

Interview with Bernard Lietaer
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The Money System as the Ultimate Acupuncture Point

Some Reflections on TPN's Current Strategy & Fellow Members Projects

(Tesa Silvestre)

Tesa Silvestre: Why did you choose to focus on money?

Bernard Lietaer: Well, it's not because I have a lot of it, nor because I am particularly interested in having a lot! It is because I have been consciously looking for what meta-system is the highest leverage place for changing all our other societal systems. I found that the money system was it. It is the ultimate acupuncture point. Another way of saying this is... if you don't change the money system, you will tend to hit a wall whenever you try to change any of the other major systems.

T: I'm curious to hear your thoughts about the 4-fold strategic focus which the October gathering team came up with in Petaluma. Where do you see money and currency in that 4-fold strategy (i.e. greening big systems, creating resilient communities, supporting conscious leadership, and the emergence of a new mythos)?

Well, considerations about money have a key role to play in all four strategies. Let's start with the objective of greening big systems. I believe that money is a meta-system that influences any major other societal system in a big way. It is not possible to green any system (whether education, production, health etc), without considering their relationships with the currency in use. Let me give you some concrete illustrations of the ways in which the current monetary system impacts a number of the systems which several members of TPN are trying to transform.

1. Alternative Education. The current educational system is not effective because it uses a very inefficient process that consists in having a few professional folks teach everyone else rather than having every student teach others as the best way to learn. Remember the massive research done on the "pyramid of retained learning": we only retain between 5 and 10% respectively of what we hear or read... but we will remember 90% of what we teach others. Our current money system keeps us locked in that inefficient system, because if you

want to have everyone teach, you can't pay them normal money (which needs to be scarce money, with that scarcity being enforced artificially if necessary). Indeed, bank-debt money (i.e. or "normal" money such as the Dollar or the Euro) needs to be scarcer than its usefulness otherwise you have runaway inflation. In order to adopt a more effective educational system that would free everyone's genius and creativity, and that could work in parallel with the official education system, and then teach each other where they are gifted or are strengthening their gifts. To do that most effectively, we would need to create a different kind of currency, i.e. a learning currency which is now considered for implementation in Brazil to enable learning on a much bigger scale (see details about the "learning pyramid" and the Saber Currency in Appendix A). It is a currency that empowers everyone to become a teacher.

2. Health, Wholeness and Wellness. Today, we don't really have a genuine healthcare system in the Western world, but a medical care system. I claim that the money system is what currently drives the dysfunctions of the current medical system. It creates an incentive structure that promotes "keeping-people-sick-but-alive" a situation that keeps them as a "client-forever", not a set of incentives that promotes health. That is essentially how money is made in our medical care system. Ivan Illich has shown that 70% of chronic diseases are "iatrogenic" i.e. have an origin in a previous medical intervention! One way to shift the medical system without changing the money system would be to resurrect the old Chinese medical model, but that does not look like a likely strategy for us. It would involve inverting the financial relationship between the client and the doctor: the doctor pays you when you are sick, and you pay the doctor when you are healthy. Traditional Chinese medicine has been all about preventive medicine because it was developed within such a framework: Chinese doctors made money on prevention! The likelihood of adopting that kind of system here is not great. The wellness token which I have developed as a pilot project for Salinas, Kansas is an example of how to shift towards wellness in our own society. It is creating a circuit outside of the medical care system and putting the individual in charge. It is creating a loyalty currency where you end up earning "Wellness Tokens" when you do healthy things, and you can redeem them at preventive medicine care providers (gym fees, acupuncture etc.). You can read more about this Appendix B.

