

1. The delicate construction of social representations: a place for barter networks using social money in Latin America

When we consider the emergence of complementary, local currencies we immediately associate them to some kind of finance and social exclusion provoked by local unemployment. Like micro-credit or participatory budgeting, *social money* belongs to this family of expressions that are relatively new in Sociology, Economics or Political Sciences. In our case, it is around 1999 that we meet with several basic publications in the field of complementary currencies, in particular with a research report on the evaluation and the issues regarding the phenomenon of parallel currencies (Blanc, 1998). Different expressions translated the variety of existing initiatives such as local, complementary, auxiliary, plural, private, of support, circumstantial, factual, necessity based, electronic, “melting”... and even simply “foreign” currencies, coexisting with a national currency unable of satisfying the conditions of the market.

To our knowledge, the expression “social money” had not been used in the literature yet, not even in field initiatives. In Argentina, the one day conference that took place in Buenos Aires May 1999 - gathering self-organized members of “barter networks” from all regions of the country – that aimed at establishing national policies for printing their exchange bonds, named itself as “Non-money Conference”, so important was the reluctance to define as “money” these complementary tools.

As we were not convinced of the positive impact regarding this choice, to show our disagreement, we have been using since some time the expression “social money”. More as a challenge, it was launched in the occasion of a meeting held in April 1999, in Santiago de Chile, organized by the National Government, the Economic Commission for Latin America and Caribbean (UN) and the International Institute Jacques Maritain.

In the context of these multi-actors discussions about financial globalization and its impact on emergent countries, we presented as participant from the University of Buenos Aires a paper titled “The social money of Global Barter Network in Argentina: reshuffling for a new social game?” (Primavera, 1999). In our opinion, this was the first time the expression social money was used both in the field of research and general public: this had consequences regarding the polarization of the debate, inside and outside the different networks.

One year later, we suggested the creation of a social money workshop at an international level, within the Solidarity Socio-economy Workgroup of the Alliance for a responsible, plural and united world². For this purpose, we wrote a launching paper named “*Social Money: well time permanence or a break from normality?*” (https://bases.alliance21.org/alliance/d/f/172/172_ENG.html) (Primavera, 2001); thus starting the afore mentioned, that was managed and facilitated by us, developing multiple activities during the period 2001-2004³, and leading, ultimately, to the full acceptance of this concept.

Although trade mark ownership is not what we are worrying about, what we want to show is much more the importance of renovating conceptual categories, to introduce new reading of social phenomena. Such was our concern when we assessed that social policies need rather imagination

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² See www.alliance21.org

³ See <http://money.socioeco.org>

and courage to accomplish their almost “impossible mission”, than techniques and material resources (Primavera, 2000). In our opinion, each concept carries the view, the interest and the engagement of the observer that produce them, either being a researcher, a politician or an activist. This is how the critical essence of “complementary” currencies seems to address at the lack of liquidity, while “social” money intends to go beyond this function, aiming at sharing wealth as political sovereignty, expressed by the power of creating and distributing money.

It is well recognized that the exchange bonds were not necessarily seen as tools for “political emancipation” by all members of the barter networks, but they rose many debates inside the different collective projects and this was probably due those promoters of the social movement that hoped pushing it towards wealth sharing, rather than reconstructing the traditional market, broken at this time.

From this perspective, we believe in the importance of using local and complementary currencies like “social money”, since the phenomenon is of interest for the whole of Latin America and not only Argentina, where they reached no doubt an unheard of magnitude, during the last decade. As a matter of fact, a social movement of considerable size developed at a Latin American scale since the nineties and continues to move forward, although in a heterogeneous and sustainable way, with the permanent implication of three social actors -the State, the Market and the Civil Society through all kind of organizations: small self-organized neighbor assemblies and associations that replace the State in performing different social policies, unemployed workers that “take” over their broken enterprises, and small family based economic units that make society go along. They all can be understood as being a kind of resistance to national economic policies or as members of the “alter-globalization” strategies. All over Latin America, Solidarity Economy is being developed as the strategy of choice, providing a new breath to all movements resisting to the structural adjustment imposed by the international finance organisms, in particular the World Bank and International Monetary Fund. Thus, creating a scenario of interest struggle between the actors, in which social money appears not as a mere financial tool, but as a carrier of a new vision of development in the southern hemisphere.

