

The Future of the Economy



A Holistic Socio-economic Paradigm for Evolving Societies

By

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Part I: Auroville – A Case Study in the Making

The Emergence of a Rainbow Economy with its Seven Levels of
Interrelations

Foreword

After nearly 20 years of living and working as a spiritually oriented entrepreneur in the experimental Community of Auroville in South India, the last 10 years spent studying monetary systems and elaborating alternative economic proposals, I came to the realization that the different known economic models, each with its own advantages and drawbacks, which we were trying to implement towards a more ideal community economy, were antagonist to one another as the principles upon which they function are too different and cannot be reconciled in the minds of their supporters and proponents. Furthermore as each human being has a different set of values, beliefs, and aspirations for a specific life style, socio-economic experience or spiritual path, even within one community with clearly defined aims and ideals, I understood that a range of economic possibilities had to be available to seekers of alternative life experiences. Even during our lifetime our understanding and our needs change and evolve, not to speak of the contradictions between our high ideals and our practical need for efficiency and comfort.

It is then that I had the vision of seven levels of economic principles and of the relationship these principles have with one another and how these principles actually support and complement one another so that people in the community may experience a more integral and fulfilling life and be able to cater to their deepest needs in a more harmonious way. This economic structure is based on the ancient Vedic knowledge of the [Chakra](#) system and how each of the seven levels functions with an energy type that achieves specific aims for inner growth and life education and how, together, they form a more integrated state of economic being.

This essay will take you through these seven principles and their interrelations, first in a simple overview, and expose on the way more technical parameters, shown in separate boxes alongside the text for a deeper understanding. There are, therefore, two ways of reading what follows: reading everything as it unfolds through the text and boxes, or first reading the main body of the text for a general overview and coming back to the more elaborate information in the boxes later. Bold text refers to side boxes. Side boxes with no reference are written by the author.

Chakras

A chakra is a center of activity that receives, assimilates, and expresses life energy. The word chakra literally means wheel or disk and refers to a spinning sphere of bio-energetic activity emanating from the major nerve ganglia branching forward from the spinal column. There are seven major chakras in the column of energy that reaches from the base of the spine to the top of the head. These seven correlate with basic states of consciousness, subtle electromagnetic forces, which connect to the physical, emotional, mental and spiritual bodies.

Sahasrara - Chakra Seven:



Light, Universal identity, oriented to self-knowledge.

This is the crown chakra that relates to consciousness as pure awareness. It is our connection to the greater world beyond, to a timeless, spaceless place of all-knowing. When developed, this chakra brings us knowledge, wisdom, understanding, spiritual connection, and bliss. Symbolized by a lotus with a thousand petals, it sits above the head outside the body. The sahasrara chakra symbolizes detachment from illusion, an essential element in obtaining supramental consciousness of the truth that one is all and all is one. It is the most subtle chakra in the system. When the kundalini (energy of consciousness) rises to this point, a person experiences the state of samadhi, or union with god. This Chakra is the last milestone of the evolution of human awareness and integrates all the chakras with their respective qualities.

Ajna - Chakra Six:



Thought, Archetypal identity, oriented to self-reflection.

This is the brow chakra or third eye center. It is related to the act of seeing, both physically and intuitively. As such, it opens our psychic faculties and our understanding of archetypal levels. When healthy, it allows us to see clearly—in effect, letting us "see the big picture." When we see something in the mind's eye or in a dream, Ajna is "seeing" it. Ajna is the one that dissolves all our conditionings, ego, habits, false ideas of racialism, and all our misidentifications.

Vishuddha - Chakra Five:



Sound, Creative identity, oriented to self-expression.

This is the chakra located in the throat and is thus related to communication, creativity and growth, growth being a form of expression. Here we experience the world symbolically through vibration, such as the vibration of sound representing language. A lotus with sixteen petals is its symbol. The faculty of higher discrimination, of choosing between what is right and wrong depends on Vishuddha. Tradition knows it as the "poison and nectar" centre, and says that the secret of immortality resides there. When Vishuddha is closed, we undergo decay and death. Vishuddha is the chakra of diplomacy, of pure relationships with others, and of playful detachment. It removes all our guilt and remorse when it is opened, and gives us a kind and compassionate voice. It transforms negative experience into wisdom and learning; it removes the tendencies to dominate others or to feel dominated by others, the feelings of superiority or inferiority, and all jealousies.

Anahata - Chakra Four:



Air, Social identity, oriented to self-acceptance.

This chakra is called the heart chakra and is the middle chakra in a system of seven. It is related to love and is the integrator of opposites in the psyche: mind and body, male and female, persona and shadow, ego and unity. A healthy fourth chakra allows us to love deeply, feel compassion, and have a deep sense of peace and centeredness, equilibrium and well-being. Traditionally, this chakra is represented as a green flower with twelve petals. In Anahata, one is making decisions, 'following your heart', based upon one's higher self, and not from the unfulfilled emotions and desires of lower nature. It is also associated with charity to others, and forms of psychic healing. Anahata is the seat of the Jivatman, the Divine spark in man.

Manipura - Chakra Three:



Fire, Ego identity, oriented to self-definition.

This chakra is known as the power chakra, located in the solar plexus. It rules our personal power, will, dynamism, and autonomy, as well as our metabolism. When healthy, this chakra brings us energy, effectiveness, spontaneity, and non-dominating power. It is related to the transition from simple to complex emotion, energy, and the function of assimilation and digestion. It is positioned at the navel region and it has ten petals. It is associated with the power of fire. Manipura is said to radiate and distribute prana (subtle energy) to the rest of the body. It is the Chakra that gives us the sense of complete satisfaction and contentment. It is the center which makes us peaceful and generous.

Swadhisthana - Chakra Two:



Water, Emotional identity, oriented to self-gratification.

