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Université Paris 1 Pantheon-Sorbonne

Seminaire Capitalisme Cognitif

Vers une monnaie du Commun?

*L'expérience des digital social
currency et des monnaies locales*

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FROM BIT COIN TO THE FUTURE OF MONEY



BITCOIN MINER

THE PRINCIPLE OF CLEARING

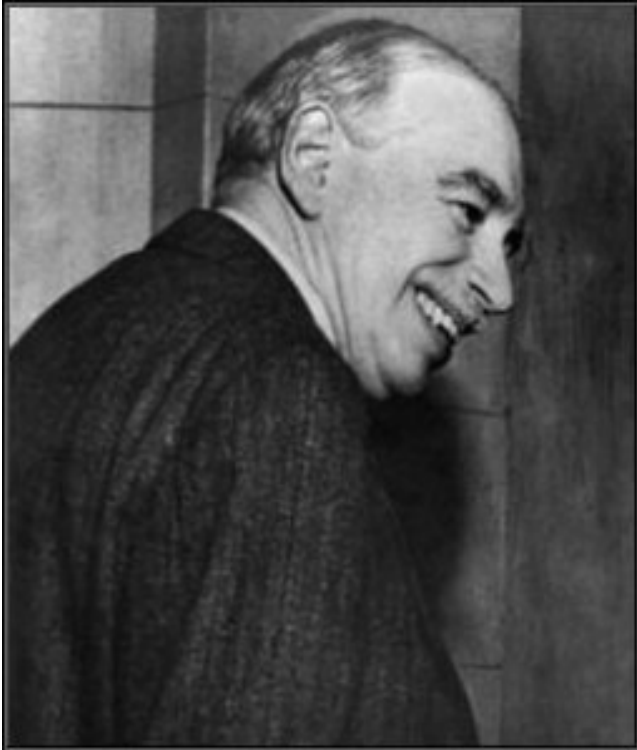
NOT AN EDICT OF A KING



TOOLS FOR BUILDING NEW INSTITUTIONAL
MODELS

USING CURRENCY AS A “*MONNAIE DU
COMMUN*”

Inspiration: The International Clearing Union



- An international banking providing overdraft facilities
- For the settlement of the balance of trade
- With an international unit (bancor)
- Irreversible convertibility of gold in bancor
- Equilibrium defined in terms of zero balances
- Burden of disequilibrium symmetrically distributed between debtors and creditors



The WIR Bank, when issuing Credit, creates CHW out of nothing (as any Central Bank does) and then loans those CHW at zero or very low interest, and CHF at market rates, so that a business has advantage to take a mixed CHF/CHW loan instead of a standard CHF loan. Those CHWs can then be spent at parity in all accepting businesses, while having to pay back the loan in CHW will force the borrower to accept CHW in exchange for their goods and services, thus expanding the network itself.



WIR was founded in 1934 by businessmen Werner Zimmermann and Paul Enz as a result of currency shortages and global financial instability

Although WIR started with only 16 members, today it has grown to include 62,000. Total assets are approximately 3.0 billion CHF, annual sales in the range of 6.5 billion