2. Social money makes its entry in Solidarity Economy

Economy cannot be understood by itself. Ethics and values embedded in it are necessarily included in economical approaches of social problems. Several authors extensively discussed these issues, among them Christian Seidl (1975), Amartya Sen (1976, 1978, 1987) Jean-Michel Servet (1979, 1996) and Jean-Michel Servet et David Vallat (1998). It is not the purpose of this topic to discuss them, but it is necessary to remember their ongoing presence and strength.

Therefore, in order to better understand the rise of different economical strategies generated by social actors in response to the crises of the last decade, it is critical to consider the general context in which they materialized. As the eighties have seen a slow come back of democracy in Latin America, it was not surprising to find different responses in the cultural, political, social and economical domains.

In Brazil, at the beginning of the eighties, a particular social movement emerges when the crowds gained the street to claim for direct elections. In 1988, a new Constitution was agreed upon, the civil society started to organize itself and after a denunciation of corruption concerning the election campaign of President Fernando Collor de Melo, the National Congress was forced by the presence of several million people rallying on the streets to conduct hearings regarding those irregularities put on record during the campaign. Eight months later, the President renounced voluntarily, in order not to lose his political rights. From this moment onward, a new campaign is born: “Citizenship Action against hunger and misery, for life” inviting common people to take responsibility over those enormous, complex issues, thus reconstructing the State at the same time.

The key statement that attacked the traditional conception of Politics was: *«It is not a strong State that creates democracy; it is rather a well organized civil society that creates a strong, sustainable, democratic State»*, deeply altering the proposed relationship between the State and civil society after almost two decades of military dictatorship.

By that time, innumerable initiatives of popular economy were already starting to seed what later would be known as Solidarity Economy. Hundreds of small organizations were created all over the country in order to fight against hunger, unemployment and assist risk groups in their social inclusion process. Many believed in the possibility of building a democratic State, from civil society. Landless peasants organized the biggest and strongest social movement in the world (MST: Movimento dos

Trabalhadores Rurais Sem Terra), broken corporations are “taken” over by former employees. Since 1988, the city of Porto Alegre, ruled by a left wing political party creates a leader initiative of “participatory budgeting”, that became a leading case for Latin America and the rest of the world: neighbors organized by blocks and quarters started taking decisions concerning public services, defining new social projects and monitoring the performance of public policies.

Barter clubs with social money are launched in Sao Paulo in 1998, associated to existing networks of exchanging knowledge, inspired by the French model of Claire et Marc Héber-Suffren (Joly et Sylvestre, 2004). Later, big cities like Rio de Janeiro, gather at the World Social Forum in Porto Alegre and the idea is spread to Florianopolis, Curitiba, Ponta Grossa, Vitoria da Conquista, Goiania, Fortaleza... all inspired by the Argentinean experience.

If we consider what happened in Argentina concerning the monetary plurality, in 1986, to respond to a serious economical and political crisis resulting from the structural adjustment imposed by International Monetary Fund, the governor of the Northern Province of Salta launches the first regional currency, valid in the entire Province, composed by fifty seven small cities and villages. In the following decade, nineteen provincial bonds were issued and used throughout Argentina, with different results.

In our opinion, these provincial bonds represent a first step towards the acceptance of different parallel currencies that will characterize later one of the richest experiences in simultaneous official and private currencies, running with the national one and the sovereign US dollar.

But only ten years later, in 1995, the first “barter club” is born in the community of Bernal, in the South of Buenos Aires. It started with twenty three people, organized by a heterogeneous ecological group, and developed quite slowly and linked to the Bernal community. The first replication in down town Buenos Aires gives rise to a network project, since some participants were common to both initiatives. One year later, with a strong media support due to their interest in such a strange “social phenomenon”, the main leaders of the different barter clubs, in Buenos Aires and other major cities, decide to put in place an exchange bond for each one, in order to keep their autonomy. This can be considered the birth of the barter network, since all participants were allowed to exchange their products and services in many clubs, using the local bond. As a matter of fact, there was some extended presence of the Bernal bond, since at this moment they were mainly responsible for the diffusion of the idea to other regions. That is why this bond is currently known as “the” bond of a so-called Global Barter Network, pretending to address the issue of anti-globalization social movement.