Located in the abdomen, lower back, and sexual organs, it is related to the element water, and to emotions and sexuality. It connects us to others through feeling, desire, sensation, and movement. Ideally this chakra brings us fluidity, creativity, and grace, depth of feeling, sexual fulfillment, and the ability to accept change. It has six petals. Swadhisthana is associated with the unconscious and hidden desires, especially sexual desire. It is the chakra of pure attention and pure knowledge. It is the one which connects us to the inner source of inspiration, and enables us to experience the beauty around us. The pure knowledge given by this chakra is not mental, but it is direct perception of the Reality.

Muladhara - Chakra One:



Earth, Physical identity, oriented to self-preservation.

Located at the base of the spine, this chakra forms our foundation. It represents the element earth, and is therefore related to our survival instincts, and to our sense of grounding and connection to our bodies and the physical plane. Ideally this chakra brings us health, prosperity, security, and dynamic presence. It is responsible for the fight and flight response when survival is under threat. It has four petals. Muladhara is the chakra that draws down spiritual energy and causes it to assume a physical existence. It is like the negative pole in an electrical circuit, which provides the potential for the evolution of form. Within this chakra resides/sleeps the kundalini shakti, the great spiritual potential, waiting to be aroused and

brought back up to the source from which it originated, Brahman. It is related to the physical process of excretion, and also to the various fears and guilt complexes. All a person's Samskaras (potential karma), are expressed here, in a physical form.

The Rainbow Economy

Most usually when we speak of economy we refer to a global financial system that functions on the base of money being created as debt (bank loans), for investment, speculation, markets exchanges and hoarding. Very few people have an understanding of how this system really functions.¹ But even when we consider alternative economic principles in the form of mutual credits, local currencies, or the monastic/ashram organization of communal economies, we often struggle, unable to reconcile the different principles upon which these different structures operate within one society.

The *Future of the Economy* takes a new look and develops an understanding that identifies seven levels of economic principles that answer in an integral manner the overall needs of the human family and put them in a perspective that allows each of these economic principles to support and complement each other rather than to compete one against another.

This new understanding is built upon the ancient knowledge of the seven chakras system and their relation to specific levels of manifestation. It endeavors to relate these seven levels of manifestation to economic principles and explains their intrinsic mechanisms and inter-relations for intentional communities around the world. We have called this concept *the rainbow economy*.

Short definition of the seven levels in the rainbow economy:

1. The global common financial system in any presently known form, bank notes, credit cards, bank accounts, bonds, stocks, mortgages, mutual funds, etc.
2. The community deposit account (the Auroville cash account) which is the first layer of community currency used for personal funds deposits.
3. The community activity and exchanges account (the Auroville kind account) which is the virtual system of exchange amongst community services, individuals and activities.

¹ See Paul Grigon's free download Google video "Money as debt" at <http://video.google.com>

4. The monastic/ashram system (the Auroville Pour Tous distribution center) which provides for the basic needs of community members who contribute in recognized, meaningful ways to the collective through work, kind, or cash contributions.
5. The mutual credit system (ACCESS – Auroville’s Conscious Community Exchange System for Sustainability²) which allows for individual exchanges of goods and services on a direct and personal level and is very suited for art, healing, education and freelance skills.
6. The gift economy (free services) which relates to the countless and unaccounted for, kind help we extend to our close friends and family members.
7. The economy of self (our personal spiritual connection) which refers to the amount and quality of time spent alone in dedication with our higher selves, as the preciousness of these moments often allows us huge savings of other life resources through inner intuitive guidance, insights and deep healing.

The integration of these levels of economic consciousness by human beings, whether living in intentional communities or not, allows for an abundance of everything needed for each and for all to experience a simply rich and beautiful life, and gives its adequate place in society to every economic possibility.

The *Future of the Economy* then takes a look at the relation the Divine Mother archetype has with Money by giving a short review of Bernard Lietaer’s book *The Mystery of Money*, before discussing the implications and practical solutions to the implementation of a universal system of exchange so that local communities worldwide can exchange goods and services amongst themselves without the use of cash.

² <http://www.auroville.com/access>

First Level: The Global Economy – Physical Chakra



By global economy I mean everything we now commonly refer to as, and account with, money: the banking system with its coins, notes, cheques, credit cards, bonds, scripts, as well as electronic money, for nearly all transactions in the world; all paid exchanges, loans, investments, speculative activities, hoarding, etc., that is, basically the entire international financial structure for every transaction for which a monetary value is assigned.

The [history of this financial system](#) has gone through amazing metamorphoses in the last few hundred years and has become truly global only in the last decade.

History of the Financial System

Pertinent milestones:

- First use of currencies for exchanges in early antiquity.
- Roman Empire introduces interest and a unique common currency across a vast area.
- Establishment of deposit banks and paper money under the middle ages monarchic times.
- Aristocracy retains the right to issue paper money and later lends to the new democratic governments.
- Right to issue legal tender officially given to established private banks by governments across Europe and America in return for the privilege to borrow any amount necessary by the government.
- The Bretton Woods agreements in 1945 establish the “Gold Standard” that places the US\$ as official global reserve currency and therefore regulates the amount of money each country can put in circulation. (The \$ is still the currency of reference today for all other countries.)
- In 1971 Nixon disregards the Gold Standard and deregulates the Dollar’s equivalence to gold opening an era of free floating currency issuance based on debts and the perceived ability of a country to redeem its debt.
- The World Trade Organization is formed and forces open trade regulations for commercial exchanges between countries helping multinational corporations to rip apart local economies.

We all use this system to live in the world; everybody uses money and is affected by it, even Bushmen or backward tribes must use it to some extent and there must now be very few people entirely unaffected by it. What is rather appalling is that almost none of us has any understanding of how this system actually functions. It’s a bit like breathing. We all breathe since breathing is a vital function, but we tend to breathe in an unconscious, mechanical manner. Like our lungs, we know how to inhale the cash and

exhale the payments, are good at making money or blowing it, and sometimes both; but we are seldom aware of the physiological mechanisms of our incomings and outgoings in the money space or of the deeper life energies upon which our financial system operates.

