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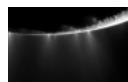
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'Captain America' grows up

In Spain, financial crisis feeds expansion of a parallel, euro-free economy



ANGEL NAVARRETE - Jacinto Garcia buys baked goods with Turutas, the social currency used in the Catalonian fishing town of Vilanova i la Geltru, Spain.

By Ariana Eunjung Cha, Published: August 28, 2012 [E-mail the writer](#)

BARCELONA — Psychologist Angels Corcoles recently taught a seminar about self-empowerment for women, and when she finished the organizers handed her a check with her fee. The amount was in hours, not euros.

But Corcoles didn't mind. Through a citywide credit network that allows people to trade services without money, the 10 hours Corcoles earned could be used to pay for a haircut, yoga classes or even carpentry work.

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In the city of Malaga, on the country's

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southern Mediterranean coast just 80 miles from Africa, residents have set up an online site that allows them to earn money and buy products using a virtual currency. The Catalonian fishing town of Vilanova i la Geltru has launched a similar experiment but with a paper credit card of sorts. It implements a new currency worth slightly more than the euro when it is used at local stores.

In Barcelona, the country's second-largest city after Madrid, the preferred model is time banks, which allow people to trade their services in hours without the involvement of money.

"This is a way for people who are on the fringes of the economy to participate again," said Josefina Altes, coordinator of the Spanish Time Bank Network.

Similar projects are popping up in [Greece](#), Portugal and other euro-zone countries with troubled economies.

These experiments aim to take communities back to a time when goods and services were bartered, before things such as interest

rates, market speculation and derivatives complicated the financial world.

While some local governments have enthusiastically backed these efforts, others have raised questions about their implications for taxes, the effect on local wages and the potential for fraud.

Social money or alternative currency systems have existed throughout history, mostly in places such as remote coal towns or occupied countries during war, or during times of great economic stress, such as the Great Depression.

In recent decades, a number of communities — including Ithaca, N.Y., and South African townships — have launched social-money projects as a way to strengthen civil society, promote the local economy and reduce the impact of globalization.

Many of these efforts took years to set up, and the number of people involved is limited. In [Spain](#), however, the [economic crisis](#) has been an impetus to move faster. There are now more than 325 time banks and alternative currency systems in Spain involving tens of thousands of citizens. Collectively, these projects represent one of the largest experiments in social money in modern times.

Peter North, a senior lecturer at the University of Liverpool who has written two books about the subject, said alternative currencies — or scrips — have tended to appear during times of crisis and often disappear soon afterward. But North says the recent efforts in Spain may last longer because they are connected to the 15M, or "Indignados," movement, originally a youth initiative organized through online social networks that was the inspiration for the Occupy protests around the world.

"Instead of just being a desperate way for people to survive a horrible economic crisis, this is part of the cooperatives, credit unions, community banks, organic farms and recovering factories — the alternate economy — that the Occupy movement is groping towards," North

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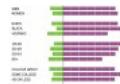
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NASDAQ COMP	closed	4,237.74	-38.72 -0.91%

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Corn May14	496.75 USD/bu.	0.65%
Soybeans May14	1,481.25 USD/bu.	0.41%

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30Yr Fixed Mortgage	4.55%	4.42%	

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said.

'Turutas aqui si'

While each social-money project has its own accounting rules, the basic concept is the same. You earn credits by providing services or selling goods, and you can redeem the credits with people or businesses in the network.

In Vilanova i la Geltru's central square, a growing number of stores — including a Catalonian bread shop, a deli and an electronics vendor — now post blue "Turutas aqui si" (Turutas accepted here) signs in their windows, along with the ones that let people know that MasterCard and Visa are welcome.

Started as a way of breaking with the global financial system, the alternative currency — named after a traditional wind instrument — has been embraced by only about 190 of the town's 67,000 residents. But organizers say more are signing up as [the crisis deepens](#).

Ton Dalmau, 57, one of the founders of the initiative, said the goal is to keep the money in circulation so the bank where people keep their Turutas does not offer any interest.

"We are returning money to its origins and making it purely a system of exchange," he said.

Jordi Morera, 25, whose family owns the bread shop, said that accepting Turturas hurts his bottom line because his raw materials can be paid for only in euros. But he said the sacrifice is worth it because he believes in the goals of the initiative.

"Money limits our lives more than we realize," Morera said.

In Malaga, David Chapman, 65, said social money encourages innovation because you have to start thinking about different services or products you can offer to be able to participate in the market.

Chapman, a carpenter originally from Britain who has made Spain his home for 25 years, said he recently sold six sun ovens he had made, for a total of 300 comuns, the community's virtual currency. He was planning on cashing some of them in to pay someone to paint his house.

Launched three years ago by Chapman and some friends, the project has seen dramatic growth. From March to August, the number of people using the virtual currency has jumped from about 250 to 470, with most of the newcomers in their 20s and 30s.

Equal time

The scale of the Barcelona projects is significantly larger, with more than 100 time banks that range in size from a few dozen members to 3,000.

Many of the time banks operate like real banks — with individual accounts, ledgers, checkbooks and, in many cases, even auditors. Some conduct transactions with physical checks and are overseen by a secretary who keeps track of deposits.

Others exist solely on the Internet.

Sergi Alonso, a 30-year-old computer technician who has been unable to find a full-time job, said he has helped numerous neighbors develop Web pages and troubleshoot hardware problems through a time bank. In return, he was able to get private sewing instruction and

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Time banks help remind people that “regardless of your skills, you can always bring things to others,” Alonso said.

Melissa Privitera, a 41-year-old restaurant owner, is working with other parents in her 4-year-old son’s school to set up their own time bank. As the crisis spreads, even those in her upper-middle-class neighborhood are losing jobs. People can no longer afford to send their children to camp or to extracurricular classes or pay for extra babysitting for those nights they want to go out.

“Even here there is a lot of anguish,” Privitera said.

The one thing that unifies many of the banks is their philosophy that everyone’s time is equal—even if you’re a doctor, like Corcoles.

Corcoles is in private practice and has seen a decrease in her salary because fewer people can afford her services. She said she planned to use about 30 of the 50 hours she had accumulated to pay a woman who is unemployed to dog-sit while she is on vacation.

“We have to bend our minds to understand time banks because they change the relationships between people,” said Corcoles, 50.

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HarpoMarxi wrote:

8/28/2012 5:52 AM GMT+0200

If Mitt Romney had to live under this system I doubt he would survive, because as far as I can see, he has nothing of value to barter.

His extreme wealth came from financial manipulation. Worthless in a barter society.



BobLoblaws responds:

8/28/2012 6:01 AM GMT+0200

In France they eat horses don't they?



Mirkosan responds:

8/28/2012 8:23 AM GMT+0200

True enough. This is an interesting topic, worthy of greater attention. What's money really all about, anyway?

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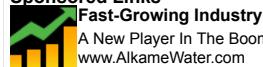


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