

Community Currency Movements

—Towards Recognition of Women’s Domestic Labor?—

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Introduction

“Is Democracy Working” is the chosen theme of the 20th IPSA Conference. Ironically, “democracy” in ancient Greek society meant the reign of the phallus – women and slaves were the have-nots whose existence was to satisfy the needs of others (Vaughan, 1997:308). Indeed, asymmetrical relations between reproductive work (performed by women) and productive work (performed by men) have dominated the human consciousness for so long that to alter them is akin to challenging the basic tenets of human civilization, or human nature. Likewise, the community currency movements outlined below are movements that aspire to bring out facets of human nature – compassion, sacrifice, trust, solidarity etc. – that have been lost in the capitalist market economy of exchange relationships. This paper aims at exploring the potentials that community currency movements hold towards giving full recognition to the unpaid domestic work performed largely by women, using preliminary observations from Hong Kong’s experiment with community currency as a case study.

Community Currency Movements

Community currencies are currencies organized and managed by the local community, which involve the exchange of goods and services that are locally produced. Its usage is often confined to the local community and sometimes a few communities may engage in exchange with each other. Since such currencies have limited circulation and do not seek to replace the national currency (the officially recognized “money”), they are also known as complementary currencies.

Historically, communities have actually issued, managed and circulated their own currencies for the past 6,000 years (DeMeulenaere, 2000). It was because of the domination of national currencies and the global financial and trade systems that community currencies diminished in influence over time. However, financial crises since the 1980s have prompted communities in Asia (e.g. Thailand, Japan) and the Americas (e.g. Mexico, Argentina) to experiment with issuing local currencies in order to protect livelihoods against the vicissitudes of the mainstream economy. Since then, more than a thousand community currencies have been set up in developed and developing countries alike, often with the help of aid agencies in the case of the latter (Raddon, 2003:4). By 2000, at least

35 countries have established community currency systems and the number was increasing (DeMeulenaere, 2000). LETS (Local Exchange Trading System – a barter-like system that uses virtual “green dollars” to match needs with human resources) and Ithaca HOURS (bartering goods and services for the equivalent of hours and minutes of labor) are the most common models of community currency systems. “Yellow pages” or directories are issued to members to facilitate the advertising of skills and needs.

Mutual trust and dependency, a basic principle of community currencies, is absent in the debt-based monetary system of the dominant economy of the world today. The concept of “community” conjures up an image of a closely knit association of people, in which human relationships and human dynamics are paramount. Equitability was not the goal of human interaction and transaction; rather, the feeling of friendship and neighborliness transcends the cost-benefit calculus (Raddon, 2003: 13). The “money” promoted by such communities goes beyond the conventional concept of money as a registrar of transfers of values. For example, Michael Linton, founder of LETS in Canada in 1982, conceptualized “money” as “an information system for recording *human effort*” (emphasis mine) (DeMeulenaere, 2000:5) ; and a currency transaction is envisaged as an *energy exchange* (Idanius, 1999). As such, money need not be printed on paper, nor ever suffer from scarcity.

By putting the human aspect back in, community currencies open up endless possibilities of restructuring undesirable social arrangements and interpersonal relationships. To borrow from Marxist language, the relations of production will alter, and the dictum “from each according to his ability, to each according to his needs” could be realized (Nishibe, 2006). Idanius listed 33 contrasts between local currency and national currency (see Table 1).

A survey of LETS in the UK (Tooke, 1999) discovered that the majority of community currency systems there were rural based rather than urban based, and initiated by *groups* that shared the vision of community building, combating poverty, sharing skills, and creating an alternative economy (in that order). Among those started by *individuals*, an overwhelming majority were started by *women*. In terms of membership categories, the majority were professionals, followed by the unemployed and self-employed/low paid. The fact that women and the unemployed/low paid were attracted to the concept of community currencies needs to be explored at greater length.