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sardex.net

Circuito di Credito Commerciale

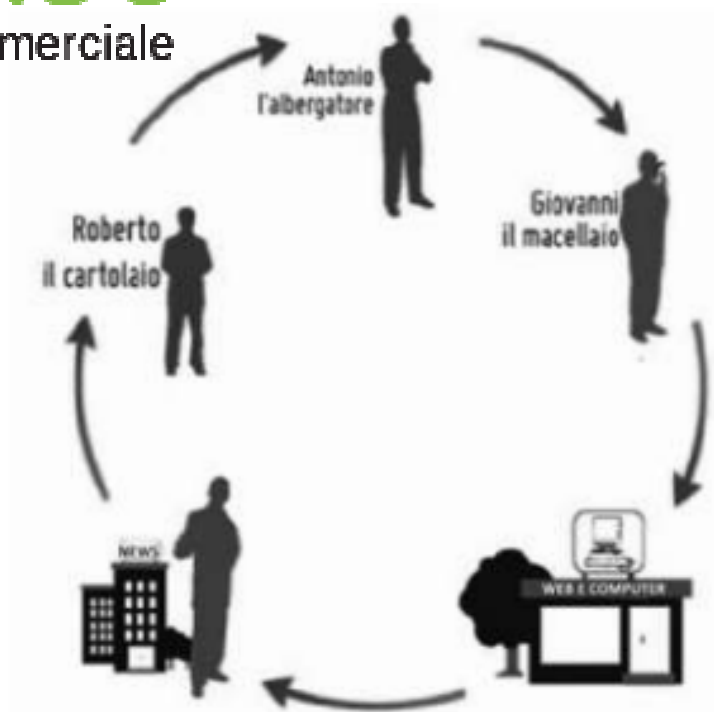
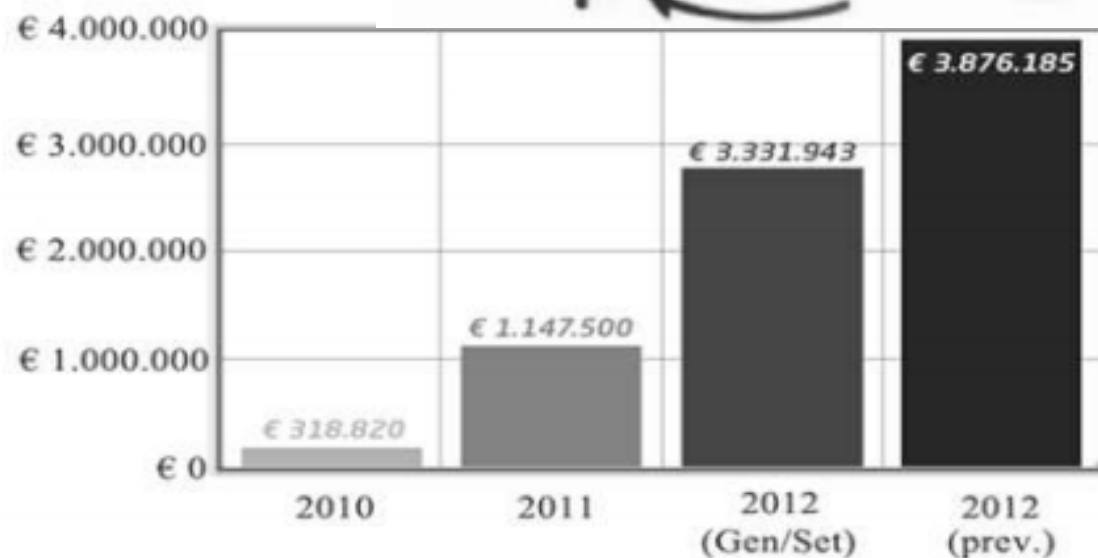


