

## **Global Economics: Time Banking Conference September 14, 2004**

*Sean Gonsalves*

In Toronto last month, I was introduced to “Time Banking” and thought it might be one possible path to the end-goal of a more just and sustainable world, which is what Participatory Economics, seeks to establish.

The conventional wisdom accepted uncritically by economists, points to THE global economy, as if there is only one – or rather, the only one worthy of our attention.

However, those who attended the 3<sup>rd</sup> International Time Banking Congress in Toronto on the last weekend of August know better. In addition to the dominant global capitalist economy, there is another emerging economic order, global in scope and universal in its appeal.

It’s a “time banking” economy that uses “time dollars” as its currency and is based on the reality of human interdependence, rather than the myth of rugged individualism that barely holds together the so-called free-market order.

### **The simplicity of time banking**

The time banking concept is elementary, really. Valued exchange in “time banking” is measured in “time dollars,” which are a tax-exempt form of money that anyone can access with their time, energy and special (not necessarily “specialized”) skills, such as lawn mowing, babysitting or woodworking.

---

**Global Economics: Time Banking Conference**, *Sean Gonsalves*, *Znet*, Sept 14, 2004. <http://www.zmag.org/content/showarticle.cfm?SectionID=13&ItemID=6223> [C.ELDOC6008855]

---

The exchange rate: One hour of service provided to another time bank member, or to the community at large, earns one “time dollar.” So, a “time dollar exchange” is formed whenever “time dollars” are earned and spent.

At the 3<sup>rd</sup> International Time Banking Congress, held on the idyllic grounds of the Kingsbridge Center just outside of Toronto from Aug. 27 to Aug. 29, a glimpse of how time banking is actually working in nine different countries outside of the United States, including Japan, Scotland, Spain and even the Northern Antilles, was on display.

Edgar Cahn, who first dreamt the dream of time dollars in a Washington, D.C. hospital bed 25 years ago, welcomed the 125 congress representatives after dinner on Friday, Aug. 27.

“What was a dream is no longer just a dream. This is no longer one person’s vision. It belongs to all peoples and all nations.

“We want to change the world...but we don’t always savor the moments of triumph - moments when human beings dare to assert hope.”

He concluded his welcome with an insight into the very heart of time banking: “We have what we need if we use what we have.”

Throughout the weekend - in panel discussions, in workshops and over dining room tables - stories of human beings daring to assert hope using “what we have” were shared. And, like with any fruitful congressional gathering, there were intense cross-cultural discussions about the direction of the emerging time banking movement in its various expressions around the world.

### **The global ‘time banking’ economy**

Martin Simon, co-founder of Time Bank UK, provided the first peek into the international time banking movement. He gave a brief overview of a half-dozen time bank projects across the UK.



He outlined the workings of Time For Health, a local time dollar economy in which health care services are provided using time dollars. In fact, Time for Health has been so successful, Simon reported that the UK's National Health Service has commissioned a study on how it works.

Simon also said that Time Bank UK has been coordinating other time banking initiatives, such as Time Between Generations in which youth, including juvenile offenders (or "no hoppers" as they are called in English-speaking Europe) have formed a time banking community with the elderly, exchanging services using time dollars.

"Their self-confidence grew to no end," Simon said of the youth participants, many of whom struggle with issues of self-worth.

Time banks for child care and for food have also been established, he said, noting that the time banking movement, in addition to being studied by the National Health Service with regards to health care, 10

---

Downing Street is in the process of planning and co-sponsoring a series of seminars for politicians to become familiar with time banking.

In Wales, 20 time banking projects across Wales Valley are being partially funded by the European Union, as time banking leaders there are “looking to mainstream” with communities of mineworkers breaking down under the weight of “globalization.” And as in England, time banking has caught the eye of government officials, earning Cahn an audience with the Wales National Assembly.

All told, in the UK there are 143 time banks up and running, exchanging over 200,000 hours of service involving over 5,000 time bank members.

In Spain, time banking took root among leaders at the forefront of the women’s movement there. According to Elvira Mendez, who spoke at the Toronto gathering with the help of a translator, time banks in Barcelona were initially promoted by women’s community organizations to “promote the conciliation of family and professional life” under the banner, “Compartir: Promoviendo El Reparto De Los Tiempos Entre Mujeres y Hombres,” which translates “Sharing: Promoting the Equality of Time Among Men and Women.

