

Knowing with money: What does the a complementer currency know a single currency does not?

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The creation of knowledge is a common, however rarely discussed issue in contemporary economics; moreover, money often plays a central role in this process both as and object of inquiry and as a measurement device. In this paper I am drawing on my ethnographic fieldwork of the implementation of the Bristol Pound complementer currency, and ask what kind of knowledge money creates, how it does it, and how the Bristol Pound makes a difference in this practice. In doing this I present money as a multiply existing entity, and as it reveals and conceals different things as relevant according to its different forms and uses (for instance electronic and paper money, or as money owned and as a pricing device).

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Introduction¹

What does money tell me? I stand on the street, I look into my wallet, I see some notes, and I do not even have to open the pocket to gain a sense of the amount of coins I have in it. It is affirming, I don't have to turn around to find a cash-point, I can step into the chippy and buy my portion.

I stare at the monitor of my laptop and I see the balance on it – “Shouldn't it be more?”; I click and wait and wrinkle and sigh – “Well, it did cost me that much”. I grab a pen and paper and put down some names and numbers; I open a calculator and make some calculations; “It'll be all right, after all.”.

I read the 'paper', on the monitor, and I read something like “there is no money in the economy”, and I wonder.

When we use money, we produce knowledge about the economy, and when we change the money we use, we change the ways we understand – and engage with – our social and economic relations. People who use money simultaneously maintain various practices in which, either as part of, or just accompanying it, knowledge emerges: pricing, counting, exchanging, making an account, rendering a statistics – and these are only the types in which the activity is aimed to gain knowledge and in which numbers play a central role. In some of these activities the knowledge appears as straightforward information: it tells the participants something about the economy, it allows them to act on the base of these knowledge, and, at least in theory, it leaves untouched the things and the relations it describes. On the other hand, however, both these and other monetary knowledge-making practices also behave in ways which point beyond the mere act of description: they effect the economy, they perform it, or they are even enacted with it. Keeping this in mind, when we ask or think about the economy, it becomes inseparable from the practices by which it is described, and money has an important place within this process. My aim here is, therefore, first, to present how monetary practices produce knowledge, and, second, to show how these knowledges will bring

¹ This is an unfinished draft which I wrote on the base of my PhD research, and which may become part of my the final dissertation.

about their own effect on the economy. For this I am going to draw upon my ethnographic findings I gained on the Bristol Pound, a recently launched complementer currency in the city and region of Bristol, in South-West England. Complementer currencies, among other monetary experiments, are really important cases to demonstrate how shaping the money change the economy it supposed to describe or mediate, and therefore my third aim is to pinpoint some places where this becomes apparent.²

It is perhaps true that others have already covered some of the phenomena I will describe within the academic or activist literature about complementer currencies or about other economic devices. The reason, however, that I consider this here to be a worthwhile attempt is that this approach draws our attention to the role of knowledge, and especially on its material characteristics. In my research I drew upon science and technology studies and especially on its versions, namely actor-network theory and material semiotics, which highlight the intertwined relationship between knowledge and materiality and which advocate for the creation of detailed descriptions. When, accordingly, I consider money in this way (as a method assemblage, which term I will explain in the next session) it will help us to understand its mechanisms as having a lot to do with knowledge and its material arrangements, and as opposed to simply rendering its aspects under the labels of 'social' or 'economic' – a common practice in social sciences.

In this article most importantly I will present events and occurrences from the development process of the Bristol Pound where economic knowledge comes about, and I will do this not only as giving examples of an overall theory but also as showing the specificities of this case. Before that, however, first I will give an overview about the development process, and will elaborate on how this approach takes into account the economy it describes. Following that I will depict how money

2 Because the greatest bulk of my fieldwork took place during the implementation process, and because of the relatively recent launch I have little material about the actual usage, and, therefore, here I will concentrate on how the way the money has been emerging.

produces knowledge, and how the Bristol Pound shapes this process. I am especially interested in what kind of differences the Bristol Pound creates, and for this I have to go into the 'values' behind the scheme. While until that point I will mostly talk about the more immediate usage and perception of money, at the end I will also cover knowledge practices which concern 'macro' phenomena and often come about from the aggregation of the previously described economic knowledges. But right before that, here I will give a very short description about the scheme in order to place this story into some context.