This state of being is very close to the way we deal with our physical bodies: As long as all is well and we are fine we don't bother too much or care to know more about how the body works. When some pain or difficulty arises we go to see a doctor for advice or to be cured. Financial advisers and government schemes exist to give help and direction but both doctors and bankers have only limited knowledge of their field of expertise and rarely have a holistic understanding of the whole being of man or of humanity.

I do not pretend to have found the secret of an invariably happy and trouble free life for the human race; it is simply that, as a layman with no specific expertise, I may have been more open to a fresh and intuitive view of a universal problem.

And problems there are with the system in current use, that much at least we all know. We may have developed our lives and surroundings to levels that would have been unimaginable a century ago, through science, technology, and the implementation of a globalized financial system, but the means and knowledge we have used to develop this aspect of our earthly life has brought that life to a cancerous state. The ruthless destruction of our environment and the harshness of the exploitation we inflict upon our fellow human beings so as to keep the global economic machine running are simply unbelievable and, far from being the mark of an evolved species, are a lot closer to the most barbaric practices we know of in history, only appearing today in extremely sophisticated versions.

The Great Debate – Is Global Warming Real?³

...The world has come to a strong consensus. Scientists, researchers and leaders from every corner of the earth have agreed that the science has spoken loud and clear: the global climate is changing, and human activity is responsible for this change in climate. The world is becoming warmer because of the large amount of emissions that are being released into the atmosphere each and every day. These emissions are primarily greenhouse gases, especially carbon dioxide from fossil fuel combustion often released by massive human activities such as industrial processes...

³ http://environmentalist.article-ok.com/The_Great_Debate_Is_Global_Warming_Real

Chinese Sweatshop Conditions⁴

In the crowded sweatshops of China's Pearl river delta, the world's toys are churned out, not by Santa's elves, but by 1.5 million peasant girls toiling through shifts of 12 or 14 hours, inhaling toxic fumes.

A 10-year campaign to introduce basic workers' rights has barely begun to improve the shabby treatment of the girls, new research shows.

"The Chinese toy factory workers are more exploited than before," said May Wong of the Asia Monitor Resource Centre who investigated the toy industry, with the Hong Kong Christian Industrial Committee. Another investigator, Monina Wong, author of a soon-to-be-published report for the Hong Kong Coalition for the Charter on the Safe Production of Toys, said: "Wages have actually gone down, there is so much surplus labor. Conditions have improved a little, especially in overtime because big buyers are putting pressure on sub-contractors."

But workers still have no contracts or unions, and little protection from owners who sometimes withhold part or even all of the wages due. China makes 70 per cent of the world's toys and its exports, now worth \$7.5bn annually, have doubled in eight years. In addition, China exports nearly \$1bn of plastic Christmas trees, ornaments and lights, tinsel,

Hong Kong and Taiwanese companies that make goods for the likes of Hasbro (whose brands include Action Man and Bob the Builder), Mattel (makers of Barbie) and Disney have shifted production to the Chinese mainland, lured by the plentiful supply of cheap, unregulated labour.

China has 6,000 manufacturers, largely funded by foreign companies and clustered in the Pearl river delta, or Zhejiang and Jiangsu provinces. Dr Anita Chan, an expert on Chinese labour issues at the Austrian National University, said: "People who buy toys should care, [because] conditions in the toy sector are probably worse than other factories." Sixty per cent of the toy workers are women between 17 and 23 who live in cramped company dormitories, 15 to a room, earning 30 cents an hour painting colours with a brush or spraying, or clipping the pieces together. Most get only two days off a month. Inhaling the spray paints, glue fumes and toxic dust is a health hazard, causing dizziness, headaches and rashes. Over time, it can be fatal. The case of 19-year-old Li Chunmei, who fainted on the production line and died hours later, was reported by The Washington Post this year and taken up by trade unions in America. But such deaths are common in the Pearl river delta. This year, China introduced laws on health and safety but campaigners say these make the workers responsible for compliance and are hard to enforce.

Of the remaining \$2, \$1 is shared by the management and transportation in Hong Kong, 65 cents shared by the raw materials. The remaining 35 cents is earned by producers in China for providing the factory sites, labour and electricity. Although big companies including Disney have drawn up codes of conduct, enforcing them in China is not easy. Dr Chan said: "My guess is that big factories might have shown improvement, but not the smaller sub-contractor." Chinese workers had the right to strike in the 1954 constitution but this was taken away when it was amended in 1982. Now that the Communist Party is privatizing the means of production, legal experts say the only logical step is for the workers to be allowed trade union freedoms.

Here then is my postulate: that whatever we try to do to save our environment or implement more equitable social standards, is doomed to failure in an economic

⁴ By Jasper Becker in Beijing - *The Independent* - 24 December 2002.

environment based on maximizing cash profits and minimizing costs of production for a global market in which the rich benefit the most and the poorest are constantly taken advantage of.

The parameters within which this financial system operates are so subtly forceful in the way they impose and dictate economic development that, no matter what we know we want to change, the system reduces this higher knowledge to the lowest denominator: financial profit first and foremost. We know by this time that the political impetus which could effect change is either absent or is driven by the same financial considerations; and so-called altruistic charity adds up to throwing out some crumbs from the yummy cash cake, when it is not a cleverly disguised operation for increasing profits.

But what exactly are these subtly forceful, financial parameters that we all breathe so unconsciously?

To answer this question let us look at how money is created.

Those who have studied economics to any extent know that money is created from debt, but what does this actually mean?