3. Sustainable Business & Production. One of the essential conditions for large-scale systems to promote sustainability is that they should encourage long term thinking. Our current money system does just the reverse, which is why we have CEOs focused on the next quarter's results. That is their time horizon, not because they are bad folks, but because the system requires it. The Terra is specifically aiming at creating conditions that encourage long-term thinking in the corporate world. The Terra would effectively shift the production system by changing the logic of the corporate world. If you don't change the money system, corporations cannot escape the logic of short-term thinking. The sustainability movement is entirely ignoring this, and looking at the problem in terms of getting the right kinds of CEOs, or

changing CEOs' minds, rather than changing a fundamentally flawed system. Ray Anderson can get away with what he does because he owns his company. If his company were a publicly traded company, he might very well have been fired by the shareholders and replaced by someone who does "the normal stuff," i.e. maximize short-term profits.

The tree-backed currency is another example of an ecological currency, one that can be implemented privately without involving governments or politics. Under conventional financial thinking, a tree is worth something only when it is cut down as timber. You can then put the money in a bank and earn interests. The tree currency re-aligns savings with nature, which is why I call it "Natural Savings". The backing for that currency is a living, growing tree, and it is its biological growth which represents the growth in the value of my savings. Furthermore, I now have a big interest in the little forest doing well because it's my savings. After a few years or at maturity, you can exchange the tree currency for your children's or grandchildren's higher education, or for food and medicine in your old age. (see "Natural Savings" in Appendix A)

4. Social Justice. I claim that we can't eliminate poverty without addressing the currency system. Wealth has three dimensions: financial wealth (the net financial assets someone owns); human capital and social capital (see Appendix A for detailed definitions). Poverty is a shortage in one or more of these dimensions. Tackling the first dimension, *financial wealth*, the question becomes how do we make real savings possible for ordinary people? Currently the only way we think about it is to have a savings account, have the government cash out pensions, and have people accumulate as much money as possible as they work. But if your national currency or your country's banking system collapse...tough luck. Our entire savings model is in fact a naïve model and it's not working. In case of a dollar crash, the middle class could be eliminated very rapidly in the US like it was in Argentina.

If one focuses specifically on the poor worldwide, there has been a huge hype about microfinance as *the* solution for world poverty, However, microfinance is providing loans to poor people, not microsavings. It therefore only helps the poor in borrowing, not in accumulating net financial capital. The "Natural Savings" already described above (with details in Appendix A), solves that problem. *Human capital* is best built by increasing learning, and the learning currency obviously deals with this. Building *Social capital* is the purpose of many existing complementary currencies, such as Time Banks, and other similar systems. In short, complementary currencies are powerful tools to create all three forms of capital where it is most needed, without requiring redistribution through taxes of bureaucracies to achieve that.

T: And how does currency play out in the creation of resilient communities, TPN's second strategy focus?

B: The first thing to understand is that communities are destroyed by the replacement of gift exchanges with monetized exchanges. The reason is that communities are actually built through gift exchanges. You create a community through the kinds of acts of kindness that Nipun encourages. A gift exchange is the necessary ingredient for a community to be generated. Gifts are literally the atoms that create the molecule called community. This is true whether you look at a family or a larger community. Birthday parties and b-day gifts create a community of friends. If you want to build community, it's simple: just give things away! When you replace a gift exchange with a monetized exchange, you erode that community. One mechanism by which the extended family was replaced by the nuclear family was the monetization of exchanges within the extended family (e.g. an uncle needs to pay rent when he lives with some other member of the extended family).

T: How about currencies like time dollars that are not straight gifts, because exchanges are being tracked?

Currencies like Time Dollars are not pure yin currencies, but they are nevertheless yin, i.e. community-friendly, unlike conventional yang currencies. They are much more compatible with the gift economy, unlike the conventional yang currencies. I see them as transition tools to help rebuild the yin economy. I think of them as very useful crutches.

Complementary currencies like Ithaca Hours or Time Dollars are very valuable re-education tools for communities that have lost the gifting impulse that keep the fabric of communities alive and healthy. To me, the story of Tacoma Park (in Washington DC) is a great success story. After 3 years of using an Ithaca Hour type currency, the Tacoma Park community stopped using the currency, but continued doing what they had learned to do with it. They just stopped tracking their exchanges, and considered them as gifts. In contrast, practically all the hippie communes of the 1960s collapsed when the 10-15% of the people who did all the work burned out... We have been trained to get away with unhealthy behaviors (if you can get fed without having to do or pay anything.... then I'll do that for as long as it lasts). In fact, whenever we free ride, we actually undermine the community in which we live. In Bali, everybody participates in community activities during designated periods of time... if some folks regularly don't participate, there is a system in place to account for that, and it gets activated if necessary.