Only two years later the self-managed political structure is effectively launched, as a national level named “Inter-zone Commission”, that will meet every month during the next four years, providing the opportunity of discussing and defining the whole complex set of rules necessary to allow for growth, with common values and practices for all local clubs, organized in zones and provinces (North, 2004; Cortesi, 2003). Furthermore, this set of rules was necessary to avoid that government could sanction these practices as clandestine work (“black work”). This can also explain why official money was absolutely forbidden inside barter clubs. As a matter of fact, these clubs performed multi-reciprocal exchanges on the basis of exchange bonds, generally denominated “créditos” within the networks. This was part of the conditions to avoid the taxation of this activity and applied strictly countrywide. Many different networks developed throughout the entire country, using local, regional or multiple bonds, following the decision of the members of each club. However, the three main principles ruling the activities characterizing “social money” were:

- Social Money is created by people themselves, to compensate the scarcity of official money in society. This phenomenon is worldwide and results from the transformation of job market that greatly increased unemployment, especially in poor countries;
- Social Money is distributed equally as a small credit to launch exchange activities in a complementary, social market;
- Social Money is managed in a transparent way by all participants using it in the network, through their representatives, who are elected and replaced periodically.

A few years later, researchers, students and journalists came from all over the world to study the “barter club” phenomenon in Argentina. In the beginning of 2002, the Gallup Institute estimated that six million people declared to have participated or intended to in barter networks to exchange their products and services, in some of the ten thousand countrywide existing clubs. They could be any size – small, medium, huge – and run everywhere, like post offices or news stands, school, parish, public buildings, quarter associations, etc. In the provinces, where people already used public bonds, panels could show the following information: “WE ACCEPT PESOS, US \$, PROVINCIAL BOND AND CREDITOS”!

In the meanwhile, relationship between barter networks and local and province authorities developed intensively, mainly as a strategy to emphasize the legitimacy of the activities, from both sides. But it was the network created by the founders of the first barter club in Bernal that could make an agreement at the national government level, through its Small and Medium Enterprise Office in the Ministry of Economy and Production. This agreement allows new practices all over the country and the delicate balance among the different networks broke down. A so-called "social franchise" is launched by the Bernal Group (RGT, Red Global de Trueque) with the purpose of multiplying the creation of clubs that used only one exchange bond: their "arbolito" (small tree, due to the image depicted on the bond). A significant devaluation of this bond followed, reaching a depreciation of 50, 100 and even 1000 times and the "Argentinean miracle" vanished... (Primavera, 2003a)

In the context of this paper, it is crucial to understand that the crisis of barter networks in Argentina took place one year before the institutional, political and economical crisis in December 2001, and was mainly an inflationist crisis caused by the non controlled hyper-emission of complementary currencies all over the country. In other words, at its origin, it was not linked to the national collapse, as it was often misinterpreted by local and foreign researchers and media representatives.

In our view, if we want to understand the complexity of the Argentinean barter phenomenon in order to forecast better strategies for complementary currencies specially in poor countries, we should rather address the process of its rising than its (obvious) fall.

3. A Phoenix bird inspired by collective memory rather than its ashes

Almost anything you could think of could then happen in Argentina: permanent violence and fire in the streets of great cities, hundreds of neighbor assemblies shouting the names of politicians and claiming "GET LOST, ALL OF YOU", small, medium and large enterprises going to bankruptcy, accompanied the 300% devaluation of national currency, which had been artificially kept on a 1:1 parity with US dollar, during over ten years. During those days, it was difficult to see the light at the end of the tunnel... Five presidents in two week witness the reigning chaos.

As soon as the situation stabilized, the new economical policy led to an expectable interdiction of importing the minimum necessary to allow for the functioning of the few industries which survived the previous opening of the markets, specially to products from Asia. This resulted almost immediately in a (paradoxical) dynamic effect on economical reactivation: the activity of small scale industries were required by medium and large enterprises to provide products and services to their recovery.

Concerning money liquidity, we can say that provincial bonds played such a significant rôle in the last economical policy, than its strategy tried to issue a "federal" bond valid countrywide, to compensate the absence of circulating bills. The "Lecop" was issued but a political crisis was already installed and its impact was negligible.

Inside barter networks, after a period of intense chaotic activity, the fall was almost complete. Only very small, isolated units survived, even if media now insisted in declaring "the death of barter (clubs)". By the end of 2002, researchers and journalists estimated that 90% of the initiatives had disappeared. There are, however, some question marks on the nature of the exitus of large barter networks, which cannot be explained by the simple argument of loss of confidence in the complementary currency system. It would have been very simple to re-issue the bonds and to start from scratch.