When you, or any group, company, corporation, or institution, even a government one, needs money for a purchase, project, initiative, that group goes to a bank and applies for a loan. If the requirements for obtaining the loan are met, the bank issues x amount of money by entering a debit balance in their account and crediting that same x amount of money to the account of the borrower. Banks are allowed by law to do this with almost any amount of money as banks can borrow from each others and can issue loans in much larger amounts than they actually hold as assets. Through a process that is called [fractional reserves](#), “high power money” issued by the reserve bank gets multiplied dozens of times during successive borrowings and deposits. So far so good, but the hidden catch is that the bank will ask for interest on the amount it has lent having put into circulation the amount of money borrowed but not the amount that will have to be paid in interest. What does this do to the economy?

Fractional Reserves⁵

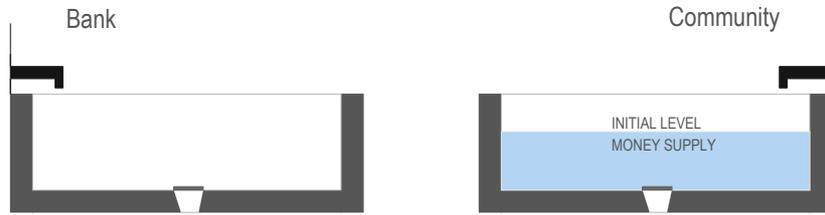
For every deposit that any bank receives, it is entitled to create new money, specifically, in the form of a loan to a customer of up to 90% of the value of the deposit. That new loan – for

⁵ B. Lietaer, *The Future of Money*, p. 304.

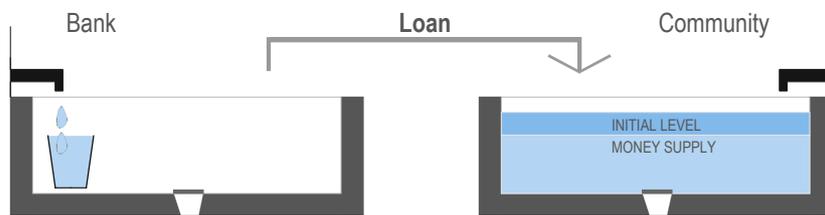
example, a mortgage that will enable you to buy a house – will result in the seller of the house making a new deposit somewhere else in the banking system. In turn the bank receiving that deposit is entitled to create another loan for 90% of that new deposit; and so the cascade continues from deposit to loan down through the banking system. What started as a \$100 million cheque issued by the central bank (called “high power money”), by the time it works its way through the commercial banking system, has enabled banks to create up to \$900 million of new money in the form of loans. If you understand this “money alchemy” you have understood the most arcane secret of our money system.

Take the example of a small country where, in a given year, a thousand people take out loans. The monetary mass in that country, which was just enough for its commerce and industry up to then, increases by x amount of the national currency. Commerce flourishes as the money goes into circulation and, after a specific time the, money has to be returned to the bank with the interest added. As the interest sums were not created by the bank, borrowers will have to make more money than they borrowed or default on their loans and even declare bankruptcy. Alternatively, they may lose their jobs. What this does in a society is to turn every one of us into indebted little financial gladiators, fighting our way through competition and financial struggles in which, naturally, some will have to lose for others to win: not exactly a model for a twenty-first century society of developed human beings.

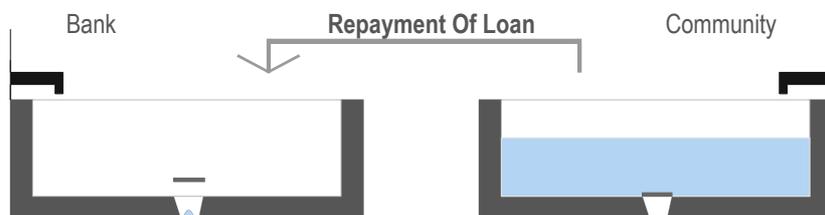
THE PRINCIPLE FOR THE CREATION OF MONEY, LOANS AND INTERESTS



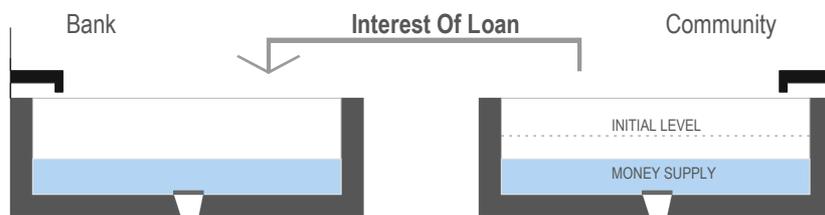
The first sink, empty represents a bank. The second sink, partially full, represents the money supply available in a given community.



When the bank grants a loan, the money is 'created' through an internal banking operation. The money supply available to the community increases accordingly.