How would you go about figuring out what types of currencies could serve a particular community, Cape Ann for instance?

One possible type of currency to explore would be a savings currency already mentioned, which could be created by using as backing a harvestable crop that grows naturally over time:

trees, fish in a pond, etc. In the case of a tree-backed currency, I would start by exploring whether the city is willing to play, and I would ask them if they have land that is suitable for planting trees commercially but that is not currently used. It could be land that is being protected as watersheds. There are areas that are reserved for collecting the rains, like a hillside with a lake at the bottom. The city doesn't want people to build on top in these areas because it would pollute the reservoir. That could be land on which you could plant trees in an ecological way whose value is backing the tree currency. The city could issue that currency to people that would plant the trees. You could then beautify Cape Ann for to attract folks for the summer, using that currency. Currently you could ask a landscaper to do that, but that would require scarce tax dollars. But with the tree currency, you could pay kids in high school and would pay them with a tree currency that would create savings for their college... Planting these trees is only going to consume 5% of the value of the tree in 20 years. You will need a bit of cash to get the seeds planted. You will have a lot of shares left and the city can decide what projects they want to promote.

T: Well, the beautification objective would be hugely popular on Cape Ann because some of our communities are so bankrupt that they can't even afford to have the streets swept, and tourism is an important part of our economy.

B: Ok, you could use a local currency to create an incentive for folks to clean-up in front of their house or business. For every house that is done that way, folks get a share of the trees... you can set things up like "the best beautified house will get 10 more shares free"... these shares would normally be kept for university education for the kids 10-20 years from now. The shares represent a fixed percentage of an acre of the value of the timber. The land keeps belonging to the city.

Generically, the function of complementary currencies is to link unused resources with otherwise unmet needs. This is of course the role of any currency, including conventional national money. However, remember that conventional money has to remain scarcer than its usefulness. In contrast, complementary currencies can be issued in sufficiency...

T: How about TPN's 3rd strategy, of supporting the emergence of a new Mythos? Where does money fit in that?

I personally would define Mythos as the meta-narrative that gives a meaning to the world in which we live now, and the world we want to get to. A good mythos usually tells the story of an archetype... that is what all the old myths have been historically. Joseph Campbell, our most prominent mythologist of the 20th century, put it this way: "Clearly, mythology is no toy for children. Nor is it a matter of archaic, merely scholarly concern, of no moment to the modern man of action. For its symbols (whether in the tangible form of images or in the abstract form

of ideas) touch and release the deepest centers of motivation, moving literate and illiterate alike, moving mobs, moving civilizations.”

This is so because it is a way of making sense and mobilize collective emotional fields. The fundamental shift in our current mythos needs to include the re-awakening of the Great Mother... And the meta-narrative how this re-awakening can occur is a key aspect of bringing yin and yang energies into balance that is a necessary condition of wholeness.

The current implicit myths around money has many components. Most people assume that money is created by the government, and that the Federal Reserve is a governmental agency [in reality money is created by the banking system, and the Fed is a private company owned by the banks]. It is also assumed by people who don't have money that money is the way to happiness, and that more money means more happiness [in fact there is no correlation between money and happiness once one makes above US\$30,000]. One can go on through a long list of such myths. A friend of mine has even written a book about “30 lies about money”¹

Debbie's model of how change occurs is actually a very helpful framework to reframe the way we look at the evolution of the money system. In this context, the top curve is about the dominant financial system which is slowly falling apart and needs to be hospiced (that's partly the role of the Terra). The complementary currencies are on the bottom curve, i.e. the slowly rising curve, and the Terra is linking both curves...i.e. bridging between the old and the new world. The Terra is a key acupuncture point for anyone interested to delay or soften the crash of the upper curve, and create an environment that supports the further emergence of the lower curve. Our future will require sustainability, and with the current system you can't get there. The Terra is the bridge to get there in a smooth way without a revolution or killing people, or without getting rid of the corporations which I think is unrealistic anyway.