As far as we know, although intended, this never happened successfully after 2003. Several different approaches were tried out to re-install large barter networks, but all of them failed.

If we consider who might be interested in this resurrection, we can find at least this 50% of the entire population living below the poverty line; those who since three generation have no access to the labor market, and, no doubt, those politicians who never totally understood the political implication of these initiatives. An also maybe to those local and foreign researchers that came to premature conclusions about the extinction of barter networks (Hintze, 2003). Also, for the entire international community dealing with complementary currencies systems today, among which many different initiatives world wide can be found (Kennedy, 1995; Schuldt, 1997; Lietaer, 2001; Viveret, 2002; Kennedy and Lietaer, 2004).

And, last but not least, all those people committed to building a social order capable of distributing the wealth that exists abundantly on our planet and is enough to promote well living to all human beings, in harmony with nature.

Money itself is an extraordinary tool created by man and we strongly believe complementary currencies systems can recover its original meaning of facilitating exchanges, instead of concentrating itself as wealth. As we assessed during World Social Forum, in Porto Alegre (Juruá, 2002), the financial capitalism can be seen as the consolidation of three independent, complementary strategies:

- The *payment of external* debt by impoverished countries, which have no power of deciding on international interest rates;
- The concentration of speculative capital in the form of *pension funds* belonging to rich people (both in rich and impoverished countries);
- The deviation of huge monetary masses to *fiscal havens* which allow corruption and prevent its placement in the production circuit.

It is also true that international financial crises become more and more frequent and new social actors become more and more active. That is why innovative processes are expected to counteract this "vicious triangle". Solidarity economy includes at least one "virtuous triangle" integrated by:

- *Microcredit* initiatives, launched as a strategy of financial inclusion of the most impoverished segments of population;
- Different strategies of State, civil society *associated management* of public policies, as the participatory budgeting in Porto Alegre, and
- *Complementary currencies systems*, specially those that incorporate social money as a tool for empowerment of civil society (Primavera, 2003b) :

When we consider the degree of development of those isolated strategies in Bolivia, Brazil and Argentina, respectively, we may hypothesize about their combination in order to promote synergy in social transformation processes. This idea was born after the observation of different tools and resources, emerging as a response to multiple crises in Latin American countries: small self managed informal cooperatives, "recovered" broken enterprises, fair trade and ethical consumption circuits, solidarity finances initiatives and barter clubs/networks.

This is how our Phoenix bird abandons its ashes and is nourished by collective memory to merge into another mythical being...

4. The COLIBRI Project: replacing unemployment by integrated management of territories

The colibri - or hummingbird - is a sacred bird among the original nations of America. As it usually happens in "primitive" cultures, it is not linked to only one myth but to many instead. The legend from which we took as an inspiration after the December 2001 crisis refers to a break of paradigm that happened in the Amazonian jungle, when the small colibri challenged the great condor: "I am the king of all birds!" The condor laughed in front of the audacious minuscule animal and accepted the challenge to run a race next morning to reach the Viracocha, the god of the Sun, and verify who was the real king. In the early morning, the birds and many other animals came to witness the outstanding event. The condor was first to arrive, displayed its magnificent wings while waiting for the colibri, who finally didn't show up. Nevertheless, the condor decided to take the opportunity to demonstrate his strength and who was the real King: he started his ascension towards the sun and when being very close to the Sun, in order to show his respect, he bowed his head; in this moment, the minuscule colibri emerged from the feathers of the condor's neck, flew much higher towards the sun and went back to the jungle with the great news: "I saw the face of Viracocha ! I am the king of all birds!"

Since then, the colibri is the symbol of subtlety, of fine intelligence capable of winning mere strength and that is why we have chosen it to name the project capable of overcoming the profound, complex Argentinean crisis, as a matter of fact quite similar to other countries potential crisis in the region. Rather than fighting the IMF or unattainable international finance systems, a new combined architecture of subtle strategies such as social money, associated to microcredit and participatory public sector management, is the equivalent of this paradigm shift. This is the deep meaning of social money in Argentinean barter networks, even if ephemeral and not long lasting. But it is well known that

paradigm changes take long periods to happen. If after some centuries, we can still “see” sun rising and setting down...

The main accomplishments of the afore mentioned “virtuous triangle” of Solidarity Economy have been integrated within a particular and multiple combination for each context. Their key strategies may be displayed in four steps: activating local resources (ALR), alternative finance systems (AFS), non monetary exchange systems (NES) and participatory, associated public policies management (PAM).