Unpaid domestic labor, and the transformative potential of community currencies

Despite the voluminous literature on community currencies, little theorization has been done with regard to the potential that community currencies hold for valuing women’s unpaid domestic work

Community Currency Movements (TONG)

<i>National Currency</i>	<i>Local Currency</i>
1 Based on debt with interest	1 Based on free exchange
2 Drains communities of capital	2 Creates local capital
3 Competitively driven	3 Cooperatively driven
4 Generated by outside institutions	4 Generated inside community
5 Profit motive promotes over-consumption	5 Provides basic needs
6 Destructive to environment	6 Safeguards environment
7 Disempowers the majority	7 Empowers the individual
8 Dependence on outside resources	8 Promotes self-reliant communities
9 Multinational corporations dominate	9 Grassroots human resources dominate
10 Wealth as Gross National Product	10 Wealth as valuable contribution
11 Sucks wealth to the top	11 Redistributes wealth to the people
12 Low wages to produce low-cost products	12 Promotes fair trade and living wage
13 Long distance production	13 Local production
14 Hype in advertising	14 Truth in local advertising
15 Isolating to individuals	15 Community-building
16 Non-negotiable value to the dollar	16 Negotiable value to the exchange rate
17 Underemployment is typical	17 Higher employment potential
18 Poverty increases during crises	18 Alleviates poverty during crises
19 Fractional-reserve banking	19 Mutual credit system — people's bank
20 Promotes individualism and selfishness	20 Promotes cooperative sharing and trust
21 Unmotivated wage-slaves	21 Motivated self-managers
22 Borrowing with interest hikes prices	22 Borrowing at no interest stabilizes prices
23 Volatile economy	23 Steady-state economy
24 Volunteerism becomes less viable	24 Supports volunteerism
25 Capitalization of local businesses is corporate-controlled	25 Capitalization of local business under local control
26 Scarcity of local funding	26 Community projects and creative employment opportunities
27 Displacement of small businesses	27 Growth of small businesses
28 Corrupt power base distant from local scrutiny	28 Individual is subject to local scrutiny
29 National governments give power to giant private controls	29 Local government responds to grassroots organizations
30 Public health, education and welfare are under tight control	30 Private choice in health, education and welfare
31 Investment for profit as the bottom line	31 Ethical investment as the bottom line
32 Money creates false security	32 Spiritual resources and caring relationships are valued
33 Waste products seen as cash-costly and are dumped	33 Waste products are recycled to maintain local ecology

Table 1

and for challenging the sexual division of labor. With all the talk about self-empowerment and equal respect for individual effort (regardless of previous investment in professional skills), the ability of the community currency movement in transforming gender relations and in valuing unpaid domestic labor remains inconclusive.

The domain of domestic labor has always been a contested one (Redclift, 1985). Feminists have found the public/private split, and the demarcation and accounting of formal versus informal/subsistence work problematic (e.g. Waylen, 2000; Beneria, 2003). Women have been associated first and foremost with the domestic economy, and only instrumentally with the national economy (as in the women-in-development approach). The “domestic” sphere embodies the “reproduction of subsistence, particularly the provision and consumption of food, daily maintenance activities and child-bearing and rearing” (Redclift, 1985: 96), work that is unaccounted for in national production statistics. According to UNDP’s *Human Development Report 1995*, the value of non-market, unpaid labor was valued at about 70% of global output, more than two-thirds of which was contributed by the invisible work of women (Powell, 2002).

There is nothing intrinsic about the type of work that makes it undervalued or unvalued. It is the social relations in which the work is embedded that determine whether it is compensated or not. For example, child-caring by a mother of her own child is deemed reproductive work for the continuity of the family, but the same work becomes wage work (with exchange value) if performed for others in the market. Ethical norms dictate that the mother in the former case must perform the work with love, in return she obtains social approval as her intangible reward. The same could be said of cooking, dishwashing, doing the laundry, etc. The unpaid domestic economy is essentially a gift economy. Marxist feminists have pointed out that it is this unenumerated, hidden, labor-time that subsidizes capitalist accumulation, because the “family wage” paid to the male breadwinner is much lower than the full cost of the reproduction of labor. The paid economy, in other words, is dependent on the nurturing and welfare provided by the reproductive economy. Even so, women are constructed as men’s dependents, rather than vice versa. “Relations of appropriation are concealed by ideas about what is natural, biological or institutional, concealed behind the idea of a timeless domestic relationship.” (Redclift, 1985:120)

Feminist economists reject the notion of the rational “economic man” who has to downplay the value of altruism and cooperation in order to maximize individual benefit, narrowly defined in material terms. Indeed, intangibles such as love, care, sacrifice, mutuality and harmony – qualities that are considered “feminine” – are absent from the equation, but are so vital to human existence. One of the intentions of the community currency movements is to promote equality in human relations by valuing skills and competencies in a way that is not tainted by the calculative rationality of the market. For example, one hour of baby-sitting is no less valuable than one hour of legal consultation, even though the lawyer would have had a higher educational qualification than the baby-sitter. Conceptually, this is empowering for anyone (not only housewives) who, for whatever

reasons, have not had the opportunity to enter the professions.