Grafico 9. Transazioni 2010/2012



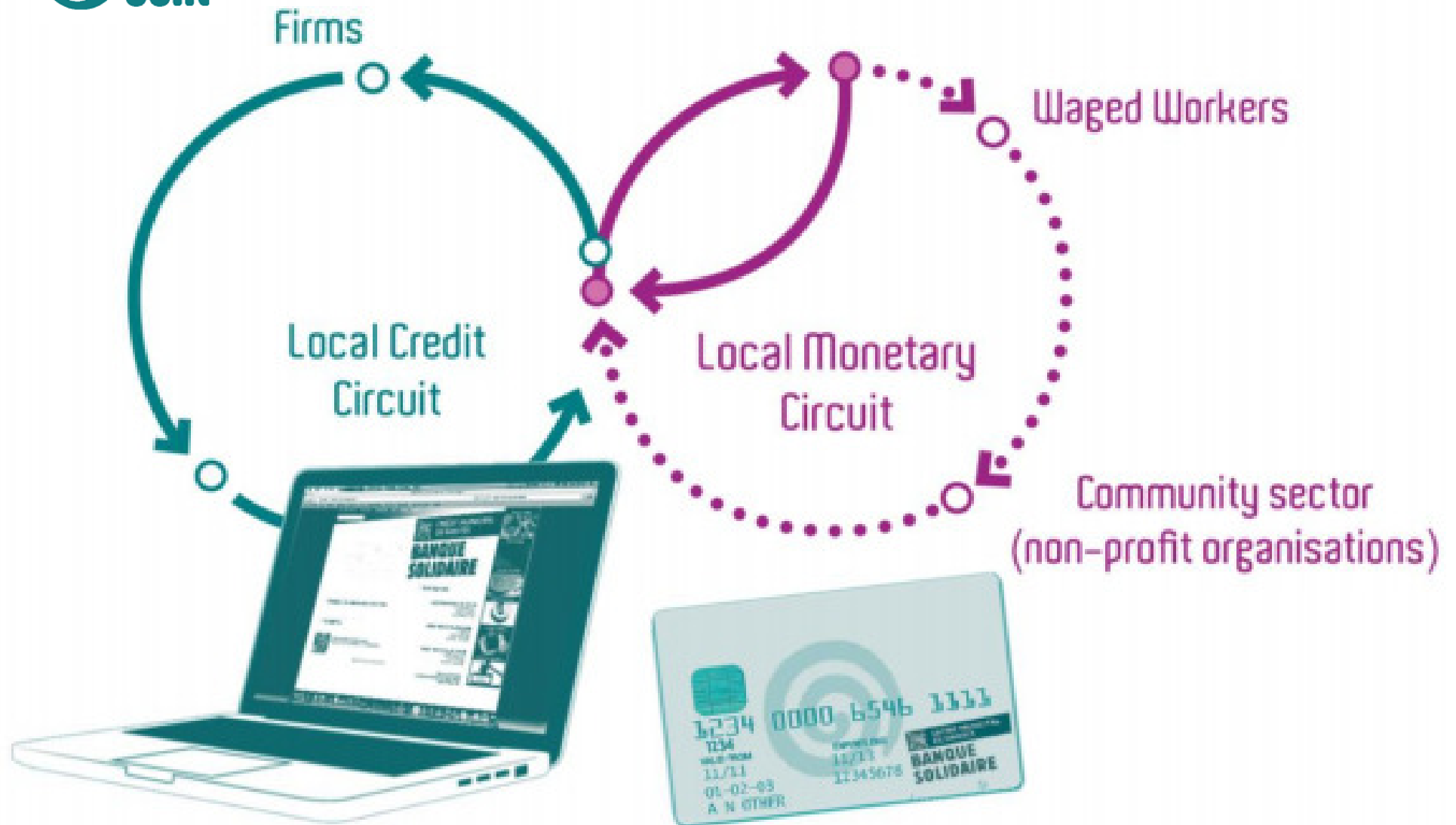


Figure 4.
Libra Complementary Circuit

WHY?

You live or work in the area of Nantes

You love Nantes



And you want it to prosper

even in these times of crisis!



DISCOVER OUR FUTURE MONEY

A cooperative currency that is reliant on a dynamic network of participants,

a solidary currency, open to all, restoring meaning to the economy!