4.1. ALR :Activating Local Resources

This step aims at establishing a diagnosis of the current situation in a given territory, in order to define its borders, based on its History, traditions and recent events which had a special meaning for the community or the group involved in a relevant process. It means at the same time to identify and acknowledge the wealth of cultural resources as a collective heritage. At this stage different, important allies can be found in existing projects, in the field of education, culture, health, and not only in the field of economic production. Every single resource –material or cultural – should be considered as collective heritage. It is then possible to establish new short or medium term challenges, that may be significant to individuals, groups or the community as a whole.

It follows the process of building a double entry matrix, which takes several week process, with the implication of as many social actors as possible, since the final goal should address a sort of common vision to the community. Different projects are identified and classified as short and medium term, requiring (or not) new external resources. Priority in execution is given to short term projects, not requiring external resources, in order to promote both feasibility and visibility of new possibilities within the community. Those in charge for other projects should look for allies and partners to get them started. Open markets, cultural performances and sport events should include people from both sexes and all ages. New hostels located in common houses, delivery of meals to schools or hospitals by family enterprises are some of the most frequent initiatives.

4.2. AFS: Alternative Financing Systems

When new projects have been defined, all financial support should be taken care of by non traditional financing systems, such as revolving funds and micro-credit given to groups of users. The search for new financing systems by users themselves is part of the required training process and many other strategies have already been found, based in the ability of people involved in the projects, when they feel responsible for results and are committed with a common vision that affects themselves, their families and their communities. .

4.3. NES :Non-monetary Exchange Systems

It is well known that the first serious problem of new enterprises is to find new consumers. When different types of barter or non-monetary exchange systems start running before this problem appears, it is possible to enhance the market before the crisis that usually affects 70% of new businesses during their first year is installed. Organizing producers/consumers circuits in a large scale and within a variety of products and services may be a useful strategy to avoid this common bottleneck. Even in Argentina, where the collapse of barter networks dramatically affected this tendency, this mechanism starts working pretty significantly, mainly among agricultural producers.

4.4. PAM : Participatory Associated Management of public policies

Once new projects start running, empowered communities become more confident to build new relations with those institutions of public sector which are responsible for planning and executing public policies. Although those projects are usually not directly related to *public policies*, since they are viewed as *community initiatives*, the goal of this step is to connect them and promote a new approach of responsibilities, both from State and civil society.

This approach is not always evident, neither to public agents, nor to NGOs or community groups and in our view this is a “missing link” in the generation of sustainability of successful results. That is why these processes are not spontaneous and must be monitored carefully: such are the lessons from

13 years of participatory budgeting in Porto Alegre, now extended to many cities in Latin America and other regions, through the visibility gained during World Social Forum 2001- 2006.

The different processes of PAM, applied to small o medium scale projects, in the field of production, healthcare, education, sports and culture, reinforce both empowerment of social actors and sustainability of social change, critical issues in the construction of a new social order, the building of this “another possible world” many are struggling for.

The Colibri Project⁴ was launched in June 2003 and as far the results are quite encouraging, in many different contexts, although the difficulties are always present. In Argentina, it was introduced in very critical situations, with regard to social and productive projects, but the main issue is the paradigm shift strategy: it aims at installing a new approach of social actors responsibility, as we shall see later.

In the last decade, our observations concerning the difficulties of networking *the lessons* of different social movements (rather than networking social movements themselves), both in the construction of the Alliance for a responsible, plural and united world ⁵ and in all editions of World Social Forum⁶, indicate that it is a crucial issue to deepen the local social identity of regions, before we transferring *best practices* to the whole of human societies.

5. How to move beyond good ideas and plans: the role of tools of intervention

« *The road conducting to Hell is plastered of good intentions...* »

In our experience, it looks like as if it is easier to find potential allies for building *a new social order*, in which equity and sharing replace the current system, than getting an agreement about *how to do it*. The unfortunate split between science and technology, popular wisdom and rational knowledge, profession and hobbies, public and private life, declared and exerted social responsibility deeply impact in all social practices, often preventing the encounter of both.

Although we recognize its importance, it is not the purpose of this topic to discuss theoretical aspects of this social order, but to address the issue of how new *tools of intervention* may facilitate or severely obstruct these processes of paradigm shift.