The Bristol Pound – a really short story

The Bristol Pound fits well into the recent upsurge of local community money schemes which has been happening across the UK since around the millennial.³ From among them this is perhaps the most novel one; the developers of this complementary currency launched the scheme in September 2012. Considering that in the time of writing this has happened less than a year ago, the scheme has already produced some impressive achievements: they issued more than 100.000£Bs; the number of subscribed traders continuously grows; important local institutions recognize and actively use money (most famously the local council both accepts business rates, and offers payrolls for its employees in Bristol Pounds).

Just as many of the other UK-based monetary schemes, the Bristol Pound is backed by the British Pound, and its value is nailed to it on a one to one basis. The British Pounds are deposited in the Bristol Credit Union (BCU) which works in partnership with the main implementer, the Bristol Pound Community Interest Company (BP CIC). The Bristol Pound users then can make Bristol Pound exchanges in three different forms: as paper notes, by mobile text messages, and through an online interface. Also, while in principle anyone can use the money, the developers with the credit union imposed rigorous regulations about who can open an electronic account. Not just that the interested individuals and traders had to live or work within the region (mostly under the BS

³ Important to mention that in the UK there has been already a great deal of monetary experimentation for the last few decades, most importantly in the form of LETS (North 1999; North 2007; Ryan-Collins 2011; Williams 1996).

postcode), but the businesses also had to have relatively little outside interests and to clearly prove that they are not involved in some ethically dubious activity. It is important to add, furthermore, that while officially only the primary implementers, the community interest company can issue paper notes (which I am not even supposed to call 'banknotes' or even 'money' because the FSA – the main regulatory body of financial services – expressed its concerns about this) and only under the name 'vouchers', the credit union, on the other hand, can 'create' only the electronic forms, regardless of them used by mobile or through the online banking system.

What things do make a money?

Around the time I was supposed to finish my fieldwork and start to write up my PhD my supervisor asked me to write a list of the things the Bristol Pound required to succeed. I sat down and started to write up a document of numbered bulletpoints; at around the number fifty I stopped and sent it over. Later, when I also had to expound on each of the elements, newer and newer things came up during the writing, and as I was advancing with the description the list of names to explain became longer and longer; I stopped counting. “spatial diversity of economic activities”, “the institution of private property”, “banknotes”, “traders who are trained to use the currency”, “a credit union or another financial organisation”, “a language which allows for calculative communication”, “motivation to use this type of currency”.⁴ These labels, were not only numerous but also fell into very diverse categories: there were people, there were institutions, there were material things, and there were practices consisting of a diverse array of other elements. The Bristol Pound, to come about, needed many things in place, which things, in turn, needed other further things to come about. On the other hand, the relevance of the different elements varied depending on their relation with the others, and, moreover, as time went this importance of the things also changed with it. Instead of merely taking these elements into account, and in order to provide good description of them I had to take a different approach.

The economy which emerges with and around the Bristol Pound – or any other type of economy, for

⁴ These are not exactly the same labels; the originals are messier; I rewrote them for the sake of presentation.

that matter – is an ongoing process comprised of a wide range of diverse types of things, persons, ideas and practices; it rarely reaches a final state, instead it is continuously co-enacted with its own elements and environment. Çalışkan and Callon, drawing on Actor-Network Theory, rather than to describe economies as fixed things looking for their exact definition, talk instead about economization, about “processes that constitute the behaviours, organizations, institutions and, more generally the objects in a particular society which [...] qualified, by scholars and/or lay people as 'economic'” (2009). For them economies are socio-technical agencements, a “panoply of heterogeneous entities be flexibly taken into account and described”, and in which a “multiplicity of actors and types of agencies” compete and participate with each other. Here I draw on their works – and on their further specified term marketization (2010) – in the study of the Bristol Pound not only by looking at the elements which this newly emerging economy consist of, but also by considering the history and practical workings of these element; I treat them as active agents.

It's good to know...