In places where community currencies are used, women are found to have engaged in exchange activities that seemed to be extensions of their reproductive role in the family, e.g. baking cookies, baby-sitting, house-cleaning, cooking food, shopping, etc. When needed goods and services are obtained through this system, women are actually earning an “income” in kind for labor that is normally not valued in the larger society, especially in times of economic downturn. The transformative potential of community currencies is therefore clear: it makes visible the otherwise invisible and obligatory caring work of women. For women with young children, this offers an alternative to seeking paid employment in the formal economy and enables them the flexibility to reconcile “work” with the demands of the home. On the other hand, in societies that discriminate against new immigrants, or racial minorities, community currencies offer a non-discriminatory environment for the disadvantaged to be “employed” and to feel useful. In addition, founders of community currency systems invariably designed the system non-hierarchically, encouraging a disproportionate number of women (compared to the mainstream economy) in positions of leadership and decision making. In short, community currencies open up space to renegotiate and revalorize the otherwise undervalued women’s work and women’s worth as persons.

However, a critical study of the community currency movements from a gender perspective has revealed that gender equality is not easily attained. In her insightful book, Mary-Beth Raddon discovered that age-old gender ideology still worked subtly in the most progressive of community currency systems, and in the minds of the most progressive members (Raddon, 2003).

First, she found that in practice, gender bias in the wider economy is replicated in LETS and HOURS. The idea of hour-for-hour payment seemed fine until one’s idea of “work of equal value” is challenged. Conventional society measures the value of a piece of work by professional qualification, skill level, and time required. Women’s domestic work, such as preparation of food, was somehow considered to require lesser qualification, skill and time. The construction of work as “feminine” or “masculine” has less to do with the nature of work than with the occupational hierarchies that reflected gendered power interests. For example, when women moved into typing, the pay of typists declined. This led Raddon to conclude that “struggles to revalue work are also struggles to reorganize gender relations and, simultaneously, that gender relations structure and limit revaluation efforts.” (Raddon, 2003:53)

Secondly, even when wage disparities are eliminated, the compulsion for one to identify with a single occupation is hard to eliminate. Such expectation hides the multiple work roles a homemaker performs, and skews the number of hours she can devote to a single occupation. Thus, men appear to work longer hours at their occupations that would yield them pay, while women’s

bread winning ability is relatively weak. Unless the local currency system challenges fundamental gender issues, equalizing through labor hours could only achieve limited success. Nonetheless, the female participants of community currencies found an outlet for their talents and felt appreciated, which would not have been the case in regular labor markets that valued “male skills” (Raddon, 2003:59).

The way community currency systems are designed situates such systems somewhere between a gift economy and a money economy. Goods and services are not given for free but then not “priced” by conventional market methods. The third obstacle for community currency systems to fully equalize the value of male and female labor lies at the differential expectations on men and women’s nature to “give”, with the latter assumed to be more giving (Vaughan, 1997). Raddon’s study found that men gained in the community currency system because the more they deviated from “hegemonic masculinity” by being generous, the higher status and approval they attained. On the other hand, female traders in LETS were found in an awkward position because the performance of tasks for “gain” made them “appear as less giving and disaffirms their gender” (Raddon, 2003: 80). As a result, women in such systems either under-priced their work, and felt bad about it, or felt guilty when they sought fairness in a transaction. In general, men were more “self-possessed in their giving, and women more self-effacing.” (Raddon, 2003:97)

The COME project in Hong Kong

The Community Oriented Mutual Economy (COME) project was born in the aftermath of the Asian financial crisis (1997) and the subsequent collapse of the property market in Hong Kong. Unemployment and underemployment persisted into the year 2001, only to be exacerbated by the September 11 incident in the US. Lower class people, especially new immigrants from Mainland China, were suffering from poverty and social exclusion. On average, two persons would commit suicide per day, either by burning charcoal or by jumping from their residential buildings. One of the non-governmental social service agencies situated in the Wanchai District, the St. James’ Settlement, set up the COME project in late 2001 with the help of concerned academics.

The Project has three stated objectives (see COME pamphlet), each addressing a set of social ills identified by the organizers (comprising academics, professional social workers, and residents of Wanchai).

1. Through the exchange of goods and services, it is hoped that human talents, material goods, and physical space will be fully utilized, and everyone’s needs could be met.