“We only exchange services and not material goods,” Mendez said. Time dollars, she added, are “instruments for reconciling family and work. We use time banks for community building. It’s a bank of dreams.”

On the other side of the globe, time banking has taken root in Japan on the tiny island community of Seizken. Masko Kubota spoke about her introduction to time banking when Time Bank USA Director of Outreach and Technical Assistance Ana Miyares visited Japan in 1991 at the invitation of the Japan Broadcasting Corporation.

“I was so interested I came to the U.S. to learn about time dollars and to meet Edgar (Cahn),” Kubota said. Kubota came to the U.S. in 1994. Five years later she set up a time bank on Seizken Island with just 12 members.

Today, the Seizken Time Bank counts 72 members, exchanging everything from wake-up calls to an intergenerational project in which the community elders tutor the young in history and other school subjects.

“The life stories (of the elders) were compiled in a book and gave to the elders as a gift,” she said, noting also that she’s translated and helped distribute Cahn’s book “No More Throw Away People” into Japanese.

Also to Kubota’s credit, she created a time dollar board game designed to help people steeped in market morality, acknowledging “it’s difficult to ask for help” - reciprocity being one of the four “core values” of time banking.

#### **Neighbor-to-neighbor vs. ‘co-production’**

Though time banking is practiced differently in different parts of the world, all time bank participants adhere to the four “core values” - assets, redefining work, reciprocity and social capital.

**In time banking, assets** are defined by a simple acknowledgement that everyone has something within themselves to offer, whether it’s house cleaning or the gift of making people laugh.

**Redefining work** means that, in contrast to a market-based understanding, building community is real work.

**Reciprocity** is perhaps the most important of the core values because in time banking those who receive help earn it by giving something more than gratitude in return.

The fourth and final core value is **social capital**, which is the immeasurable wealth built by tying people into networks of social cooperation.

These core values are present wherever time banks operate but that doesn’t mean all time banks are organized in the same fashion.

---

Some time banks are simply “neighbor-to-neighbor” while others engage in “co-production.”

Neighbor-to-neighbor is essentially self-explanatory, working as it does outside of official institutions. Co-production is the marriage of time banking with established social service organizations or programs.

In one workshop, Edgar Cahn illustrated the importance of co-production by recalling how Legal Services for the poor was gutted by government budgetary cuts. When Cahn realized other government funded social service organizations suffered the same fate, he began to ask why.

His conclusion was that social service clients didn't organize and pressure legislators and other community leaders to leave these vital services intact.

Cahn attributes that to the fact that most social service workers didn't have a true communal relationship with their clients.

“As a lawyer, if you came into my office I would ask how I can help you. We never asked how you can help me too. We didn't consider that these people have something to offer. What if we said: ‘I can help you with your legal problems in exchange for you walking my dog or something like that?’”

That line of thinking led Cahn to the idea of co-production, weaving time banking principles into the very fabric of established agencies and institutions with specific missions, such as the criminal justice system.

The Time Dollar Youth Court in Washington, D.C. is an example. The Youth Court, which is composed of former juvenile offenders serving as jurors for their first-time offending peers, can earn time dollars doing various community service projects.

“There’s a qualitative difference between neighbor-to-neighbor alone and co-production, where time banking works along with informal support networks,” Cahn said.

### **The Anthropological Evidence**

Perhaps the most intellectually interesting presentation of the weekend was delivered by anthropologist Polly Weissner.

Weissner, who has studied reciprocity among tribes in South Africa and New Guinea for over 30 years, said time banking principles are affirmed and corroborated by anthropological study.

She said there are certain criteria anthropologists use to determine “biological behavior,” among them being: Is the behavior universal and does it manifest itself in children at the same age in all cultures?

The anthropological evidence, she said, refutes the assumptions of classical and neo-classical economics; namely that human motivation boils down to maximizing monetary acquisitions.

“There is scientific evidence that there is a neuro basis for social cooperation” and when there is a breakdown in systems of non-market reciprocity, aggression naturally follows.”

She also emphasized that because time banking is not a charity program but a non-market system that relies on reciprocity, it does not inflict “charity wounds” on those who participate.