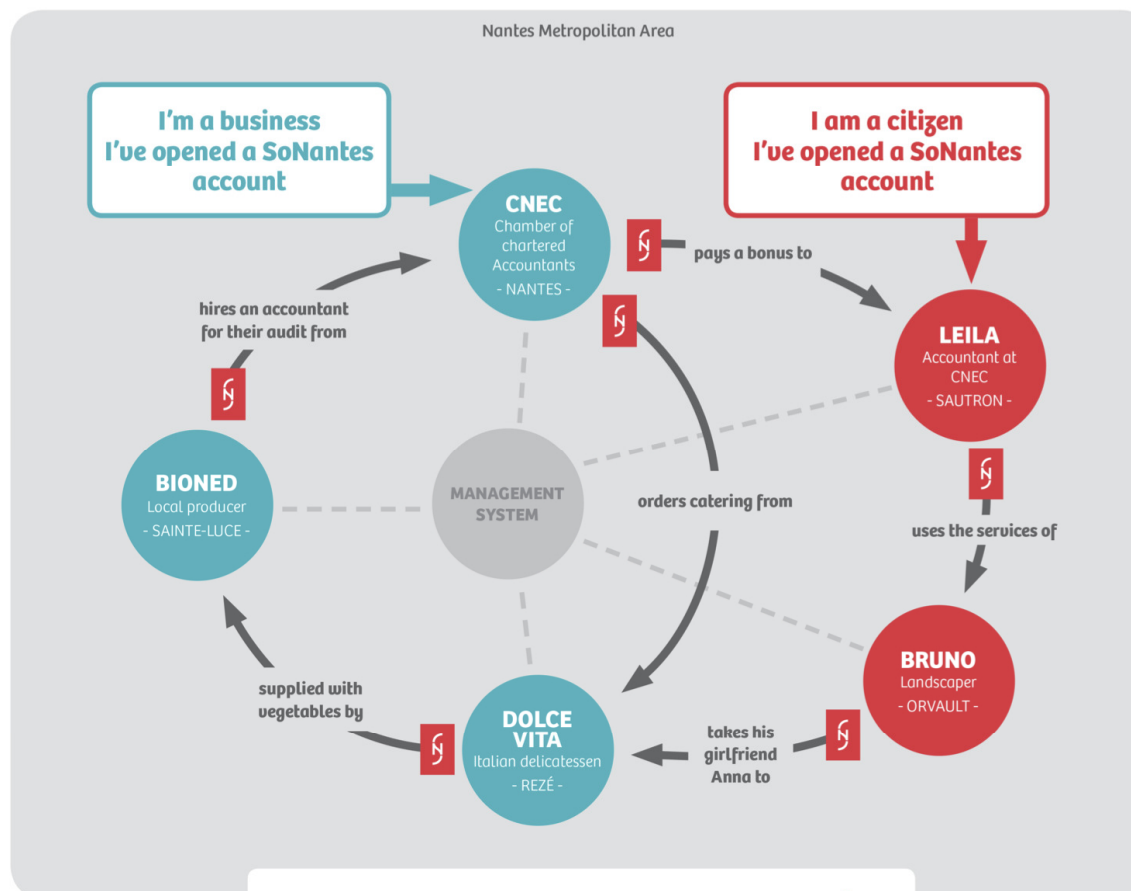
WHAT IS IT?

A local currency, supplementary to the Euro, for the businesses and citizens of the Nantes region

ITS VALUE?

1 = 1€

SoNantes - HOW DOES IT WORK?



THE LOOP GOES FULL CIRCLE!

No coins, no notes, the SoNantes is ENTIRELY digital!



BUT WHAT'S THE POINT?

It boosts the local economy!



In choosing to pay with SoNantes, I am supporting and stimulating economic activity in the Nantes region: short supply chains are valued and trade increases in the area. Companies that save cash liquidity through the SoNantes, galvanise their business and in turn, create services and jobs.

SO THAT "ECONOMY" AND "BETTER LIVING TOGETHER" ALIGN!

IS IT SECURE?

Perfectly!

The administrative, technical and financial systems are **guaranteed by a dedicated subsidiary of the public social finance institution Credit Municipal de Nantes**. Providing impartial management, serving the businesses as well as the citizens in the Nantes Metropolitan area.