Many of the elements on the list have something to do with knowledge: either they are themselves some type of knowledge, or they are practices of knowledge making, or for their operation they require particular knowledges to be in place; knowledge plays a central role in the functioning of the Bristol Pound. Just right at the very beginning “knowing about the Bristol Pound” could matter a lot: despite the great efforts of the developers, at the time when I left from fieldwork I still bumped into persons with very little idea that a monetary experiment is going on in town. Also, besides simply letting people know about the scheme, it was almost important to show that “there are enough persons and traders” in the region who accept and intend to use the money. Furthermore, those who knew about the others, also wanted to know whether the others knew about them (and about whether the others knew that the they knew that they knew, and so on). To achieve this the implementers continuously had to maintain the public's view, “a public profile”, on both the currency and on itself, by putting out “a list of joined traders”, or by making others to tell their own

stories about the Bristol Pound.

In addition to observing together their own relationship, the implementers also had to attain that their future members and users will be able – will be knowledgeable – about the 'proper' use of the Bristol Pound. They informed and skilled people by putting out news, announcements or by compiling a “trader pack”, a set of brochures, information sheets and useful devices for the newly joined businesses.

Last, but not least, the use of money itself is deeply intertwined with modes of knowledges: the people's “ability to count and calculate” is a skill which we often take as self-evident; money's “memory bank” feature, as Hart puts it (2000), reminds (or tricks) us to recognize other's past contributions to the common economic pool; and even the emergence of a 'modern' city and economy, a dense “society of strangers”, contributes to the possibility of the money to emerge thanks to its inhabitants' ignorance about each other.

Knowledge is not the only important thing, and, in many cases, it may not be the most important thing around; its role, however, is often unacknowledged. Here, I will present occurrences how knowledge is created, but in order to talk about it I will invite Law's term *method assemblage* as an organising metaphor. This is very similar to the above mentioned socio-technical agancement of Çalışkan and Callon but now, instead of focusing on goods, there is a greater emphasis on knowledge-creation. Most easily we can understand a method assemblage as the co-ordinating process of a double separation. First, there is a separation between a representation from what it represents, or between an object from its relevant context (*presence* and *manifest absence*). And second, there is a separation between these previous two and some further, invisible elements (*Other*). Both the activity and erasure of these latter elements, however, are necessary for the first separation, and, therefore, for the knowledge to emerge. (2004, especially 42. and 84-85.). Money, for a first try, then can be conceived as a device participating in the separation of 'economic value' and its representations while also relying on a wide range of elements, many of which I sketched up in my outline. In the next parts I will describe how exactly these separations are made to work, and

in what special ways the Bristol Pound makes its own 'cut'.

Money forms: same, same but different

First, I would like to start with the presences of money: How do we 'recognize' money; how do we know that what we are looking at is money? Perhaps the first things which come into our mind are the material forms by which we exchange, possess and know about money, or economic value. For instance, an everyday user of the Bristol Pound handles banknotes, sends mobile text payments, or checks her account on the online banking system. On the other hand, another users, like people in the credit union, account for the Bristol Pound *and* for the British Sterling backing it in their balance sheet, as records among their assets and liabilities. Banknote, mobile payment, internet account, a record in the accounting system: they all run under the name 'Bristol Pound', and many of them even bears its logo, or its special money-sign. They are all different forms, or representations of the same thing, they are all the Bristol Pounds; their relations to each other, however, is not equal.



Illustration 1: A “1£B” paper note and example of a text mobile payment with the Bristol Pound

The different forms fall under the same name, into the same set; their value, for which one of them stands is exactly the same thing – and the same amount – for which any rest of these things stands: in principle they are 'equivalent'. In order to tell something more about their relationship, however, I would consider not only their 'defining principles' but also follow up them to the point where these forms actually transfer into each other.⁵

⁵ I will not discuss it here, but simply mention that I would follow a similar approach in studying the borders between

Banknotes, I can buy them at issuing points and in the credit union (and, in theory, at any of the participating businesses). I walk in, I pay, and I receive the correct amount of paper 'vouchers'. I can buy them with both British Pound banknotes or by 'bank transfer', that is, by using a credit card. A similar thing happens when I buy the Bristol Pound in its electronic 'form': I pay, just like I did in the previous case, and I receive, just like I did, but now I 'have' my money on my account – I know this because I see the increased balance on the monitor. And if I would like to exchange one form for the other, the banknote to the electronic, or the other way around, there would be no much difference: I pay, I receive, the number on the monitor changes.