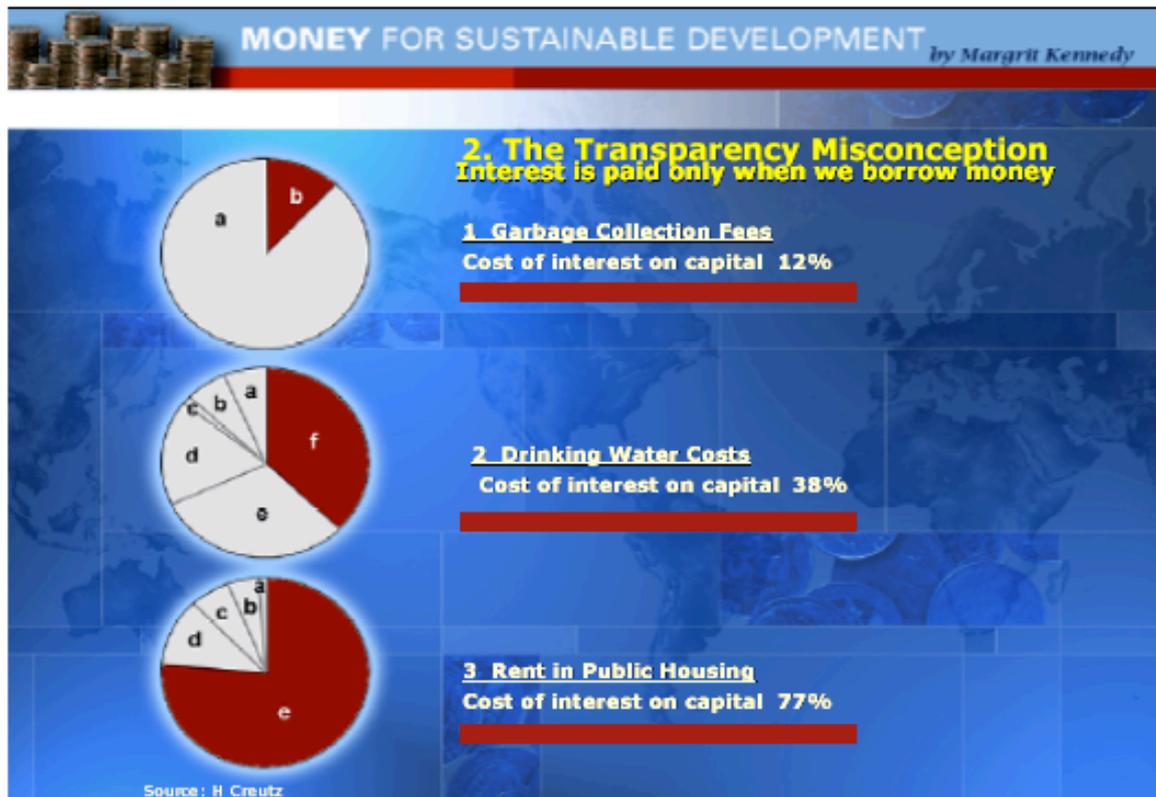
The borrowing party in the community repays the loan: the bank writes the loan off. The money disappears from the bank's books. The money supply returns to its initial level



To pay the interest, the community draws upon its resources. In the end, the bank has become richer and the community has become poorer.

What makes the system particularly iniquitous is that the interest that the retailer calculated in his selling prices in order to repay the loan he took to open his shop is based on the prices charged by the wholesaler who has calculated his wholesale prices, including the interest on the loan he took to build his warehouse that is based on the price that the manufacturer has calculated, including the interest that he has to pay, etc.,

up to the production or extraction of the raw materials which constitute the final product, passing through all the stages of production, distribution, transportation, concept and design. If we follow this interest and compound interest through all the stages of production and all the different materials that make up a final product, we find that any item we purchase contains up to three quarters of interest in its cost to the consumer, whether of a product or service.⁶



The dark part of the pie represents the compounded interest.

This means that each time a financial transaction takes place, every time a payment is made, up to three quarters of the amount goes to the bank to pay off the compounded interest and appears in the final price of that particular item or service. This is not part of the taxes we pay to our governments, but is rather an invisible tax built into our financial system, a sort of fee we pay to have money issued and in circulation so that everyone may use that medium of exchange. To me this looks like a kind of catheter subtly and invisibly sucking our energy, not such a wonderful financial system for an evolved society to depend upon.

⁶ See Margrit Kennedy, *Interest and Inflation Free Money*.



Symbolic representation of the effects of bank loans and compounded interest in society. (cartoon by Emmanuel, 2007)

What exactly does such a system do to a society?

We have already seen that this system is turning us into financial gladiators, now we may also see that the higher up we are able to place ourselves on the social pyramid the less we have to fight in the financial arena. The more we have to take out loans to thrive or survive, or simply cope with contingencies, the more we have to work to return the interest on the loans we have contracted.

This is why higher education for a better paid job or the support of a prosperous family or contacts to supply start-up capital, makes a great deal of difference as it allows people to borrow less money and perhaps even to lend some to others, and to earn interest on it. It is known that the more money, assets and collateral one has, the cheaper it is to borrow money. When we look at this socio-economic pyramid we can also see that the flow of money is always drained from the poorest levels at the base to the richest at the top and that this is due to the inbuilt dynamic our financial system carries with its interest feature: it slyly and constantly concentrates wealth.

An inherent principle of such a system is the constant need for exponential growth. New markets have to be found all the time as well as cheaper labour, raw materials and production processes: a mad carousel that keeps everyone in the “rat race” on an ultimately doomed trajectory, as no organism can sustain exponential growth forever without a collapse of the system at some point. We have lived through numerous painful recessions in the past; the globalization of today’s system will most certainly make the next collapse a world wide one.

What is also worth noting is that all religions forbid “usury”, the collecting of interest on money loaned. The church over time closed its eyes to the ever growing practice as it gradually lost control over public life and Islam, the last religion strongly and successfully to condemn usury, is overlooking it as banks in Islamic countries design ways to circumvent the Koran’s precepts on this subject.

Some Religious References to Usury⁷

“Usury”, or charging interest, has been frowned upon since their founding by all 3 religions (Judaism, Christianity and Islam) that have followed the books of their beliefs as revealed by God. Only Islam has remained true to the tradition of non-usury to this day. Henry VIII, after his break with Rome, legalized interest in Britain for the first time in 1545. But it was not until the 18th and 19th centuries that this investment option displaced real estate in people’s portfolios. This was true even in Protestant countries. The Catholic church “forgot” about the

⁷ Lietaer, *The Future of Money*. p.311.