To illustrate her point, Weissner pointed to the American rebuilding of Europe after World War II. Because that act of charity didn’t involve any reciprocity it has injected a false sense of superiority into the American popular consciousness. Also, she said, conventional development programs offered by western economic institutions like the World Bank and the IMF tend to stress the importance of economic capital at the expense of social capital, which fosters an unhealthy dependent relationship between the aid provider and the recipient.

---

In her studied view, Weissner added, time banking is not only crucial for peaceful human societies; it is also vital in terms of environmental health of the planet, given the ecological destruction wrought in the wake of market-driven forces.

Furthermore, “satisfaction from human relationships” - which time banking fosters - “reduces the desire for material things, she said, providing both an indictment and insight into the environment-destroying a culture of conspicuous consumption.

### **The appeal of time banking**

If this all sounds like a love-fest to make people feel good about each other - something that people in the “real world” wouldn’t bother to give much credence, that would be mistaken, as time banking has drawn the financial interest of people like Mark McDonough and Richard Rockefeller - two time bank funders who’ve had great fortune in the market economy.

McDonough, an MIT Sloan School of Business graduate who sold database interfaces to the world’s largest supplier of microcomputer databases and the acting CEO for Time Banks USA, was one of three panelists who spoke about funding time bank projects.

Considering time banking from a philanthropical businessman’s point of view, McDonough said it was “universal, efficient and effective. It gives you the most bang for the buck.”

“For every one dollar of value you put in you get \$6 of value out,” he added.

Richard Rockefeller, another time bank funder with deep pockets, said he “bought into this because of the idea of social capital” and the realization that economic growth, as it is currently conceived, destroys social capital.



He said an article written by Jonathan Rowe about the misleading nature of America's primary measurement of economic health - the Gross Domestic Product - caught his attention.

"It's a faulty measure," Rockefeller said, referring to the GDP's inclusion of social ills like the cost of environmental clean-up as something that helps fuel economic growth.

"Yet we are making social policy based on it," he said. "Cash economies cannibalize society. I find that argument very convincing...So I feel very fortunate to hitch my wagon to the time banking movement."

Time banking, Rockefeller added, helps us see the limits of a cash economy.

#### **Limits of cash economies and the rise of 'grass roots globalism'**

The limits of cash economy were laid bare later that evening when Dr. Hazel Henderson took the podium.

Henderson, an evolutionary economist, internationally syndicated columnist and author of "Beyond Globalization" among others, offered a sobering analysis of globalization in its present crisis and an upbeat assessment of an emerging "attention economy" - "the rise of grass roots globalism."

"Money has no value but we are controlled by it," she said, agreeing with billionaire financier George Soros that a global "financial meltdown" is possible, even likely, contrary to popular economic assumptions. And that's precisely why time banking and economies that deal in local currencies are so vital, particularly at this historical moment, she said.

The discussion following Henderson's remarks sparked an underlying concern raised the previous day by Calvin Pearce, a time banking phenom from Chicago who has been at the forefront of a city-wide

---

tutoring program using time dollars that spans 45 schools and has delivered 4,075 refurbished computers to Chicago students.

Pearce asked: what about jobs for those involved with time banking organizations but who are also living in dire economic conditions?

After Henderson's presentation, Pearce once again challenged this year's theme of "Time To Unite," telling the story of a time bank member who had earned 300 time dollars in Chicago but was without a car, nearly destitute, and coping with news that his wife was terminally ill. Pearce wanted to know how those time dollars would help in that situation.

### **The challenges ahead**

Embedded in Pearce's concern is the question: how can the time banking movement be even more responsive to the immediate needs of communities of color in particular, and to poverty-scarred communities, in general.

It's a challenge that Time Banking creator Edgar Cahn is ready to confront, having left the three-day gathering with a notion to establish a working group to look more carefully at possible shortcomings and/or perception gaps that may exist in communities of color suspicious of movements that don't offer empowerment.

Having served communities of color for over three decades, perhaps most notably in his role in establishing the Time Dollar Youth Court in Washington, D.C., Cahn has seen first hand how time banking has empowered African-Americans struggling to make ends meet.

But, he said, he would like to see time bank leaders more aware and proactive on issues pertaining to where race, class and time banking intersect.

In the end, he said, **time banking is a universal concept that transcends race, class and gender divisions as long as we remember “we have what we need, if we use what we have.”**