Our current story is marked by a long history that represses the feminine and supports the manifestation of the shadows that result from such a repression. I have written an entire book (“*The Mystery of Money*”) about the evidence of why the monopoly of a Yang currency is a manifestation of the repression of the Great Mother. All patriarchal societies over the past 5000 years of patriarchy have invariably imposed a monopoly of a centralizing currency. Our current conventional money still reflects that bias. In contrast, all matrifocal societies (societies that honor the feminine values) always had a dual currency system: a scarce Yang currency for long distance trade with foreigners, and a Yin currency available in sufficiency to trade within your local community. The following figure summarizes what I mean with the Yin-Yang polarity and balance, and these two coherences are directly applicable also to the different types of currencies. Conventional money is an extreme Yang construct, as every feature of it is Yang. In contrast, well designed complementary currencies are more of a Yin

¹ Peter Koenig *30 Lies about Money: Liberating your life; Liberating your money* (iUniverse, 2003)

nature. I show in several of my books how different kinds of currency shape very different societies, and how the imbalance towards Yang energy explains a lot of the problems we are struggling with now including, undervaluation of all Yin functions in society (compare the incomes of our investment bankers with those of our nurses and the teachers of our children), environmental damage, starvation in the middle of abundance.

If we have an honoring of the Great Mother archetype, that shadow process disappears. By re-awakening the Great Mother, re-honoring the Great Mother, we will automatically let go of the monopoly of a conventional currency. You can read more about this in "*Of Human Wealth*" that's coming out this spring.

Understanding that the activation of Yin Currencies (Smile Cards, Friendly Favors, Time Dollars etc.) is only half the story. It is nevertheless an important piece needing to be integrated in an optimal new Mythos. Activating the Yin is more easily understood in the circles we are dealing with. It's very fashionable to talk about all the social purpose complementary currencies, but it is a lot less popular in these same circles to want to deal with the Yang currencies. They just see the Yang energy, manifesting lately in phenomena like globalization, as a threat. This said, if global trade were to suddenly stop or collapse, we would all be in deep trouble – at least a third of humanity would die quickly. It is not realistic to think that we can solve everything with either yin or local currencies. Autarchy is just not going to happen now, except at a very primitive level. Just make an inventory of what you use, wear, consume daily, and ask how much of it is – or even could be – locally produced. In short, I see Yang not as the enemy, but the prevailing *imbalance* of excess Yang is the enemy. We need to understand what a healthy balance of Yin and Yang currencies looks like and how they mutually support each other. Seeing Yang currencies as the enemy is polarizing and counter-productive. We need a mythos that helps us getting into a new *balance*, that encourages us to honor both Yin and Yang energies, including Yin and Yang currencies. Whenever there is an excess Yang, *the solution is to calm the Yang and activate the Yin.* (See also my further thoughts on this in the commentary on Nipun's work).

T: How about supporting Conscious Leadership? Where does money fit there?

B: A few things come to mind. First, the shadow of leadership often shows up in the way leaders handle money, sex and (I would add) time. How someone values their time relative to someone else's time is very telling. If you know how a leader deals with those three things, you will be able to know a lot about their integrity and capacity to steward shifts in consciousness. These are areas where we all need to be clear and clean. There is a remarkable book called the "*Guru Papers*" that analyzes the shadows of guru-dom, and the manipulative parts about it. A Guru's relationship to money is particularly interesting. Leaders' track record in that area is often not very good!

Examining our beliefs about and relationship to money is also key to whether or not we will be successful at building community and healthy collaboration with each other. Unhealthy dynamics around money can be very divisive. This can be true within TPN, as it is true with the rest of the world.