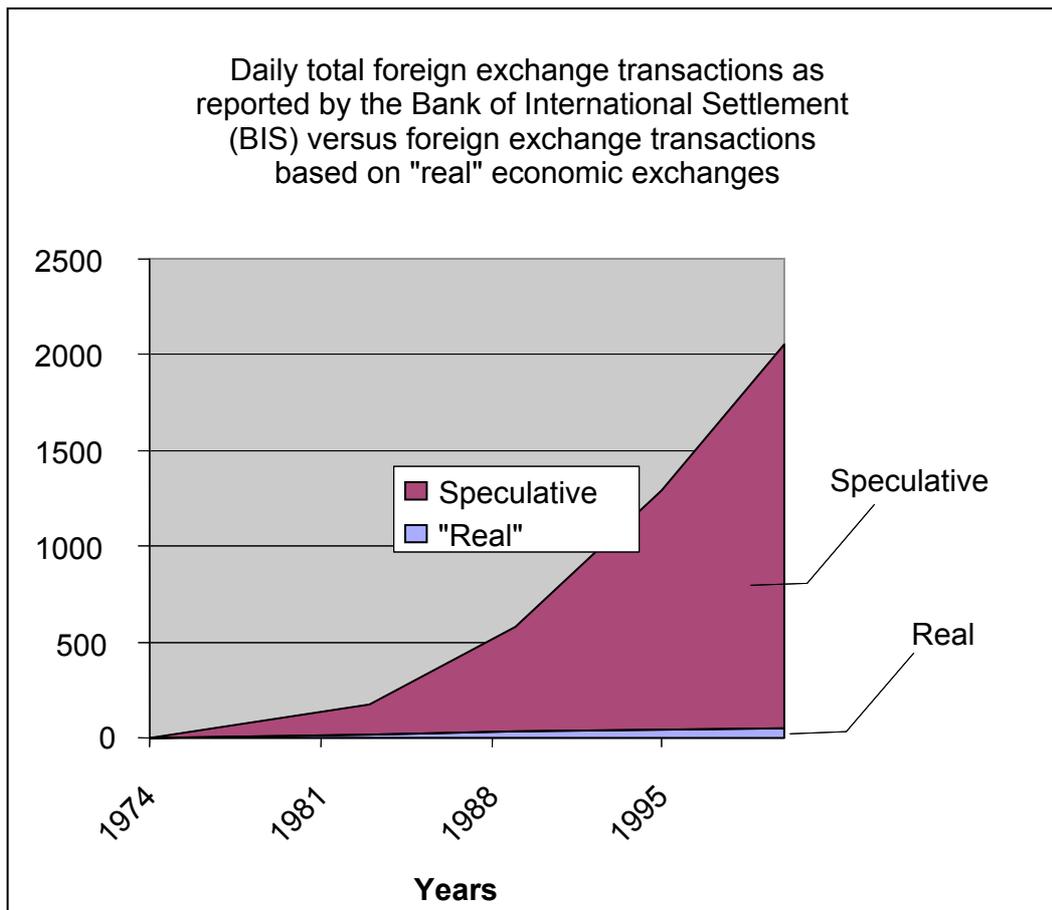
sin of usury only towards the end of the 19th century, thereafter including bonds or any other form of interest-bearing loans even in ecclesiastical portfolios.

To me this looks more like a very sophisticated, self-imposed, modern system of slavery which is not exactly what might be expected of an evolved conscious twenty-first century society.

But who controls this system, who benefits from it and how is it we don't know more about it?

What somehow saves us from total disgrace as a human species is that no one actually controls this system. No government, no financial institution or secret society is actually fully in charge or has the power to run this financial system. As it has developed through the years according to this or that political decision or to the implementation of new financial schemes, plans and agreements, we may say that what actually designed this system is the sheer greed of human beings, their hunger for power and control, and habit of seizing the advantage for themselves and of coercing others with the fear of scarcity. See the brief [History of our Financial System](#) side box. In short, the dark powers dwelling within each individual are to blame for this system and that is why we are all both responsible for it and victims of it, the rich just as the poor, the erudite as the uneducated, the respected powerful man as the ignored forgotten one; our dignity as a human family is utterly degraded by the workings of such a system.

Naturally, there are those who benefit enormously from this system and others who are killed by it. By now we can safely expect that over 90% of the world's wealth is owned by less than 10% of the population. We know that financial power is what actually influences our governments' decisions, that the maintenance and increase of the economy is of too much importance for anything else to be taken into consideration, and that, out of the daily financial transactions in the world 98% are for speculative purposes and only 2% for actual exchange of goods and service.



We can no longer close our eyes to the fact that entire populations are starving to death or being killed by diseases curable in other countries, or that the development of Third World countries by developed ones through World Bank and International Monetary Fund schemes are tantamount to the enslaving of whole nations.⁸

The reason why we don't hear more about the hidden workings of our financial system is that the people who may know something about it are those who benefit from it the most, the people at the top of the pyramid who also happen to own the mass media and therefore control the information that percolates to the public. The whole system functions on the basis of sterilized mass communication where the information useful for boosting the sales of products, the patented invention owned by a particular corporation, or the latest pharmaceutical discovery benefiting a multinational, is released in a professionally crafted manner. The whole politico-economic circle is well adapted for withholding sensitive information and for disseminating the information

⁸ John Perkins, *Confessions of an Economic Hit Man* (San Francisco: Berrett-Koehler Publishers, Inc., 2004).

that will induce the public to believe what is economically beneficial rather than what is actually true: we are living in the age of the disinformation society.

"We are grateful to the Washington Post, the New York Times, Time Magazine, and other great publications whose directors have attended our meetings and respected the promises of discretion for almost forty years. It would have been impossible for us to develop our plan for the world if we had been subject to the bright lights of publicity during those years. But, the world is now more sophisticated and prepared to march towards a world-government. The supranational sovereignty of an intellectual elite and world bankers is surely preferable to the National auto-determination practiced in past centuries"

David Rockefeller in an address to Trilateral Commission meeting, 1991

"Only the small secrets need to be protected. The big ones are kept secret by public incredulity."

