and the Support of Local Banks

BerkShares are managed by BerkShares, Inc., which is a nonprofit organization. The Board of Directors consists of ten people, including Susan Witt<sup>5</sup>, who is the Administrative Director. Dues are 25 BerkShares (\$23.75), payable annually. The organization also accepts donations.

Five locally owned banks with twelve branches participate in this program. The banks and branches are as follows :

- Berkshire Bank
  - Two (2) Great Barrington Branches
  - Sheffield
  - Stockbridge
  - West Stockbridge
- Pittsfield Co-operative Bank
  - Great Barrington
- Lee Bank
  - Great Barrington
  - Lee
  - Stockbridge
- Lenox National Bank
  - Lenox Main St.
- Salisbury Bank
  - South Egremont
  - Sheffield

#### Why BerkShares?

BerkShares are intended to help strengthen the regional economy by favoring local products and locally owned businesses. It is hoped that their use will reduce dependency on the global economy. People who choose to use them are making a conscious commitment or a sort of

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<sup>5</sup> Susan Witt is Education Director and a member of the Board of Directors of the New Economics Institute. Previously, she was Executive Director of the E. F. Schumacher Society, the predecessor of the New Economics Institute. In 2006 she co-founded the BerkShares local currency program. (New Economics Institute website).

manifestation to buy local first. Even a tourist like the author found himself consciously choosing local products whenever he used BerkShares. By helping locally owned businesses, it is possible to reduce a region's dependence on the global economy, which can have a detrimental effect on the livelihood of people in that region.

A commitment to use BerkShares is expected to foster the following :

- a stronger community through personal transactions and local trade ;
- a stronger local economy through the prioritization of the local exchange of goods and services ;
- a greater awareness of and concern for the local environment through local shopping, consuming, and disposal of waste. (Local production and consumption actually reduce environmental load by decreasing the distance goods need to travel.); and
- self-sufficiency and sustainable economic growth through the promotion of local production and consumption of food and other necessities.

#### BerkShares-U.S. Dollars : How Conversions Are Handled

To understand the issue of BerkShares-U.S. dollar conversion, it is helpful to juxtapose it with that of Ithaca HOURS-U.S. dollar conversion. The exchange between HOURS and U.S. dollars was not embedded in the circulation. HOURS had piled up in active member stores, those places that willingly accepted that local currency, while U.S. dollars left those establishments as change in the hands of their customers.

From 2009 interviews with various merchants in Ithaca and his personal experience there, one of the authors learned the following. Josh, a young employee at Sparrow's Fine Wines in Ithaca, revealed that the circulation of Ithaca HOURS had started to shrink in 1999. At a nearby coffee shop—Gimme Coffee—Josh told me that at first it was exciting to use HOURS, but he did not need massages or therapy services (two popular destinations for HOURS), which dampened his enthusiasm for the currency. At the GreenStar grocery store, which accepts up to 1/4 HRs for each purchase, Josh used HOURS for a cup of coffee and for some other purchases and noticed a pile of HOURS were left in his hands. He said to himself, "Oh I had better use up my HOURS." When things go this way, the number of stores that do not accept HOURS gradually grows, and circulation stagnates and shrinks. If there are not enough places to use a local currency, the currency piles up in one's hands : the more places that accept a local currency, the better the circulation.

Another problem with HOURS is related to change. If, for example, a business accepts HOURS and gives change in coins (i.e., national money), HOURS remain and national currency exits. As mentioned earlier, minting coins is against the law. If this exchange problem between local currencies and national money is not solved, an imbalance always occurs. The above-mentioned GreenStar's policy of accepting 1/4 HRs maximum for each purchase shows the shop's unwillingness to pile up money that is difficult to use.

In Ithaca, quite a few stores lost money by giving change in the national money, and, as a result, a considerable amount of HOURS remained in their hands. When circulation is weak, the local money gets jammed up at certain shops and negatively impacts the well-intentioned shop owners. This happened at Gimmi Coffee in Ithaca.

How do BerkShares solve this problem? BerkShares can be converted at any amount at any time at any participating bank. As might be expected, with BerkShares, unlike for the national currency, there is no coinage for change. The "change issue" is handled in one of four ways, which one of the authors experienced firsthand in the summer of 2012. The following are examples of how four establishments that accept BerkShares deal with the issue.

- 1) The Barrington Co-op Market accepts BerkShares for up to half of the total purchase amount.
- 2) Rubi's coffee shop asks its customers to pay in such a way that they will not require change in U.S. dollars (including coins); that is, customers are expected not to use large denominations for small purchases; e.g., 20 BerkShares to pay for an \$8.00 order. They are expected to pay the larger amount of the total purchase price with BerkShares and to use U.S. dollars for the rest. For example, if the bill is \$8.50, the customer pays 8 BerkShares and the remainder, \$0.50, in the national currency.
- 3) Fuel Coffee Shop asks its customers to pay the proper amount in BerkShares so as to reduce the amount of dollar-change given. The establishment is not concerned about giving change in dollars, but it is not happy about giving large amounts of change in the national currency. For example, if one's bill was \$8.50, proffering a 50 BerkShare note would be unacceptable.
- 4) The Norman Rockwell Museum accepts any amount in BerkShares. The author used a 50 BerkShare bill for the \$16 admission fee and got change in U.S. dollars.