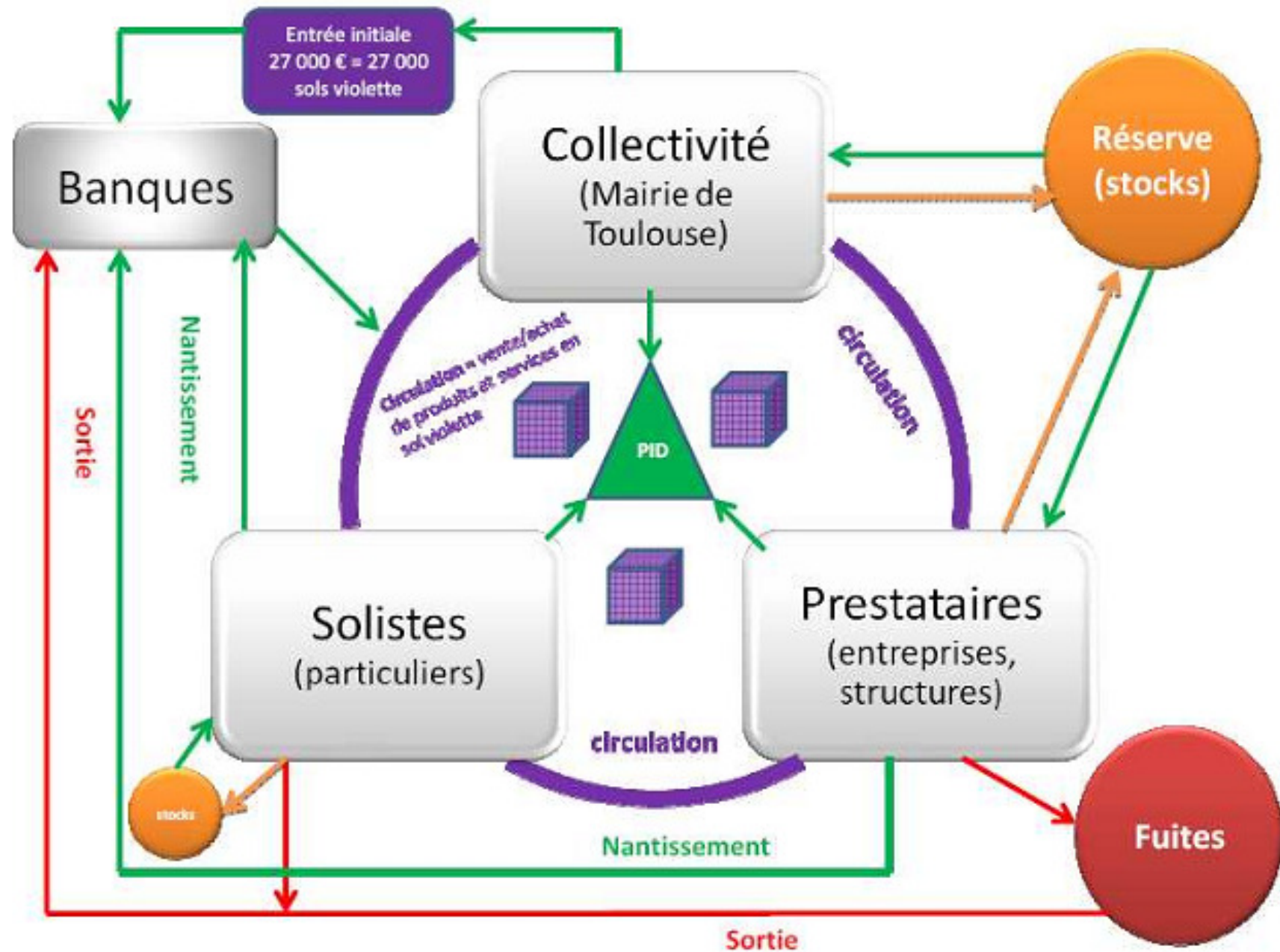
HOW CAN I JOIN?

Just open a SoNantes account with the dedicated subsidiary of Credit Municipal de Nantes.

A simple and fast way to benefit from all the advantages of the network!



