

Chair: Darren Millar (DM)

Speaker: John Rogers (JR) www.valueforpeople.co.uk

Subject_ Is Austerity a Myth?

DM: The purpose of the CPG is to raise awareness about some of the problems caused by the monetary system and to look at alternatives. Introduces Bethan Jenkins AM (BJ) and her Financial Education and Inclusion Bill.

BJ: This Bill gives a legislative backbone, future proofing and embedding Financial Education in a cross-curricular way. PISA results highlight the need for better teaching in the area so young people grow up with the right skills and a good understanding of finance. The Bill is not prescriptive and will leave open the interpretation for the experts. Current strategies for financial inclusion have not been updated since 2010.

The benefits of the Bill are that it will help in avoiding debt traps, payday lenders and cold calling zones and it will help stop the proliferation of betting shops. It will lead to greater engagement between education providers and communities and could ensure free access for education at libraries and museums.

There are four stages and we are passed stage one. So far there are concerns from local authorities on cost but there is a lot of engagement through surveys and consultation. Local housing associations are keen on establishing the direct benefit to consumers. There is still scope for adapting the Bill through committee so we are looking to hear from invested parties. Business would benefit through new employees being familiar with tax codes and other elements of financial literacy. There have been successes with introducing entrepreneurship in schools as well.

DM: Thank you Bethan. We now welcome John Rogers from Value for People consultancy.

JR: Ran South Powys LETS from 1993 and the Wales Institute for Complimentary Currencies, Newport in 2000 with Geoff Thomas now of Spice Time Banking. Published books looking at cases studies and best practice in People's Money and Local Money: What Difference Does It Make?.

The Map – How to Out Your Local Economy? It is easy to become obsessed with currency and currency mechanisms but here problems can arise for such reasons as we don't know where things are, we have no way of comparing prices or connecting with different goods and service providers if we don't know they exist.

There is no moral or economic basis for austerity. According to Prof. Mark Blyth "austerity is damaging". Welfare rights officers are seeing awful levels of poverty in the UK.

The Welsh Assembly has been committed to sustain-ability since 1999 but 'We' are still consuming 1.5 planets worth of resources. This is our ability to sustain life and it is still under serious threat.

Why do we need a Map? We throw away food when it could be given away, recycled or composted. Supermarkets only recycle 2% of their waste. We are in danger of throwing away people too. We are facing similar problems as in the 1930' Great Depression in the sense we have all the same resources i.e. land, labour, materials, etc. but we do not have enough of this substance we call money. Edgar Khan talks about the invisible supports and the core economy like the role played by mothers and grandparents and other community initiatives.

Bad maps can lead to confusion and disaster. Misunderstanding the 'territory' leads to bad leadership. Old maps were defensive, marking zones and borders. New digital maps can be useful and inclusive helping to connect unmet needs or wants with underused resources.

Maps can help to connect producers and consumer locally and globally. Globally businesses can maximize capacity and output and locally neighbourhood networks and local business can thrive. Think globally and map socially. Maps can be more than just a list of organizations, they can tell us the aims, objectives, services and needs.

Who is on the Map? – Four Economic Players:-

- Individuals
- Businesses
- Voluntary groups
- Local Government

Where does the Map cover? – Street, village, town, regions – create groups and sub-groups

Introducing a community currency can be an incentive to create activity where there was no activity before, to increase positive activity and to reward and incentivize activity that benefits the community. Examples of community or complimentary currency are:-

- Bristol Pound – pegged to Sterling (e.g. also Brixton, Stroud, Totnes, etc.)
- Mutual Credit Circuit – Local Exchange Trading System (e.g. Cardiff Taffs,)
- Time Banking Network – Spice
- Regional Crypto-currency – new innovations like Hull Coin

The currency is backed by the resources of the Map e.g. Blaengarw Creative Development Trust will have resources and could use the Map to advertise, engage and connect within and outside the area. Once an area starts on the Map, citizens will be amazed by all their skills and resources.

Bitcoin is not a true currency in the sense that it is not readily acceptable as a means of exchange (yet). It does make attempts to decentralize that offer introduces new risks and provides certain benefits. The most exciting innovation is probably the Blockchain technology which now makes it possible to encrypt data and add it to the chain. With this model you do not need to trust any individuals you just have to trust the network for the system to work. This may offer more applications in the future as the technology develops.

When to use the Map?

A network for good times, a safety net for bad times, when we have a diversity of resources or when they are limited and money scarce. These systems work best when they start small and are rooted in community. We are facing a planetary crisis so the urgency to make changes and find solutions to problems is there. We have the tools and technology what we lack is the know-how and the will.

Has anyone ever mapped/surveyed the resources of Wales? We are extremely lucky to have a wealth of value in our landscape and culture.

Maps are independent of the currency but can be used effectively to enhance the usefulness of coupon or reward point schemes as well as the other types of community currency discussed.

We cannot pre-map anything; it is co-evolutionary and requires adaptability.

The opposite of scarcity is not abundance but sufficiency. The Map will not create an abundance of resources but it can help connect unmet wants/needs with under-used resources so we can achieve sustain-able sufficiency and strengthen the bonds that join us as a network and a community.

Thank you for listening.

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[Local Money – What Difference Does it Make?](#)

[People Money – the Promise of Regional Currencies](#)