Our four year experience in the collective animation of the workgroup on Solidarity Economy, within the Alliance 21⁷ clearly revealed the difficulties of being coherent with words and practices. Democracy itself is an empty word if group practices have no democratic *tool* in the management of both internal and external world of the projects. That is why we focused specially in these almost universal difficulties to identify how they are produced and maintained, so that new *tools* would deal very specifically with this matter.

In the last three decades, we have been involved in social change projects in Latin America, particularly in Argentina and Brazil. Since 1996, we have been actively working with barter networks and Solidarity Economy in Latin America and other regions, so that we may recognize the extended character of our observations. As far as this experience is concerned, we could identify three main field of conflicts that impact in any type of collective action aiming at deep social change:

- *struggle for different kinds of power inside groups,*
- *misconception about wealth and the nature of its ownership,*
- *blind, limited responsibility on the territory one belongs to.*

Lessons coming from many different projects led us to concentrate efforts in producing tools that allow to take care of these three issues at the same time, in an effort to “radicalize democracy”, as the original project of Participatory Budgeting in Porto Alegre defined itself. We consider tools more important than projects themselves, because these may be generated by empowered citizens of governors using the proper tools...

⁴ In 2003, the Colibri Project received a grant from the Foundation Charles Léopold Mayer for the Progress of Mankind, in order to make a feasibility study of promoting and networking agents of local, sustainable development in Latin America.

⁵ See <http://www.alliance21.org>

⁶ See <http://www.forumsocialmundial.org.br>

⁷ See <http://www.socioeco.org>

Active listening, the true respect for the other as a legitimate other, the ability of identifying opportunities, are some of the attributes of the wise Colibri, who is confident of his best tools, certainly not pure strength, but imagination and subtlety. All together, they allowed us to identify three key-ideas on the basis of the construction of our tools for radicalizing democracy:

- *Power is a permanent, unavoidable, necessary and creative game.*
- *Planet Earth has sufficient resources to nourish all its inhabitants, in harmony with Nature.*
- *Each of us is at the same time responsible for our little world and the entire world.*

But those three ideas are almost against common sense... To remind them permanently and keep them alive in our practices is a hard everyday challenge and requires a lot of work and conscious dedication. We will briefly introduce you to the, three authors who helped us specially in the construction of our first set of tools: Waldemar De Gregori (1978, 1998), Fernando Flores (1982, 1997) and Marti Olivella (1991, 2001).

Since the seventies, we have been working with an approach called "Social Cybernetics and Proportionism", proposed by De Gregori and based in a triadic theory of power, that provided us efficient instruments to change the interpretation of power in small and big groups and deal with it in a productive way. This approach was disseminated in the Americas through different initiatives, using as a basic tool an Explicit Group Dynamics, in which roles and functions are revolving and promote the ability of self-management.

One of the new approaches we created, based in De Gregori's theory, comes from the inspiring interpretation of Entrepreneurship, Solidarity and Cultivation of Democracy provided by Flores (1997) in his book "Disclosing new worlds". This author considers these three abilities as being the same and suggests a very exciting interpretation of radicalizing democracy.

Last but not least, we must acknowledge a particular contribution done by Marti Olivella (1991, 2001), bright intellectual and high skilled performer from Catalonia, to whom we owe the creation of the *4-color fan*, a simple yet fertile tool that allows to identify and build *consensus* in simple and complex situations within a group... Green calls for high agreement, yellow for some agreement, Red for high disagreement and Black for no light at all.

6. Fruits from the first harvest

Three years after its launching, Project Colibri produced its first fruits and we wish to address some different lessons coming from these processes:

6.1. Mora Mai: where no impossible is possible...

The 30,000 inhabitants city of Junin, in the Northwestern Province of Mendoza, Argentina, had an active barter club during the period 1998 – 2002, named Mora Mai and meaning "beyond all impossible"... After the barter crisis, a lesson was clear: common people participating in the initiative should understand better the process of issuing and running "social money" in order to promote empowerment and sustainability of social change processes. In other words, being mere "prosumers" was not enough. A small private association was created by a few neighbors and three years later, after many difficulties, a new building is being inaugurated to take care of children whose parents are permanently unemployed. New partnerships with local organizations and local government are being developed.