James Hillman makes the point that as a psychologist the fastest way to get to the deepest waters with anyone – for *both* the analyst and the client – is by having conversations about money.

T: One last question about strategy. What would a tipping point look like in the domain of currency?

Currently complementary currencies represent a fraction of a percent of all monetized exchanges... Once you get to about 30%, then you would be in other society. Relationships between people would start being very different. In Bali, a 1/3rd of an adult Balinese life is functioning outside of the conventional economic system. Those who have been in Bali long enough to get a feeling beyond the tourist access, who have been able to observe how a Balinese banjar works, can testify to that.

About Fellow TPN Members' Initiatives

T: You said a while back that the transformation of our currency system is critical to the positive transformation of any system. Could you illustrate that point in the context of some of the initiatives being carried out by other TPN members? I'm wondering whether you could for instance comment on how this applies to Marion's work with Flow Funding, Van's work with Green Jobs, Tracy Gary's work with Inspired Legacies, Rachel Kessler work with Education, and Nipun's work with the Gift Economy. I personally think that the core intention behind flow funding is most powerfully captured by the invocation that opens Marion's book. "May the rivers of wealth be undammed and flow freely over the earth. May the gifts move through increased hands until all people experience the abundance of life." I love this invocation... it actually sits on my altar at home. Can you comment on it?

B: I fully support this intention as well. It is not only a beautiful but also a powerful vision. And it is also important to understand that this objective cannot be achieved by only increasing the flow of Yang money within the current monetary system. It is mainly dealing with symptoms, rather than with the system that generates those symptoms. It is the well-known story about giving a fish to people who are hungry, vs. showing them how to fish... Let me explain why that is so.

To fully understand what would be needed to really undam the rivers of wealth, we must return to the point made earlier that wealth has actually three components.

1. Financial wealth, i.e. the net value of the assets you have.
2. Human wealth, i.e. what you know that makes you valuable enough for people to pay you.
3. Social capital, i.e. the value of my network so that you don't even need to go commercial.

None of these three forms of wealth (including the financial form of wealth) are actually being helped by a monopoly of conventional money. The proof of that is that for the "little people," there is no real good tool for investing money. The entire financial system is geared up for people who have a lot of money, to enable them to make more.

In contrast, as discussed earlier (and in detail in Appendix A), the tree-backed currency would make it possible for little folks to invest and develop their own financial wealth that will be resilient against external economic or monetary shocks. The learning currency would make massive amounts of learning available to all levels of society because it basically creates chains of learning through teaching. And all the yin currencies support the development of community-building, i.e. social capital, because they are compatible with gift exchanges. By building new currency systems, you actually free people's creativity to create new wealth directly where it is most needed.

Marion's work is important because it teaches people to be generous, and to give from their heart, and those are two impulses which have been eroded by the conventional money system. But in order to fully undam the rivers of wealth, we also need to create the right kinds of tools for wealth to be created where it is needed, and conventional money (even if shared more generously) can sometimes not be the best tool for that.

The three examples of other currencies I gave are examples of systemic changes where the wealth is being created where it is needed. The irony is of course that to start a complementary currency, one needs some Yang money. Once a complementary currency system is mature with a more widely accepted currency, it can support itself internally with the use of its currency itself. But the start invariably requires priming the pump with some conventional money. You can't have a learning currency without a computer, and someone actually taking care of producing that computer can't just live from learning currency... so we are back to importance of balancing yin and yang currencies in our system to meet different, complementary, needs.

About Van Jones' Green Jobs (not Jails) Initiatives

T: I know you are somewhat familiar with Van's work around the Energy Bill and Green Jobs initiatives, but I did want to add a piece you may not be aware of... that his work started with spending years denouncing the way in which our current economy creates incentives to put more and more folks in jails rather than creating the conditions for them to have productive and meaningful lives that would contribute to society. Having said that, I'm curious to hear your thoughts about how the money system impacts the objective to create green jobs not jails.