Social ills: a. economic disempowerment – the loss of one’s market value amidst

unemployment and underemployment; b. waste – environmentally unfriendly consumption patterns that are not sustainable; c. crowdedness – lack of physical space for people to gather and to interact, spiritual needs unmet.

2. It is hoped that the community could be revitalized by enhancing communication and trust among residents, and eliminating the misunderstandings and labeling that exist in society.

Social ills: a. social disempowerment – (esp. in the case of new immigrants) loss of social support network and lack of access to information; b. discrimination – resulting from language barrier and from the perceived threat they pose as competitors in the job market.

3. It is hoped that through the processes of price setting and exchange, a critical reflection of the valuation of production and consumption can be achieved.

Social ills: a. domination of large chain stores at the expense of small, local, businesses – lack of consumer choice; b. fragmentation of consumers – lack of bargaining power in price setting and in determining the quality of goods and services.

In short, it aimed at empowering people in the midst of poverty, re-establishing community networks and social capital, encouraging mutuality and trust so as to mitigate the effects of economic downturn, and encouraging sustainable production and consumption patterns. Though gender equality was spoken about by the organizers, it was not written in the objectives.

The following discussion draws mainly from my own observations through participation in COME since late 2002, and the results of a survey of COME members in late 2003, as well as my interviews, and the views expressed in the COME Newsletters. Perhaps readers would be interested to know that the time-coupons come in denominations of 60, 30, 10, and 5 minutes (see Figure 1). By participation in the mid-term evaluation of the project, I was paid 60 minutes for each hour of interview conducted. By way of spending my time-coupons, I invited members of the Project to come to my class to speak to students, paying them 60 minutes per hour.

Visibility of women

As of 2003, women accounted for 75% of the total membership, and full-time housewives constituted about 30% of the membership (Hui, 2004: 224). The female to male ratio has changed to about 3:2 now as the membership expands to more than 600. Policy decisions concerning the COME project are made in a Management Committee that is constituted by periodic elections among COME members. Since the project's inception, women have made up about 60% of the Management