6.2. Obera Pa, the Eighth Wonder of the World...

Villa Fiorito is a very poor quarter, better known in the country and abroad for being Diego Maradona's birth place. In a large territory around this place, drug traffic is one of the main sources of job, since employment has disappeared from the local map. Children and young people express one of the cruelest faces of this contemporary tragedy, common to most of big towns around the world. Since 1983, a group of neighbors created a self-managed local project in order to take care of this empty space in public social policies. A first goal was to build some open air space, in which social life could be developed, but difficulties were too important, and a new project of creating a local group for the Carnival Parade, named "comparsa" and somehow similar to the School of Samba in Brazil. Due

the presence of many immigrants from Paraguay, that speak fluent Guarany instead of Spanish, the name Overa Pa, the Eighth Wonder of the World was chosen, to demonstrate that the ability of dreaming is always present and strong! That is how drug addiction among children and young people is being taken care of by the community itself, gathered around ALUD (Association for Fight against Drugs) a local organization led by an extraordinary woman leader. Scarcity of money was never an obstacle to their performance, since a lot of creativity is applied to transform all class of garbage produced by rich people from down town in wonderful suits imitating the Brazilian champions...

When barter clubs were expanding all over the country, the Economic Literacy Program proposed by RedLASES was delivered to ALUD and the activity remained practically untouched during the Argentinean crisis. A significant inflation produced by the fact that the same people went to different clubs, in which inflation was brought by the processes already explained, could be easily corrected some months ago and the 1:1 parity between official currency and their local currency was achieved.

Currently, different projects are being developed in Education, Health, Economic activity and four leaders of the group are being trained by Project COLIBRI in order to include as members of its Latin-American network people of this previously excluded community (www.redlases.org.ar/alud/).

6.3. Ezeiza for all, a people's assembly that survived

Since June 2001, six months before the great institutional crack took place in Argentina, a group of unemployed men and women decided to take action outside public policies of the local government, accused of corruption and nepotism: many participants were member of existing barter clubs, self-managed micro enterprises were launched and a bottom to top vision of Politics started developing. When the country exploded and thousands of neighbors' assemblies were the national response to the crisis, the city of Ezeiza – a “hotel place” deserving the greatest international airport of the country – was already a model of self-organization to face collective problems without the intervention of public institutions.

Like barter clubs, almost all “popular assemblies” disappeared. “Ezeiza for all” instead, grew a lot and decided to change the future of the community: in the elections that took place in October 2005, three members of the group were candidates to the City Hall representatives and their founder was candidate to be the Mayor! Cooptation of this self-managed organization was tried but did not succeed... Even it is a common practice of traditional politics, they seem to have found another way. Project COLIBRI was present in the period of preparing election plans, a new barter market was launched with an EPT (“Ezeiza para todos”) new currency and a group of leaders is being trained as promoters of local, integrated sustainable development to share their experience countrywide.

6.4. Tapebicuá 2010 :a new declaration of independence?

Argentina declared its independence from Spain in 1810. Even if many consider it was only the official launching of a new kind of domination – the economic domination of UK, through the construction of railways companies, it is still considered by many others as the birth of the nation. Some cities, as Curuzu Cuatia, in the northeast province of Corrientes, are preparing important celebrations in 2010.

The small village of Tapebicua, 5000 inhabitants, instead, is engaged in another celebration: this year, with some luck, there will be no elections at all and plans can be made outside the election-calendar of the province, the country and the village!

That is why the local library organization that takes care of excluded children, asked Project COLIBRI to help a process of organization that could lead to an official “autonomy” from public sector! As it was not possible to give a positive answer to the request, the Project started its actions with the visit of sixteen promoters from other regions of the country, able to help on a participatory process of diagnosis, planning and creating new projects leading to endogenous development.

The visit came with the creation of a local currency – named “CHAMIGO” (which means “dear friend” as pronounced by local language) used in a weekly market, as the same aiming at *living* the main proposals of COLIBRI: small “hotel rooms” were offered by very poor people from the place, which were paid by members of the visiting group with the local currency “chamigo”. The units were the used to buy food, clothes, or some simple services as teaching how to access the Internet... even

if there is no Internet at all in the village and the only telephone is directed connected to the office of the Mayor's office...

Instead of preparing an absurd theatre play - as was the temptation of some participants - the effort was put into achieving higher levels of involvement in the public life of the village, for all members of the community. A new public space for children, with flowers and a nice play ground, was created and two cows belonging to the local leader that runs a public library are being fed with the support of a community bank system, that is backing the project.

We trust the two century occasion will find Tapebicua more hopeful of its future...