Thus, there are options—flexibility—as to how merchants manage change. Although BerkShares and U.S. dollars are not equal with respect to each transaction, because they do not have a one-to

-one correspondence, the exchange rate is always as simple as the following : 1 BerkShare to \$0.95. Even if one accepts BerkShares under a different change policy, this exchange rate is fixed. As long as BerkShares can be exchanged for U.S. dollars at any bank in the Berkshire region, one need not worry about losing money, being harmed by the transaction. In all cases, BerkShares offer a 5% discount for each purchase. It is that simple. There is a built-in incentive to use BerkShares at the places that accept them, and the more places that accept BerkShares, the greater the multiplier effect, and the better the circulation, the stronger the program.

According to the booklet *BerkShares User's Guide & Directory*, there are many places one can spend BerkShares, and many ways to use BerkShares. One can use them even to pay business expenses. As long as one does not exchange them for U.S. dollars, BerkShares will retain their value within the region. When U.S. dollars are exchanged for BerkShares, the 5% discount one realizes is very attractive, constituting a potent incentive in favor of the local currency. If one does the opposite, that 5% disappears.

The author thinks the relation between BerkShares and the dollar is simple as long as one does not intend to move between the two currencies too often. He also believes that this local currency will stay in healthy circulation.

#### The Capivari

In 2011, a Brazilian complementary currency made its debut—the Capivari. The Capivari is the local currency of Silva Jardim, an agricultural community north of Rio de Janeiro. The currency is noteworthy for having the enthusiastic support of the mayor, who has “plans to open a ‘Capivari Megastore,’ where local artisans and growers can showcase wares” (Prada 2011), its success in “lifting fortunes of local retailers,” (Prada 2011), and for the motif of its obverse—the capybara (*Hydrochoerus hydrochaeris*), a huge semiaquatic rodent that bears an uncanny resemblance to the coypu (*Myocastor coypus*), or nutria, an invasive species that has proven itself to be the scourge of the Louisiana bayou. The obverse, which appears below, was taken from NPR’s *Planet Money* website.





The authors made numerous attempts via e-mail to contact key players involved in the promotion of the Capivari, including the mayor of Silva Jardim, but their efforts were in vain.

#### The Bristol Pound

A recent article appearing in *The Japan Times* heralds the arrival of a new local currency—the Bristol Pound—which is set to make its debut in the United Kingdom on September 19, 2012. The opening paragraph of that article is further evidence for the prevalence of loss of confidence: “As Britain *loses faith* [emphasis added] in its banks and feels shock waves from the euro crisis, one city is trying to keep local wealth in local pockets by launching its own currency” (*The Japan Times*, August 20, 2012). There is a one-to-one equivalency between the Bristol and British pounds. The currency can be used to make payments via text messages. Photographs of the currency appear below, courtesy of Michael Lloyd-Jones of [bristolpound.org](http://bristolpound.org).



Obverse



Reverse

### 3. Conclusion

In this paper the authors have presented an overview of the local currency movement and information vis-à-vis four currencies, two noteworthy for their longevity and two for their novelty. The movement offers fertile ground for future research. One possibility would be for researchers to gauge the level of acceptance and efficacy of the two newcomers—the Capivari and the Bristol Pound. Another area that could prove rewarding is the link, if any, between the longevity of a local currency and the personalities involved in its creation and promotion. What a local currency is pegged to appears to be very important—produce?, gold?, credence?, or the U.S. dollar?—and deserving of exploration. Edgar Cahn, the creator of the time-dollar, does not care, just as long as one offering is counterbalanced by another—service, goods, assistance (Boyle 1999, 328-329). As social money, what the time-dollar creates is not, on a deep level, a market exchange but rather a relationship through caring and gift-giving. Most local currencies seek both : facilitation of market exchange and mutual caring in the local community. They seem on the surface to be strongly related to each other but are, in fact, mutually exclusive in their essential roles. Exchanges are always concerned about equality in value, while caring and giving are not, but caring has to be measured on a monetary scale whenever it is exchanged. Similar issues are raised by Michael J. Sandel in his recent book, *What Money Can't Buy — The Moral Limits of Markets* (passim). This divergence should be examined by future researchers, as well. But perhaps the most utilitarian endeavor would be to explore whether these currencies acquire greater attractiveness at this dawn of disintegration.

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