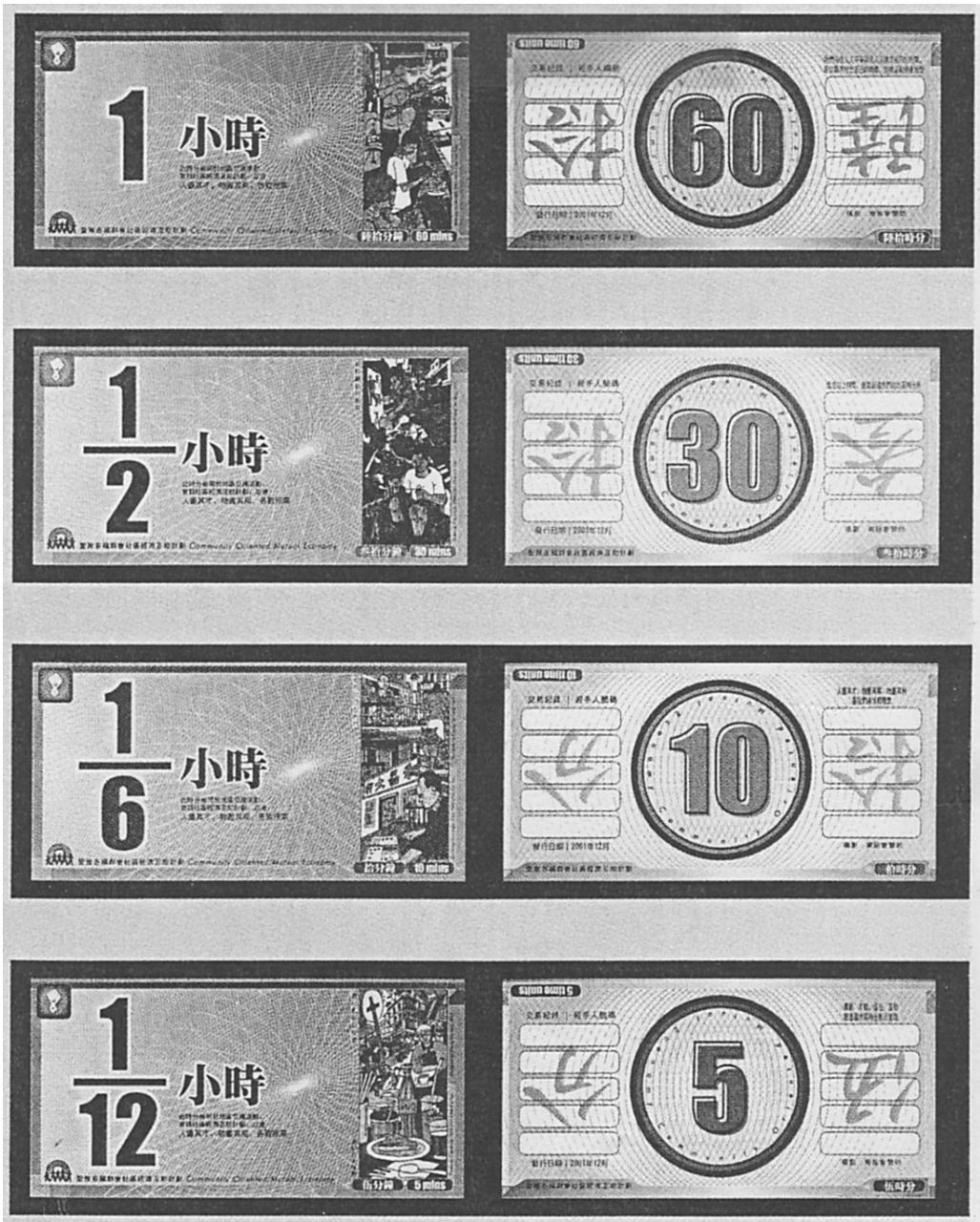


Figure 1

Committee. This visibility, I was told, was intentional at the beginning so as not to replicate male dominated organizations in the larger society. Active core members who were female were identified and persuaded to take part in the elections. However, as time went by, due to the active participation of female members in all facets of the project, the election of their sex became natural and expected.

Women also form a visible majority in the bi-monthly COME fairs¹⁾, and in the functional small groups: Sandwich small group²⁾; Hotline³⁾ small group; Collective buying⁴⁾ small group; Street shop⁵⁾ small group; and Publicity small group.

Visibility of sexual division of labor

Members are encouraged to set up stalls in each COME fair. Invariably, the overwhelming majority of the stall keepers are women who provide services ranging from haircutting to teaching handicrafts, as well as women who sell cooked food, the variety of which varies with the season. There are also women who sell second-hand clothes and gifts, and occasionally, organic vegetables and rice. It is not unusual to spot women stall keepers bringing their young children along, who occasionally would stand in for the mother when she goes to the toilet, or walks away temporarily to chat with a neighbor. The male stall keepers are either offering legal advice, or offering medical consultation in Traditional Chinese Medicine (TCM), or the occasional guitar player who sings songs that he wrote himself. The “occupational segregation” is quite clear in these fairs – women utilizing mostly their domestic skills while men their professional skills. Since time-coupons are used, there is little gender difference in the “pricing” of services. However, for food items, the price is partially paid with time-coupons and partially with cash (to cover the cost of the ingredients).

In each COME newsletter, there is a page of classified ads, listing the goods and services wanted by members, and goods and services supplied by members. Again, gender division of labor is clearly visible. Men offer to fix computers, repair electrical appliances, provide plumbing and painting services, as well as TCM consultations. Women, on the other hand, offer services such as cooking, house cleaning, shopping for food in the wet market, massaging, skin care, teaching languages (mainly new immigrants who are fluent in Mandarin), and tutoring children, etc.

Advertisements are also placed for the exchange of second-hand goods. Women offer to sell second-hand baby/children’s clothing, toys, books, etc. while men sell computers, air purifiers, air conditioners and the like.

Household division of labor untouched

Among the married women whom I interviewed (as part of the mid-term evaluation of the Project), all concurred that their participation in COME had no effect on their performance of household work. One told me that if she knew she would return home late for the evening, she would cook the meal for the family before setting off. Asked if her husband would be more appreciative of her now that she brought home an “income” in kind, she dismissed the idea because the time-coupons accounted for only a miniscule proportion of household expenditure, used mainly “for the children to have fun”⁶⁾. All in all, she thought her relationship with her children had improved after joining

the Project.

Empowerment of women

To many women, the time-coupons earned in the COME project serve as important supplementary income that they could freely dispose of. One woman said she would only earn time-coupons when she had the time, and compared to real money, she felt she would be more willing to spend the time-coupons on herself. It meant freedom for her. She could use the time-coupons to take part in activities that she liked, which would normally be inaccessible to her had the activities been charged in real money (COME Newsletter, July 2004).