Marshall McLuhan

The few independent press publications we have are still mostly marginal and are perceived as mavericks who are unaware of the play of forces on such a scale of magnitude; or they are simply silenced and discredited when something they say disturbs the powers that be too much. More and more web blogs are uncovering evidence of control and manipulation of the media by financial institutions and the corporate world.

Who Owns the Mass Media?⁹

In 1982, 50 corporations controlled over half of the media businesses; by the end of 1986 this number had shrunk to 29, and by 1987 to 26. In 2003, the number is less than ten. On June 2, 2003, the FCC is set to wipe out the few regulations preventing further consolidation.

"A research team at Sonoma State University has recently finished conducting a network analysis of the boards of directors of the ten big media organizations in the US. The team determined that only 118 people comprise the membership on the boards of directors of the ten big media giants. This is a small enough group to fit in a moderate size university classroom. These 118 individuals in turn sit on the corporate boards of 288 national and international corporations. . . . It is kind of like one big happy family of interlocks and shared interests. In fact, eight out of ten big media giants share common memberships on boards of directors with each other."

And when we finally have the necessary information and start to realize that something so outrageous and unbelievable might really be the case, then we are faced with the question: What can we do about it?

⁹ Peter Phillips, Project Censored, Rising Justice, Fall 2005. See <http://www.wifp.org/MassMedia>

The sheer size of the issue, of this structure of money and power that flows everywhere and holds everything together, to the most material details of our lives, seems so overwhelming that the little individual we feel ourselves to be must be completely powerless and unable to change anything even if we want to.

The purpose of this book then is to raise awareness and to expand our knowledge of other levels of economic possibility, and to pave the way for a deeper understanding of what we can do and how to live to be less dependent on this cancerous body.

As we begin to relate this economic concept to the Chakra system, we take this first level of global finance as the base Chakra as it reflects our basic physical reality. We can't do without this physical body and should accept squarely the reality we are in.

The competitive behaviour, hierarchical structure and central control, that such an economic tool fosters are attributes, not necessarily detrimental in themselves, and probably well suited to the corporate business world or to international exchanges, but the supremacy and hegemony that they have imposed on all our economic dealings has brought our society to an extremely imbalanced and gangrenous condition. We should of course be grateful for the system that has brought us as a race to where we are today, as one thing that this system has firmly established is the globalization of its use.

However, this globalization is a double edged sword, for it is also inexorably swallowing local specificity into the larger amorphous whole. It would therefore be beneficial for us to find ways to morph this structure into something that respects and supports both the richness and the needs of our diverse cultures and the uniqueness of each region and locality. We must turn our attention to developing a system that would be a lot more in tune with our higher, nobler aspirations as an evolved species. There are alternative media of exchange and different financial principles already existing.

Yin-Yang Coherence and its Attributes¹⁰

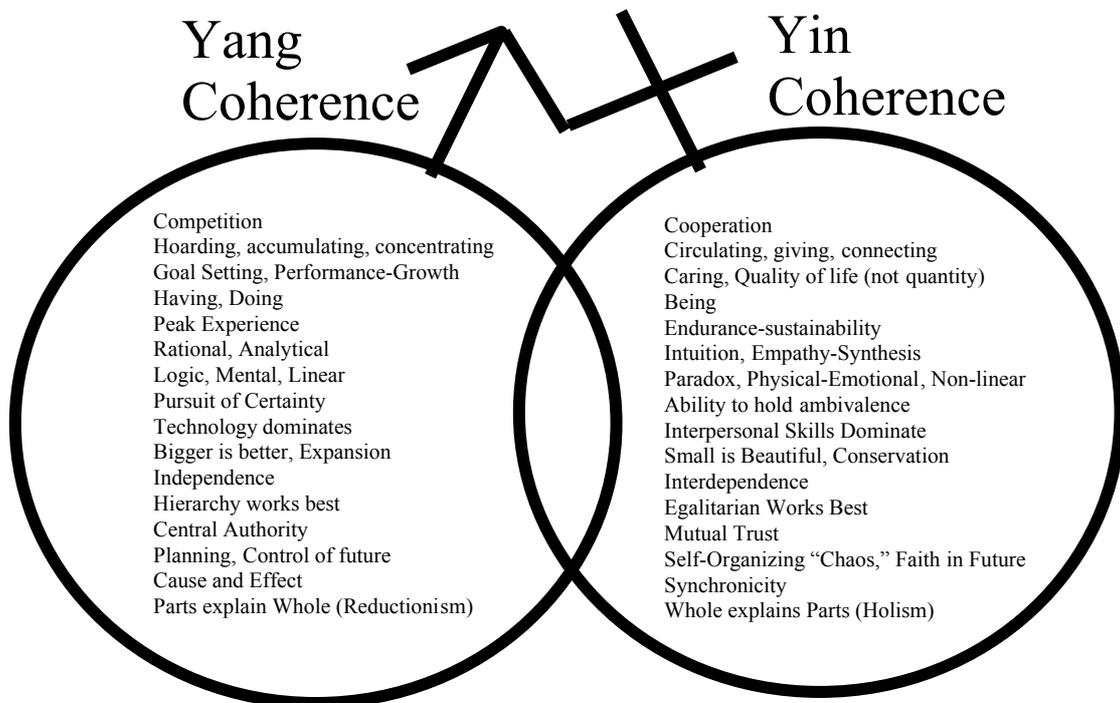
A Yang currency is one whose issuance is based on hierarchy, that encourages accumulation in the form of currency, and that tends to generate competition among its users. All conventional national currencies are Yang currencies, because they exhibit each one of these features. This is why the competitive economy that they fuel will be called the "Yang economy". It is also typically the only economy acknowledged in conventional economic text books.

¹⁰ Lietaer, *The Mystery of Money*. p.306.