The first thing that came to mind when I heard about Van Jones' interest in transforming the incentive structure that perpetuates the prison system, is what Edgar Cahn has already achieved with the criminal justice system in Washington with the use of Time Dollars with the Youth Courts. The recidivism rate drops radically. That is an example of a money innovation that helps Van's objective. Recently, Edgar's approach has become accepted officially as part of the youth judicial system in Washington DC.

A second thought to further empower what Van is already doing now is that green jobs require trained people, so there is a massive learning / education issue here that needs to be addressed. As we discussed earlier, the best way to train people is having them teach the relevant material ... we are back to the learning currency idea. We could create a specialized learning/teaching currency that is applied to the Green jobs domain. In this case, people need to learn a lot of technical stuff. You could have one guy teaching to 50 people... and their assignment is to teach it to another 20 people as a condition of their getting certified. The condition for graduation would include the demonstration that you have taught to others what you have learned. For example, let us say that one of Van's training courses costs \$200, but someone taking the course could pay half of it in learning credits (that you would earn from the people to whom you teach and they would need to do the same thing). Details obviously would need to be worked through a lot more rigorously, but you get the idea.

Finally, there is a third, still more fundamental aspect of money that is relevant to Van's work. After all, the monopoly of conventional money is what has created the current situation...I make a distinction between "work" and "job". "Work" is a very old word, and refers to an activity that people do because they are passionate about it (e.g. a work of art, a work). The word "job" dates from the industrial age, and is something done to get the money needed to live. Some people have jobs that is also their work. They are the fortunate ones, and also end up typically very good at what they do. The harsh reality is that the end of the industrial age also means that there are not enough jobs for everybody at the bottom of society. However, the need for a job itself is a result of our current money system. There is actually an infinite amount of work to be done, but fewer jobs that people or companies are willing or able to pay for. Van is doing an extraordinary important work, one that should be actively supported now, because he is addressing the immediate issues at hand. However, I believe that the long run, systemic solution is to unleash the possibilities for people to do more work, not necessarily

only jobs. You simply cannot create paid jobs for everybody within the current system... this would require higher taxes, and ultimately it is not a solution. You don't want more people having jobs they hate. You want people doing work they are passionate about. What is key to creating a society where people end up being able to do what they are passionate about and are also able to have a decent life. In one of my scenarios in the Future of Money, I'm describing the life of someone working for a major company in Munich and has another life in her village in the mountains where she spends half of her time being a glass artist, and being paid for that latter activity in the local currency. The power of the local currency is that it is not competing with the rest of the world. It creates pockets of the world that don't have to be competitive with the rest of the world. If well designed and managed the local currencies can also be available in sufficiency, so that all activities that people are passionate about can be appropriately rewarded. The best real-live example I know that is currently still operating after more than 1200 years is in Bali. In Bali, everyone is an artist...and about 1/3 of an adult Balinese live is spent in a Yin economic space, and 2/3 in the normal, competitive, economy.

About Inspired Legacies & Philanthropy as an Acupuncture Point

B: I fully agree with Tracy's starting point that there is a huge opportunity to leverage philanthropic resources by directing them toward funding the systemic shifts required to support "the Great Shift." I believe, however, that this opportunity could easily come to naught if one ignores the realities of our current monetary situation.

T: How so?

B: Well, let me just say that if Uncle Joe had millions of dollars in August of 1929, these assets were not worth very much by the end of the following month. I believe that we may be of a brink of a similar financial collapse, and if it were to take place, the 41 trillion dollar transfer which folks have estimated will take place over the next generation, could be instantly reduced in value. In other words, preserving the purchasing power of the current philanthropic pool should be a very critical concern of anyone who is trying to leverage philanthropic assets as a tool for social transformation. Efforts like Inspired Legacies are only going to be meaningful if philanthropic assets remain valuable. Only a few future inheritances and philanthropic portfolios are currently being managed in ways that would allow them to survive a financial crash.

T: And what can actually be done about that?