For another woman, the COME project offered a form of employment of her skills that was not in demand in the market. She expressed difficulty in finding a job in the job market, and COME made her feel useful and confident (COME Newsletter, May 2004).

For new arrivals from Mainland China, COME widened their social network and provided better chances for job seeking in the regular market (COME Newsletter, May 2004).

Finally, the sense of being one's own boss is in itself empowering. One woman said she would encourage her children to try running their own stalls, to learn how to handle a business, and to make use of one's potentials. (COME Newsletter, May 2004.)

Women and the "gift economy"

It was not obvious to me that the women experienced discomfort and undervaluation as described by Raddon. The women did not seem uncomfortable when charging for goods and services. One woman, however, expressed her dilemma in receiving cash payment for her haircut service in the regular economy. "Like I did some work,... like haircut, ... if I receive money it seems too —, since we're friends. But if I don't collect money, then going to your place to cut, and so on, the cost of transportation, etc. adds up, costing a lot more....Under such circumstances, we all use time-coupons for exchange, there would not be a loss in money, and the meaning [of the exchange] makes me feel better." (COME Newsletter, July 2004)

Tentative Conclusions

From observing a community currency project in practice in Hong Kong, I tend to concur with Raddon and others in their reservations regarding the transformative potential of community currencies. Since gender relations are entrenched in the society, it is not easy for community currency systems to work in isolation of the social matrix. The intentional involvement of women in positions of leadership and decision making is appreciated, and so is the opportunity for women to procure supplementary "income" that they could dispose of autonomously. The latter is particularly pertinent when 60% of homemakers in Hong Kong were found to have no "pocket money", as well

as no retirement benefits or provident funds (Women's Foundation, 2006).

However, when household division of labor is unchallenged, women's participation in community and voluntary activities would only create a "double load" (Powell, 2002) for them. According to statistics, women in Hong Kong spend 3.1 hours a day on household chores compared to 1 hour for men; married women spend 4.1 hours a day compared to 1.1 hours for married men; and employed women spend 1.7 hours compared to 0.7 hour for employed men (Women's Foundation, 2006). Homemakers in Hong Kong spend 6.8 hours per day on unpaid activities, and on average women spend thrice as much time on unpaid activities than men (Women's Commission Report, 2001-2003).

In terms of valuing "women's work", community currency systems do hold tremendous potentials, because theoretically, one hour of women's time is valued the same as one hour of men's time, regardless of professional qualifications and regardless of whether one is a new immigrant or not. In the market economy, the median monthly income for women who hold elementary (unskilled) occupations is HK\$3,700 (about US\$474) compared to HK\$6,500 (US\$833) for men, and women in service and sales sectors earn only 60% of male wages (Census and Statistics Department, 2005: 78). The differential in earning capacity of male and female new immigrants from Mainland China is even more startling. In 2001, 51.6% of female new immigrants would earn less than HK\$6,000 (US\$769) per month compared to only 22% of men (Census and Statistics Department, 2005: 80)

Overall, COME participants, like all community currency participants around the world, felt happy about the human-oriented approach that characterizes such projects. The overall sense of satisfaction was high, only that the objective of conserving the environment seemed better achieved than the objectives of utilizing one's potentials and alleviating poverty (COME Newsletter, March 2004). Apart from the limited research done on the gender aspect of such experiments, from a macro perspective, more theorization needs be done on whether such community initiatives would actually play into the neo-liberal trap of governments worldwide. "Community self-help", "utilizing local resources fully", can easily be pretexts for the retreat of state responsibility. On the other hand, community solidarity may pose a threat to governments with insecure sense of legitimacy. A case in point was the way the Thai government clamped down on a community currency system (the Bia) in the Kud Chum district in April 2000, on the grounds that it endangered national security (Powell, 2002).

Notes

- 1) The COME fair takes place once every two months, on the rooftop of the St. James' Settlement building.
- 2) It involves regular procurement of sandwiches and cakes donated by socially conscious fast-food chains and hotels, and resell them at St. James' Settlement for 5 to 10 time-coupons.

- 3) It involves matching members' needs and skills through making and receiving phone calls.
- 4) It coordinates the collective buying of daily necessities such as rice, cooking oil, toilet rolls, etc. at below market price.
- 5) It was a new development in 2005 when St. James' Settlement succeeded in renting a small street-level shop in a nearby building. The shop is now used by members to display second hand items for sale.
- 6) She meant her children enjoyed their day at the COME fair, exchanging her time-coupons for food and toys.

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