At the same time, on the other hand, on the other side of the desk the two 'types' of Bristol Pounds do not come from and do not go back to the same pool: the electronic version(s) fall under a one record in the balance sheet while the paper notes, the 'vouchers', under another. The credit union on its account separates, and by this very same acts *creates*, those Bristol Pounds which are circulated on the online system, while, for the vouchers it pays money to the Bristol Pound CIC, it *buys* them. While on one side of the transaction the two types of money were different only in their *form*, only in their material appearance, on the other side, however they gained a further difference, a difference of *kind*.

In this text, and in many of the 'common sense' accounts the different forms behave as the 'same thing', the Bristol Pound: a banknote payment is a mobile payment is an online transaction is a new record between two accounts. At other places and under other practices, however, they become different from each other, or, on the contrary, they become similar, and undistinguishable to some further things; their relationship varies and comes together with their material-semiotic arrangements. While the Bristol Pound balance we see on our mobile phone should be the same we read on the online banking screen, both this two 'forms' supposed to mirror the 'real' state of money, that is, the account at the credit union. Also, while the paper banknotes are also supposed to stand

the Bristol Pound and the British Sterling. For a more general discussion on value-transformations, or on *conversions*, see Guyer 2004.

for the same Bristol Pound as the electronic versions, on the balance sheet they belong to different categories. This, in turn, on the one hand, supposed to produce a hierarchy between the different forms of the Bristol Pound, and indicate a primary position for the accounting system, while, on the other, would even raise the question exactly where a money (or money-form) ends and where the next starts.⁶

As a result, what we have here are several presences of the Bristol Pound which although in an accounting point of view hang together in a hierarchical fashion, 'on the street' are taken as equals or, literally, equivalents. The Bristol Pound is *multiple* – as Mol argues (2002), it exist in different forms, in different bodies. These bodies comes into existence not in simple acts of creation but through practices of knowing and acting. Using a banknote or a mobile phone, making an online transfer, drawing an account: these activities both involve but also enact the Bristol Pound; with each act the repeat it over and over again. And that these forms, despite their multiplicity, start to belong to the same thing is the result of particular practices of *singularisation*: their creators and users refer to them in a common name, and a sophisticated system around and behind them synchronizes the electronic elements with each other, and gathers the whole thing under one balance sheet.

In the case of the Bristol Pound maybe the most important process of singularisation, is the activity of the implementers working in and around the community interest company, the CIC, which in this respect works as a *centre of calculation* (Latour 1990). The implementers do many things, but, besides the already mentioned ones, they 'present' (in speech, in their presentations, on their homepage and on other social media platforms – in their discourse) the different money-forms as

6 The problem itself, “What is money?”, of course, is not specific only to complemter currencies, and, again and again, becomes the foci of disputes revolving around any kind of monetary question. For instance, people often debate about what is the difference between a complemter currency and the legal tender which the former is 'based upon' (like the Bristol Pound and the British Sterling), or about what is the difference between the thing what a central bank 'creates' and, on the other hand, what the commercial banks 'lends out'. Although this is a central issue, here I do not have space to discuss it; the point is, however, that maybe it is more helpful to look at when and in what circumstances the different currencies behave in the way they do.

one singular thing, and in their own calculations, balance sheets, and graphs the received amount of Bristol Pounds is the result of the total sum of the two forms presented, again, as name, one single number, and without marking its internal distinction. On the other hand, despite their central importance, the singularisation does not happen only here, but it also in the streets and in the shops and on the online accounts. This however leads us to another type of 'presence' of the Bristol Pound, to occurrences where the money is recognized and is in use, although now not in the sense of being owned but rather as ascribing value: goods sold for Bristol Pounds.