B: The first thing to do is to assess the exposure of a portfolio to a dollar crisis. Then there are a series of things one can do to protect international purchasing power in case of a dollar crisis. The ideal result are portfolios that provide a reasonable return if there is no dollar crisis,

but that keep their international purchasing power intact even in the case there is one. One can't give a standard recipe of what that implies because it depends on what the portfolios existing composition and liquidity. I have offered to Tracy to give such a workshop to people in her network so they can better understand what is possible.

T: Talking of complementary currencies that deal with systemic issues... if you could somehow design a currency that could support folks in our movement to resource their systems-change work, it would be an instant success! Somehow, the common denominator challenge of all initiators seems to revolve around how to fund initiatives. Right now, a lot of folks are dependent on visionary philanthropists and foundations... and it would be great to find a more effective way to resource the movement that is not so dependent on access to a currency that is monopolized in the hands of a few.

B: Yes, what you are talking about is creating a currency that encourages social entrepreneurship. Arthur Brock has been working on a complementary currency for the open source computer community. We were trying to figure out how to create a mechanism that makes it worthwhile for people to collaborate on a project, and if it becomes successful, how to distribute the revenues fairly. We actually figured out that it could not be done with a single complementary currency, you needed two of them. Arthur Brock came up with the "Devidends" and the "Devarmas". You had two complementary currencies... the former to reward contributions that are measurable (lines of codes, time etc.), and the latter for work on process such as overall collaborative projects (developing standards, being part of committees. If a project produces a dollar income (e.g. the sale of a software for dollars), the value of the Devidens someone would have earned would depend on the quantities of Devarmas he or she had accumulated. One could imagine creating a similar approach for general social entrepreneurships.

Reflections on our Education System & Rachel Kessler's Work Around the Soul of Education.

B: The idea that education should support children and kids to discover their deeper gifts and passion, amongst other essential things, is right on, but our legal and money system are designed in a way that is completely going in the opposite direction. There are limits to how deeply we can transform the education system by simply educating teachers to teach in a more meaningful and connected way, without touching on these deeper systems.

I start with the premise that every child is born to become a genius in some domain, sometimes a domain we don't even know about yet. However, in our society today, we just kill children's genius. Today, Picasso or Mozart would probably be bank clerks because they would have been obliged to go to school. When Picasso was 11 he said to his dad that he didn't want to go to school anymore; he only wanted to draw. And his father let him do that.

Today that would simply be illegal. The kid would be obliged to go to school against his and his father's will. The real agenda of education should be to find out what a kid's genius is, and then give them the means to be trained in developing these gifts. The majority of people don't ever manage to identify what their soul purpose really is, because the systems don't support that discovery process, and this produces an enormous amount of waste in talents.

And money of course plays a role in all this and not just because of parents' concerns with making sure their kids will follow a path that is valued by the market so they can make a good living.

I already talked about the inefficiencies of teaching folks without involving them in the teaching process so I won't repeat this here. I will add though that the current debt-based college education system further enslaves American kids into jobs that have very little to do with their actual passions or aspirations. A kid that goes to college typically comes out with a substantial debt between \$15,000 and \$50,000. Whatever their interests, the priority then becomes earning money to repay the debt. Many of them would like to do something else but end up in business because that is the only way where they can make money. The number of MBA graduates has multiplied by a 100 in America since the 60s. The reason is that is the place where you make money. When I was in college, most kids were there with scholarships not debts. The debt economy has reduced the freedom people have had to pursue their passion.

On Nipun's Work with The Gift Economy

T: How do you see Nipun's contribution to the transformation of the money system?