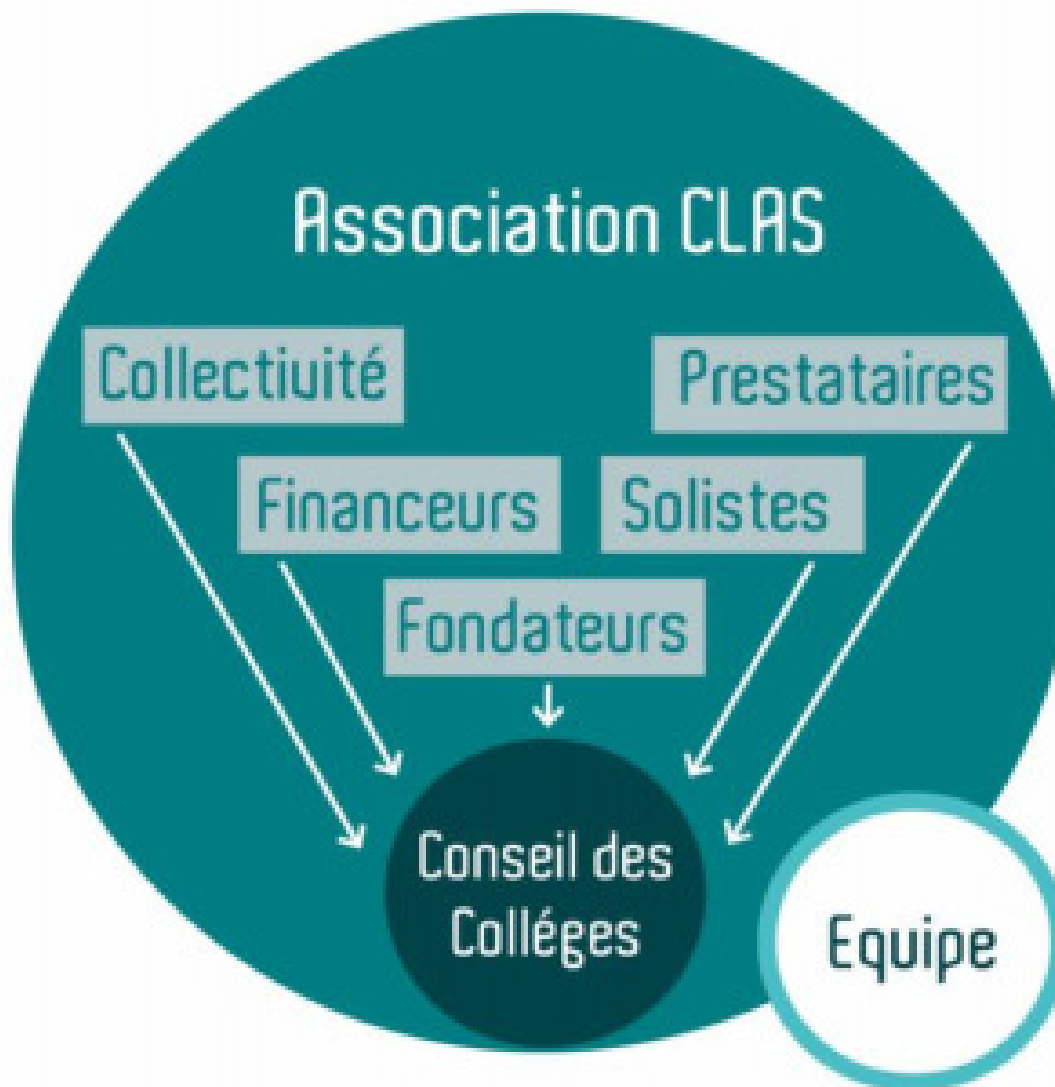
Schéma de circulation du sol violet



Statuts

Charte

Formulaire
d'agrément





Issuing Rules. It seems necessary to define clearly and rigorously, according to the law, the relationship between the local and the official currency, the boundaries between one and the other.

- **Openness.** It seems important that the two monetary circuits are not completely separate. In other words it is important the fact that at any given moment the complementary currency may be accepted in payment by the issuer.
- **Redemption guaranteed.** The possibility of redeeming the complementary currency should always be assured. In order to circulate, money must be accepted with confidence.
- **Never Still.** Not only is it necessary that a complementary currency can be spent, but it must be spent; it cannot remain idle.
- **No exit.** A local currency must circulate within a given community. It is designed to respond to peculiar needs of a specific community. If it were spent outside, it would not give direct impulse to the local economy. Nevertheless, the case of Toulouse shows that the spread of the model in nearby cities helps to strengthen the social consensus necessary for confidence
- **Social Needs.** A local currency is designed, not just for economic, but also for social purposes.
- **Remuneration of labour.** A complementary currency should be able to bring together work and needs. The Sardex case shows that it may be crucial, for the meaning itself of complementary currency, that they could be used to pay at least a part of the salary.

