

# Why are Calgary Dollars different than Canadian Dollars?

by Gerald Wheatley, Calgary Dollars Coordinator

## 1: Local Pride Circulates Change

Bioregionalism is a movement which promotes self-sufficiency within an area. Calgary's bioregion is called the Bow Chinook because it's defined by the Bow river and the chinook winds. Bioregionalism encourages us to get to know and depend on local food, materials, and economic resources.

Author Bill Devall outlines bioregionalism's three central concepts as the importance of natural systems, self-regulation to prevent exploitation, and spirituality. The benefits of bioregionalism are large because it means that problems like pollution and exploitation are reduced because they're happening in our back yard rather than in some far off country.



Food is a good example of why bioregionalism is important. Whether you're proud of our farming heritage, an avid gardener, or if you're troubled by the labour and environmental exploitation of farming practices in other countries, there are lots of reasons to eat the things that grow here. Maybe you're realizing that most of the food we eat now is highly dependent on petroleum, because after all, every single pesticide and fertilizer used in large scale food production is dependent on either natural gas or petrochemicals and most food travels by truck or plane to get to the grocery store. The social commentator and former Rolling Stone writer Howard Kunstler quipped, "The age of the 3,000 mile cesar

salad is coming to an end" referring to the unmanageable distance our food is transported. In fact, even excluding the energy needed for transportation, there is an average of 10 calories of energy consumed for every calorie of food sold at large grocery stores, used up by fertilizers, farm machinery, refrigeration and packaging processes.

Calgary Dollars promote this bioregional perspective because local currency emphasizes "Bow Chinook" products over foreign ones. There are no multinational stores that accept Calgary Dollars and the complementary currency gives the 200 local businesses that accept them a customer loyalty program that's hard to beat. Just like Canadian Tire Money for our city, Calgary Dollars bringing in new customers and encourage them to keep coming back but the business hasn't lost revenue to do it because they can spend the Calgary Dollars to offset their own cash expenses.

## 2: New Monetary Design

We all recognize the benefits of capitalism, the freedom and flexibility it promotes. Many of us are more than a little aware however, that the current global economy is becoming a distortion of these capitalist principles. In his article, *The Capitalist Threat*, billionaire George Soros claims that "The main enemy of the open society, I believe, is no longer the communist but the capitalist threat." Like many, he's concerned about the "spread of market values into all areas of life". We may know that capitalism unlocks the creativity of people and economy but it's clear that corporate actions such as Monsanto's work to patent basmati rice and charge the world for the right to grow it, is stunning in its absurdity.

Calgary Dollars are an education tool about capitalism and more specifically about money. Top of the list of problems with money is that it's interest-bearing. Interest has been either illegal or unethical for virtually the entire period that humans have used money but our current form of capitalism relies on charging interest for lending money.

Calgary Dollars are the second regional currency in Alberta with a unique design. The power of interest was well known by Alberta's Premier William Aberhardt who issued the Prosperity Certificate in Alberta. The Depression had reduced the amount of currency in circulation drastically and the Prosperity Certificate, issued in 1936 was based on hundreds of such currencies in North America, designed to circulate more money to stimulate the economy.

Rather than earning interest for those that didn't spend it, the Prosperity Certificate needed to have a penny stamp attached to the back each week. Rather than the Canadian dollars that gets more valuable with time, the Prosperity Certificate resulted in a cost to the holder over time. Premier Aberhardt knew that this design would stimulate the economy by increasing spending and put more people to work. Despite endorsements from senior federal economists, the circulation of depression-era currencies was abruptly halted by governments in both Canada and the US. Calgary Dollars, as an interest-free currency, make us ask ourselves, "should you make money simply for having money, while other forms of wealth, houses, land, or even gold, cost money to maintain or store?"

Part of the capitalist threat is that currency speculation is so massive, reliant on both interest charges and defining money as its own commodity, that it threatens the very capitalist system that created it. One of *Business Week* magazine's top global currency traders, Bernard Lietaer confirmed that In 1974, the Bank of International Settlements calculated that currency speculation amounted to almost zero per cent of the daily total of foreign trade exchanges. By 2000 however, a shocking 98 per cent of all foreign trade exchange transactions were speculative. Currency speculation encourages economic instability to create profitable fluctuations and isn't defined by any concrete or intellectual economic activity. It is implicated in the Mexican monetary crisis of December 1994, the south-east Asian crisis of 1997, the Russian crash of 1998, and the Brazilian crisis in early 1999. Currency speculation may be a good source of revenue but it is also both unstable and unsustainable.

Calgary Dollars, like the Prosperity Certificate, moderate capitalism by discouraging accumulation and being backed by those who accept it. Each of the \$60,000 of Calgary Dollars that are in circulation were issued to new participants when they took out listings of goods or services for sale. These participants are "backing" these Calgary Dollars with their time and their goods, ensuring that each Calgary Dollar is worth a Canadian dollar. Calgary Dollars can't be deposited in banks and don't earn interest, encouraging us to spend them in our community and with locally-owned businesses. Although the Canadian dollar is accepted universally, how stable is it when it is vulnerable to the currency speculation and national debt concerns that plague national economies? With only \$60,000 of currency in circulation, Calgary Dollars won't be displacing the Canadian dollar any time soon but they are one way to combat the capitalist threat.

### 3: People Power

Acclaimed sociologist Robert Putnam's snappy-titled book *Bowling Alone* charts the decline of "community". Community is defined by academics as things like good will, neighborliness, sympathy, and social exchange. Putnam and fellow sociologists measured a large increase in neighbourhood connection after the second world war, followed by a "rip tide" of decline in since 1950. His conclusion is that "we have been pulled apart from one another and from our communities over the last third of the century". Along with the post-war demographic, television accounts for one quarter of the total decline in community.

Calgarians recognize these dynamics here in Cowtown such as the decline in the vitality of community associations, neighbours that don't know each other, declining numbers of block parties, and even increased litigation, road rage, and cynicism.

Calgary Dollars strengthen our communities in a number of ways. The average Calgary Dollars member earns \$200 per year offering goods and services which are not part of their formal work income. This means that they help their neighbours clean up, learn something new, or sell them something they need. Calgary Dollars hosts monthly potlucks, happy hour socials, and film premieres, bring people together to meet each other and have a good time. These are economic transactions for sure, but they are just as important as ways to meet like-minded people.

Sociologists like Robert Putnam found out long ago that happiness doesn't just come from a big paycheque. They have shown that the greatest source of happiness comes from deep relationships; with friends, family and neighbours. It also comes from having a "sense of place", enjoying being part of your community. These realities are very different from the titillation of the shopping world. Complementary currencies like Calgary Dollars give us an incentive to meet people and really enjoy life rather than cop out and spend one more night watching a movie.