B: Well, Nipun is working to strengthen the yin part of our money system, like Time Banks folks, but in a different way. If you think about it, his smile card *is a perfect yin currency* because when you use it, you do something that creates an incentive for someone else to do the same, i.e. to "gift it forward." Whoever receives an act of kindness (and a smile card), is being encouraged to engage in a similar yin behavior themselves. Yin currencies strengthen the relational fabric of society by encouraging cooperation and reciprocity, the elimination of hierarchy, an egalitarian model. They also promote the idea that "small is beautiful," i.e. small gestures count, down to a smile. Yin currencies are more consistent with synchronicity-based approaches than with cause and effect approaches. The Ancient Greeks had two different words for "time". The first was "Chronos" which is still our Modern concept of time (a regular quantifiable succession of minutes, hours and days), and "Kairos" which is a qualitative concept of time ("the right time"). Nipun's smile card game is Kairos-based, more than they are Kronos-based. We typically don't do yin acts to cause a specific effect. We do it because we feel called to do this particular act at that particular time.

Of course, the way that a smile card 'triggers' a follow-up act of kindness is purely voluntary and based on an honor system because there is no enforcement mechanism (there usually is none in yin currencies). Instead of an hour of time being the unit of the currency (the way that is with Time Bank), the unit is *an act* of generosity. Let's assume that I'm helping someone with their accounting work for an hour. If I were to leave a smile card behind afterward... that would pretty much be the equivalent to what Time Banking does. The closest existing complementary currency to Nipun's smile cards is the thank you system of Friendly Favors started by Sergio Lub, an old friend of mine living in the Bay Area.

T: I have noticed that folks who support the strengthening of the gift economy often seem to imply that our societies could function, and would function more healthily, by working solely with yin currencies. What do you think about that?

B: Our society badly needs to see the strengthening of such yin currencies, but we cannot ignore or do away with the yang system. As in all system in which there is excess yang, the solution is not to eliminate the yang (which would create excess yin)... it is to activate the yin and calm the yang until they are both in balance.

I would make the claim that the yang currency is not sustainable without the support of the yin currency, and the reverse is equally true. Let me explain both sides of the equation. For me to become the person I am, my family has had to invest a lot of resources of all kind (time and money) to make me who I am. I became someone that some Yang enterprise in the mainstream economy might want to hire. Without the yin space of the family, that would not be possible. The yang economy requires a vibrant yin space. The same is true in the opposite direction. I'm living in a house, and use a whole series of things like a computer none of which are produced in a yin space. It's a yang environment, highly concentrated, competitive environment which makes those things possible. It took a 2 billion dollar investment to produce only the chip that is in the computer you are using.

The Soviet Union threw in the towel when the information age broke out, because their system did not allow them to keep up. Their computers were 20 years behind what the Americans were doing. And the reason was that their model did allow for the competitive drive that would generate the necessary innovations. One could imagine a primitive yin environment without the support of a yang economy, but only in a primitive type of society where people don't have to continually innovate. While we can respect those types of societies, it's not clear that this is how we would want to live these days.

How does a yang currency support a yin environment? Basically, it makes a yin environment possible at a higher standard of living. Civilizations have developed much that we recognize as advantages of civilization from the yang economy. If you had to live in a society that does

not require massive production, we probably would not be able to support more than 500 million people on this planet. You would have to get rid of 90% of humanity.

Anyone who wants to foster love, generosity and spiritual growth, needs to have an interest in a yang currency, not because it directly creates those things (the way yin currencies do) but because it is the yang currencies that work to eliminate material living conditions that foster misery and pain (in the ideal scenarios, of course).

As stated earlier, whenever there is an excess Yang, the solution is to calm the Yang and activate the Yin. The Terra project (see Appendix C) is all about calming the Yang, and the implementation of the Yin currencies is of course about activating the Yin. I see the “calming the Yang” may be even a bigger paradigm shift than what many people are doing in the Yin domain. If Exxon Mobile was making its decisions over a 200 or 300 year horizon rather than the next quarter, do you think that they would do the same thing that they do now? They would look at things very differently... They would also understand that harming the Yin space is detrimental to them.

T: What do you feel you have to offer to TPN members overall?

B: One of the ways in which I can serve TPN is by helping its members use the whole systems approach for whatever objective they have, and by identifying or possibly designing complementary currency systems that would support the work that we/they are trying to do.

I can also provide hospitality to TPNers passing through Brussels!