We are learning that:

- Money is a social relation more than it is a pure technical instrument.
- As such, it is not socially neutral; rather, it crystallizes social relations which function as providers of rules for games played by social and economic agents (i.e. *à la* North).
- Thus, algorithms cannot be defined from a technical point of view – as if they were meant to solve purely technical problems. Rather, they are technical tools influenced by social variables and aimed to solve problems of social and economic coordination.



	Case 1 (Wir)	Case 2 (Soñantes)	Case 3 (Sardex)	Case 4 (Sol-Uiolette)
Nature of projects	Territorial and Economic	Territorial, Economic and Community	Territorial and Economic	Territorial, Economic and Community
Space considered	Economic Space	Economic and Social Space	Economic Space	Social Space
Purpose	Protecting, stimulating or orientating the economy	Defining, protecting and strengthening a territory/Protecting, stimulating or orientating the economy	Protecting, stimulating or orientating the economy	Defining, protecting and strengthening a community
Guiding Principles	Market	Redistribution or political control/Market	Market	Reciprocity
Principle of Clearing	Clearing Union	Clearing Union	Clearing Union	The principle of clearing iredalized by means of demurrage
Digitalization	Hight/Middle	Hight/Middle	Hight/Middle	Middle/Low
Demography	Stable	Stable	Decreasing	Increasing
Unemployment	Increasing	Increasing	Increasing	Increasing
Credit Crunch	Increasing	Increasing	Increasing	Increasing

	Case 1 (Wir)	Case 2 (SoNantes)	Case 3 (Sardex)	Case 4 (Sol-Uiolette)
Entrepreneurs	Inside the circuit (passive in the decision making process)	Inside the circuit (passive in the decision making process)	Inside the circuit (passive in the decision making process)	Inside the circuit (active in the decision making process)
Trade Unions	Not considered	Inside the circuit (active in the decision making process)	Not considered	Not considered
Civil Society	Not considered	Inside the circuit (passive in the decision making process)	Not considered	Inside the circuit (active in the decision making process)
Local Government	Out of the circuit	Inside the circuit	Out of the circuit	Lender of last resort
Needs	Business needs	Collective needs and Business needs	Business needs	Political needs and Collective Needs

The case studies here presented may be useful in order to further specify the characters of the “Monnaie du Commun”

- 1. “non-proprietary”.
- 2. “non-cumulative”, which implies a *monnaie fondante* in Gesell's sense, namely a money which progressively loses part of its value when it is not used. This prevents its hoarding as well as a speculative logic founded on the “preference for liquidity”.
- 3. It must be a liquidity which partially remunerates living labor for the common production of the common wealth. It must not establish any relation of proportion between measuring individual efforts and providing access to money.





4. From this standpoint, the mechanisms which create the money prefigure a social basic income which reduce the monetary imposition of the wage-relation. In so doing, such mechanisms foster both self-determination and individual freedom of choice. Simultaneously, they create a liquidity which finances networks of productive and social autonomy.

- 5. A liquidity which finances the collective services provided by the welfare system and the activities which correspond to the social objectives and ethical criteria as defined by the community.
- 6. The ways through which people “enter” an alternative currency – be them service providers or users who share certain social and economic issues – can be different.



In the case of Toulouse such “attractor” was the agreement to re-center the economy on the territory by favoring a model of development which is both ecologically and socially sustainable. Such sustainability must be enacted both at the level of norms of production and at the level of norms of consumption. This is why, as the initial failure of the Toulouse experience shows, a currency conceived of as purely technical and top-down terms risks having as its sole social effect the disintegration of trust in the currency itself (heterogenesis of intents).





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Thank you for your attention

Marco Sachy (Dyne) will present you the second part of D3.4 D-CENT Deliverable



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