

Millennium Money: Sustainable Abundance

Hildur Jackson on Bernard Lietaer

As one of our New Year's greetings, we would like to introduce to you the revolutionary ideas presented by Bernard Lietaer, former Director of the Belgian Central Bank and father of the "Euro", professor of economics and co-creator of the Gaia Trust strategy. He writes about the possibility of creating a new economic system, based on something as contradictory as 'Sustainable Abundance'. Lietaer has recently issued two books exploring money and a new currency system, **The Mystery of Money** and **The Future of Money**. Though not created for ecovillages in particular, these books may become some of the strongest aids for making ecovillages possible as self-sufficient economic entities.

I would like to note that these books first appeared in German thanks to the efforts and enthusiasm of Margrit Kennedy of Lebensgarten, but are soon due in English. Last August, 1999, Bernard led an inspiring seminar for 50 people in Lebensgarten, developing his innovative ideas and elucidating ways to implement these ideas that can change the money system towards our values and social structure.

The following is a summary of a wide, kaleidoscopic cultural exposé where you totally forget that you are reading about something as difficult and boring as money systems. Enjoy.

The Mystery of Money

The Mystery of Money is an attempt to demystify money by going back to the roots of how it was created by man, and how we are the only ones who can change it to fit our values and support the creation of a loving, sustainable lifestyle.

Bernard Lietaer defines money as a conscious agreement within a community to use a medium of exchange. Money can be shells, stones (like in Ladakh), pieces of metal, coins or paper with stamps. Money seems to get the status of a taboo (like sex and death) and needs to be demystified in order for us to take action and reclaim our inherent right to change it so that it supports the kind of society we want. He searches for the emotionally tabooed origin of money in the collective unconscious and in the suppression

of the Great Mother archetype, tracing this down through history ("her-story"). The suppression of the feminine is linked to the kind of economic system that is prevalent. Two kinds of money are defined:

"The World has enough for everyone's need but not for everyone's greed."

Mahatma Gandhi

Yang currencies whose issuance is based on hierarchy. They lead to centralization, accumulation by the few, investing in short term goods. It is scarce and creates competition. All conventional national currencies are yang currencies because they exhibit all of these features.

Yin currencies are egalitarian and discourage accumulation, while encouraging cooperation among its users. They lead to decentralization (support of the local), are always available in sufficiency, and create investment in long term goods. Yin economies have existed forever typically in the form of a gift economy. Gift exchange is one of the builders of community.

Bernard claims that a balance between Yin and Yang economies is indispensable for a sustainable society to function. For this reason he calls Yin currencies "complementary currencies"-complementary to the existing Yang economy. He argues convincingly that we have had periods where the mother archetype was not repressed and yin currencies were prevalent, creating sustainable wealth generally. He builds a strong case in his rendering of the story of the Middle Ages, when all the churches and cathedrals of Europe were built. He sees the widespread cult of the Black Madonna as a striking example of how the feminine was then cherished as our relationship to the Earth.

In the present era, the upsurge of LETS (Local Exchange Trade Systems) systems are seen by Bernard as an expression of the feminine archetype

coming to consciousness.

Another sign is the growth of the 'Cultural Creatives' as shown in a study by Paul Ray. Although it is a global phenomenon, there is only data from the US on this very new driving force. Geographically, the Cultural Creatives live all over the US. They are middle to upper class, have a median age of 42 and count more college graduates than other subcultures. There are 50% more women than men in this group. At the personal level their main concern is self-actualization. The study estimated this group to be 26.6% of the population, but they are hardly recognized as yet as they do not have a newspaper, political party or organisation to make them visible and channel their ideas.

At the collective level one of their main concerns is the deterioration of the community and the environment (92 % want to rebuild community, 87% believe in ecological sustainability). They are more altruistic than other groups and are willing to make perso-



Ross Jackson, Margrit and Declan Kennedy, Bernard Lietaer. Photo: Hildur

nal sacrifices. They do not believe in success as the main criterion (70%) but give higher priority to creative time. What is surprising is that they have appeared in less than a generation. Bernard observes: "The Cultural Creatives are the movers and shakers to get the yin type complementary currencies operational."