6.5. Weaving new networks...

Beyond the projects already mentioned, since its creation in June 2003, Project COLIBRI has been delivering weekly training seminars in Buenos Aires for more than ninety participants, and special intensive courses for promoters of sustainable, local development, including follow-up for students coming from several Latin American countries, especially from Argentina, Brazil, Chile and Uruguay. All these activities included the training in the use of social money as a *tool for citizen empowerment and radicalizing democracy*, rather than an alternative finance instrument.

This was also the main idea guiding several activities developed in the context of World Social Forum 2005 in Porto Alegre and WSF 2006 in Caracas, in which a special currency named TXAI was created and used to promote a new model of social money based on the high visibility of an Eco-bank, whose currency was "backed" by products brought by the participants themselves, or simply bought outside, if they were interested in learning how to operate the initiative in their communities. In these events, we organized markets and workshops, to attend different expectations. Colibri was a permanent participant of these activities, as well as in the Fair of Alternative Cooperatives that takes place every year in Santa Maria (State of Rio Grande do Sul, Brazil) in which the MATE currency has been used in 2005 and 2006, with an increasing acceptance of cooperatives and participants. Last edition, that took place from 7 – 9th July, was attended by 90,000 people, the number of cooperatives accepting MATE currency increased in 400% regarding last year and mobilized an equivalent of 10,000 US\$ as Internal Growth Product.

Another example is the currency name ECOSAMPA, used during the First National Fair of Solidarity Economy promoted by the federal government in April 2006, gathering for the first time small and medium cooperatives from all over Brazil, and in which local "barter clubs" were officially recognized as part of this sector of Economy, that is being supported by national government as can be found at a countrywide Atlas on Solidarity Economy (www.snies.mte.gov.br).

But no doubt, currently, in Brazil and perhaps beyond, one of the most significant leading cases relates to Banco Palmas, in Fortaleza (State of Ceara), a bank without bankers, as a matter of fact a simple NGO initially dedicated to micro-credit. Banco Palmas started to operate in 1998 with micro-credit in official money, created its first social innovation in 1999 ("Palmacard"), then its first social currency in 2000 ("Palmares") and in 2002 a new currency named "Palmas" was launched to implement the first Fomento Project (www.instrodi.org/pt/1081974777578.html), in which we were closely involved as a project coordinator offered by Foundation Strohalm (www.strohalm.org). After less than three years of self-managed evolution, in which a high participation of the community was crucial to achieve agreements with different small and medium enterprises, currently Palmas can be used to pay: local public transport, gas bottles for cooking, gasoline for cars, food, clothes...

In 2005, Banco Palmas won a prize on Social Brazil, SENAES, FBES and the particular evolution of Banco Palmas, whose local currency evolved since 2002, when it was first used as a simple means of exchange among a small group of people to a local currency supported by national government as a valid strategy to promote micro-credit and local currencies in community managed "banks without bankers".

In our view, what is important not to miss is that Banco Palmas is located in a very poor quarter that has behind it almost thirty years of popular organization, permanent struggle and many other successes previous to the launching of its social currency. May be we should include this reflection about the need of enough *social capital* to guarantee this kind of sustained, evolving performance, if we want to make an evaluation of this process addressed to transfer it to other contexts.

Recently, an agreement with Banco Palmas, the Brazilian Office for Solidarity Economy and the Ministry for Popular Economy of Venezuela, was achieved and a Latin American Network of Community Banks has just been created, showing how far those initiatives can be pushed when imagination is allied to courage and social responsibility.

In August 2006, a first workshop was delivered by Project COLIBRI to the community bank managers and consultants in Solidarity Economy, aiming at the diffusion of some tools to deepen direct democracy inside leader groups and the whole community.

As sustained in Project COLIBRI, *good ideas* coming from new concepts are, indeed, crucial to move forward in the domain of social, complementary currencies, but a deeper analysis of recent *results of ongoing projects*, in which undesirable events are probably more important than localized "successes", is certainly welcome to better understand where do we come from, how is it possible to overcome difficulties to change and promote sustainable processes in our planet, which is thoroughly affected by all movements in globalized life.

In many senses, we may agree our world is both unique and infinitely diverse. But this meeting in Weimar, about local currencies as catalysts for endogenous regional development could pierce at a very specific goal: enlightening short and medium term strategies for the construction of a future that respects the unity we share and the wealth of our diversity. As far as we are concerned, this is a task of all of us - *utopian dreamers and doers* gathered around one of the deepest mysteries of our civilization, that placed money in the core of social life.

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