Shops, goods, prices

Just before we turn to goods, first I would point at another 'presence' of the Bristol Pound, although in this case it is not something which usually we would label as 'money'. Participating businesses, and especially retailers, with their trader pack received different devices with which they could present for potential customers that they accept Bristol Pounds: one sticker for the outside and one for the inside, and also a label onto the desk to show that they also use mobile payments (for instance see Illustration 2).



Illustration 2: A Bristol Pound window sticker - with it traders can show that they accept Bristol Pound.

A persons strolling on the street suddenly – or even better, routinely – starts to look for a place where she use the currency; these stickers, with the already working motivation of spending Bristol Pounds, will help her to orient among the businesses, and to make difference between those who are 'in' from those who are not. In this sense regardless of how 'local', 'independent' or 'ethical' the

particular shop is, the accepted form of spending, at least in some cases, will be the dominant one. Of course, this is not a clear-cut effect, there are at least two features which eased this type of instrumentality. First of all, Bristol Pounds have always been used in mix with the British Sterlings, so in radically outstanding cases the customer still could choose the shop which did not use the Bristol Pounds. Second, at some parts of Bristol (most famously the Gloucester road) almost all of the shops fell into not just the wished categories, and in a really high proportion they also accepted the Pounds – the use of the currency here did not and could not make such a difference (although still could generate a lot indirect effects).

This street-level differentiation, therefore, could bring about the most change where there was a greater combination of 'Bristol Pounders' and non-local non-independent businesses: here the sticker could act simultaneously as a reminder to spend locally, a confirmation that one can spend Bristol Pounds in the particular shop, and also a certificate which showed that the trader, besides “being for Bristol” also went through the involvement procedure conducted by the scheme members. And if a shop accepts Bristol Pounds, indirectly, all their goods and services will also acquire the special certificate.

Offering a different price in Bristol Pounds is rather an exception than a rule, and in most of the cases it happens in relation of a 'special offer': offering a discount from one group of specified goods or services. On the homepage under the “Special Offers” section line up the names and pictures of those businesses which offer some kind of discount in the Bristol Pound. Many of them offers some kind of service, like hosting, acupuncture, some type of special audit, therapy or body-care, and there are some bakeries and cafés too; the discounts range from 5 percent to the extreme 50 percent, but most often circles within the 10-20 percent range. Personally, I was slightly surprised to see that goods and services which has been offered for a reduced price in the Bristol pound had little to do with their 'ethical' or 'local' side. While I presumed that the Bristol Pound's special, non-economic values will serve also to promote the same message in addition to the level of businesses, also on the level of goods, the offers did not seem to follow these logic, but rather

seemed to fit into the category of 'general introductory' good. These offers aim mostly end-customers; even if there are special business-to-business arrangements in the Bristol Pound those, obviously, happen in other spaces. With these discounts, however, the relation – and the message – is two-directional: the trader tries to persuade customers not only to buy their goods because there is a discount, but she gives a motivation for the customer also to pay with the special currency. In addition to this, however, the businesses which openly offers these discounts also gains an additional benefit by receiving promotion space: people interested in the discounts could find their names and offers on the homepage's 'special offers' section on in its printed version.

A discount highlights out the previous 'labelling' effect even more, and adds to two the two previous 'information' a third one, namely that to buy this good with this currency is rewarding also in economic terms.

Although Bristolians equipped with their own local currency also engage with the usual 'information seeking' activity some economists (most famously Hayek) ascribes to the markets, in this case the information of what the prices provide have a further dimension.

Orderings and rankings play crucial roles in exchanges system, as Guyer has pointed out (Guyer 2004), and here I would like apply her insight on the Bristol Pound as well.

Now, besides the usual ordering of goods on the base of their numerical prices, here a further possibility emerges in making two goods different from each other: two value regimes which are not just distinct but together also enact a hierarchy between them – although, now the base of ranking – as opposed to the ranking of 'numbers' – is explicitly normative.

The same numerical value which so far supposed to simply comfort pure economic interest-seeking rationality (would have such thing existed), and to represent economic value now becomes irreversibly intertwined with another type, a value in its common- and normative sense.

[to be continued]

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