The Future of Money

In the second book Bernard Lietaer promises the reader an understanding of the inner workings of the world of money in layman's language. Central in his thinking are 5 different possible scenarios of where the global community is heading.

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Hildur Jackson

The five scenarios are:

1. More of the same
2. Corporate Millennium
3. Careful communities
4. Hell on Earth
5. Sustainable Abundance.

He claims that 'More of the same' is not possible. He builds this conclusion on what he considers to be the 4 "mega-trends" of the global community, which will inevitably lead to major changes:

1) The population is getting older. How will society raise enough taxes to provide the elderly with the required money to match their longevity?

2) Climate change will need an economy capable of resolving the conflict between long term sustainability and short term financial interests. The existing system cannot handle this.

3) The information revolution: how can we provide a living to additional billions of people when our technologies make jobless growth a clear possibility?

4) Monetary instability. Repeated monetary crashes are not random accidents but signs of systemic dislocations of the official monetary system: how can we prepare for the possibility of monetary crises?

With the first scenario out of the way we may make conscious choices between the other four.

In the 'Corporate millennium' scenario the multinationals take over power and continue economic globalization. Several examples show that this is happening right now and will persist unless conscious and broad efforts are made soon. Otherwise we will all become prisoners of major stockholder interests.

The 'Careful Communities' scenario builds on a big crash /natural catastrophe theory and is shaped by Bernard's knowledge of what happened in the centuries in Western Europe after the breakdown of the Roman empire: monastery life. It is a warning of what might happen if the global economy breaks down. Life will be quite harsh.

'Hell on Earth' is obviously not the scenario he is hoping for. It is a breakdown situation without viable communities to take over. In a touching chapter he describes how this scenario is already happening for many people even in San Francisco where he lives. He might also have chosen to go to Mumbai or Mexico City where break-

down has happened for 75% of the populations of 16 and 20 million respectively. This structural shift offers an unprecedented opportunity to give birth to Sustainable Abundance, which is what he advocates very convincingly. He maintains that it is now possible to make capitalism truly sustainable through changes in the money system. What is needed is to develop the complementary money systems. Since 1984 when Michael Linton created the first LETS system, 2000 systems have been born. They are often quite different. Bernard illustrates how different systems have been created in different parts of the world to solve problems originating from each of the 4 mega-trends. This is a useful handbook for people wanting to create local currencies. Remember: they are abundant; there is no limitation to the wealth you can create; they support local communities- and ecovillages; they can create endless jobs and it tends to encourage long term investments.

The example of Curitiba (as one out of many), where a complementary currency helped bring a Brazilian city to develop rapidly along green lines is inspiring. The positive role of the Internet is likewise explored in clear, lucid terms.

Parallel with complementary currencies, Bernard Lietaer advocates the cre-

ation of a global reference currency which is not tied to any nation state and whose main purpose is to provide a stable and reliable currency for international contracts and trade. He calls it 'Terra' (Earth in Latin) as it should be anchored in the physical world. The Terra is defined as a standard basket of commodities and services and their relative weight should reflect their importance in global trade (e.g. oil, wheat, copper, gold). This currency could be made inflation proof and could be easily translated into national currencies. It would further sustainability and stabilize international trade.

Bernard concludes: "A post-industrial mutation is upon us in any case, and I believe that the best way we will deal with it is by consciously uncentralizing and empowering human creativity on all levels. The three waves to Sustainable Abundance would enable this to happen. The three waves are: the values shift, information technology, and complementary currencies."

I think that these two books may well become instrumental in transforming global community. I hope in future editions to see ecovillages integrated into his thinking, for the movement fits as the hand into the glove offered by him.

"The Chinese have never failed to recognize the paradoxes and polarity inherent in what is alive. The opposites always balance one another- a sign of high culture. One-sidedness, though it lends momentum, is a mark of barbarism"

Carl Gustav Jung