In contrast, a Yin currency is one whose issuance is based on egalitarianism, that discourages accumulation, and that encourages cooperation among its users. Well-designed complementary currencies will tend to activate a cooperative “Yin economy”. This Yin economy has existed informally forever typically in the form of a gift economy (i.e. without the use of any currency). Gift exchanges are one of the most important builders of community, and Yin currencies have proven to be more compatible with, or even encourage the creation of, a gift economy.

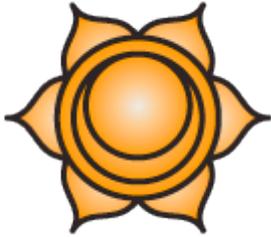
I claim that a balance between the Yin and Yang economies is indispensable for a truly sustainable society to function. Together they create what is called the “Integral Economy.”

Yin-Yang Characteristics



Yin-Yang Coherences: One advantage in using the Yin-Yang vocabulary is that Taoists never separate polarities. They emphasize the connection between them – their complementarity.

Second Level: Local Currencies – Subtle Physical Chakra



So here we are with our global political money; whether it is dollars, euros, yen, dinars, rupees or riyalds doesn't make much difference, they all function upon the same principle. For the sake of our brief investigation of the rainbow economy, let us take Mr. or Ms. Traveller with his/her world-cash, to a community somewhere on the globe; and let us say that this community has already established in its structure the 7 different fields of economy and integrated their inter-relations. This community could be a nation, a region, a tribe or group of like minded people, a village or intentional community, any group of people sharing a common vision and ideals, similar values, a traditional style of life, or simply holding to something that binds them and that they feel is worth protecting from the globalization of market forces.

So Mr. or Ms. Traveller comes to that experimental community and discovers that although s/he can buy most goods and services with his/her cash, the community also has its own currency, issued and monitored by the people who live there.

Now, complementary currencies (See also: [The "Yin-Yang" Coherence](#)) are not exactly a new concept, we have experimented with them already from the beginning of the last century and nowadays thousands of eco-villages, new age communities, local associations and barter clubs have sprung up across the world to establish their local complementary currencies.

But for what purpose and with what advantage?

A [complementary currency](#) is an agreement among a group of people to put in circulation a medium of exchange that is issued in circulation without fees such as interest and for the purpose of trading their own goods and services. It is issued based on the real value of the goods and services at the time it is needed by the people to operate their exchanges or community projects. It is therefore always in sufficiency, cannot be speculated with and doesn't drain the local economy of its real worth. These types of currency function on very different principles than conventional money, and they have been discovered to foster completely different sets of values in the communities that have experimented with them. They support a sense of community and trust, they nurture new contacts and communication amongst their users; they

generate a complementary source of revenue for low-income or disfavoured populations and allow for the local employment of amateur skills and craft so that even well-off people can suddenly find ways to offer the skills of their beloved hobbies and be rewarded for it. With a local currency the user doesn't have to worry about how to "make money" as credits are always available for him to use, the difficulty is rather to find what s/he can usefully do with them in the local economy.

Complementary Currencies¹¹

The purpose of every community currency or exchange system is to provide a payment medium that is separate from, and supplemental to, official money, and originates not in banks or government but in the community of members. What do the members have to offer one another in exchange for their goods and services? Only their own goods and services. Ultimately, we each have only one currency with which to pay, and that is our own production. What is needed is some device, a "placeholder", if you will, that allows both time and opportunity for accounts to be balanced. All that this requires is a willingness to wait and a willingness to trust. In a word, the members of the trading community must be willing to give each other "credit".

There are many different kinds of complementary currency depending on the features with which they are built. The currency could be printed as local notes, or circulated on a virtual accounting system, in the community network or on the internet, as the Local Exchange Trading System or Community Exchange System software. It could be issued by a financial community committee as a "Fiat" currency or by the people themselves as a "Mutual Credit" currency. It can be evaluated on hours of work or based on the national currency's value and may have inbuilt options such as a "circulation incentive" or administrative fees, etc. This is why there are hundreds of different kinds of complementary currency around the world, each with its specific set up and resulting resonance among its members and within the particular community.

A complementary currency is therefore a closed group market that is given a specific medium of exchange; it is an age old concept as some prehistoric tribes had already discovered that they could use rare sea-shells or engraved pottery pieces as medium of exchange for their regional trading. More recently, multinationals and corporations have issued their own version of complementary currencies such as the famous Frequent

¹¹ Thomas Greco, *Money: Understanding and Creating Alternative to Legal Tender* (White River Junction, VT: Chelsea Green Publishing Company, 2001). p. 136

Flier Miles or the constantly growing range of Fidelity Cards from affiliated chains of distribution stores.¹²

Let us come back to our Traveller, and let us say that s/he has arrived at the international community of [Auroville](#) in South India. There, in order to make purchases at the community store, s/he will have to exchange some of his/her cash for an equal amount of community credits which are then deposited on a personal account on the community's virtual network of accounts.

Auroville

Auroville is an international township in Tamil Nadu, south India, founded in 1968. Inspired by the vision of Sri Aurobindo and The Mother, some 2000 people from India and some 30-35 other nations are building a township dedicated to an experiment in human unity, with the eventual hope of contributing to international understanding and the evolution of human consciousness.

Nearly 5,000 of the 40,000-plus local people living in the dozen-or more villages that comprise the Auroville bio-region are also involved in the project, providing their skills and labour.

The township, projected for 50,000 people, will radiate out from the central Matrimandir and its surrounding gardens in 4 zones, the International, Cultural, Residential and Industrial. A large forested area, the Green Belt, will eventually surround the entire township area.

Present activities in Auroville include wasteland reclamation and reforestation, organic farming, village development, education, health care, renewable energy, appropriate building technology, arts and culture, handicrafts and small-scale industries, architecture and town planning.

As described by its founder, Auroville aspires to be "a universal town where men and women of all countries are able to live in peace and progressive harmony, above all creeds, all politics and all nationalities."

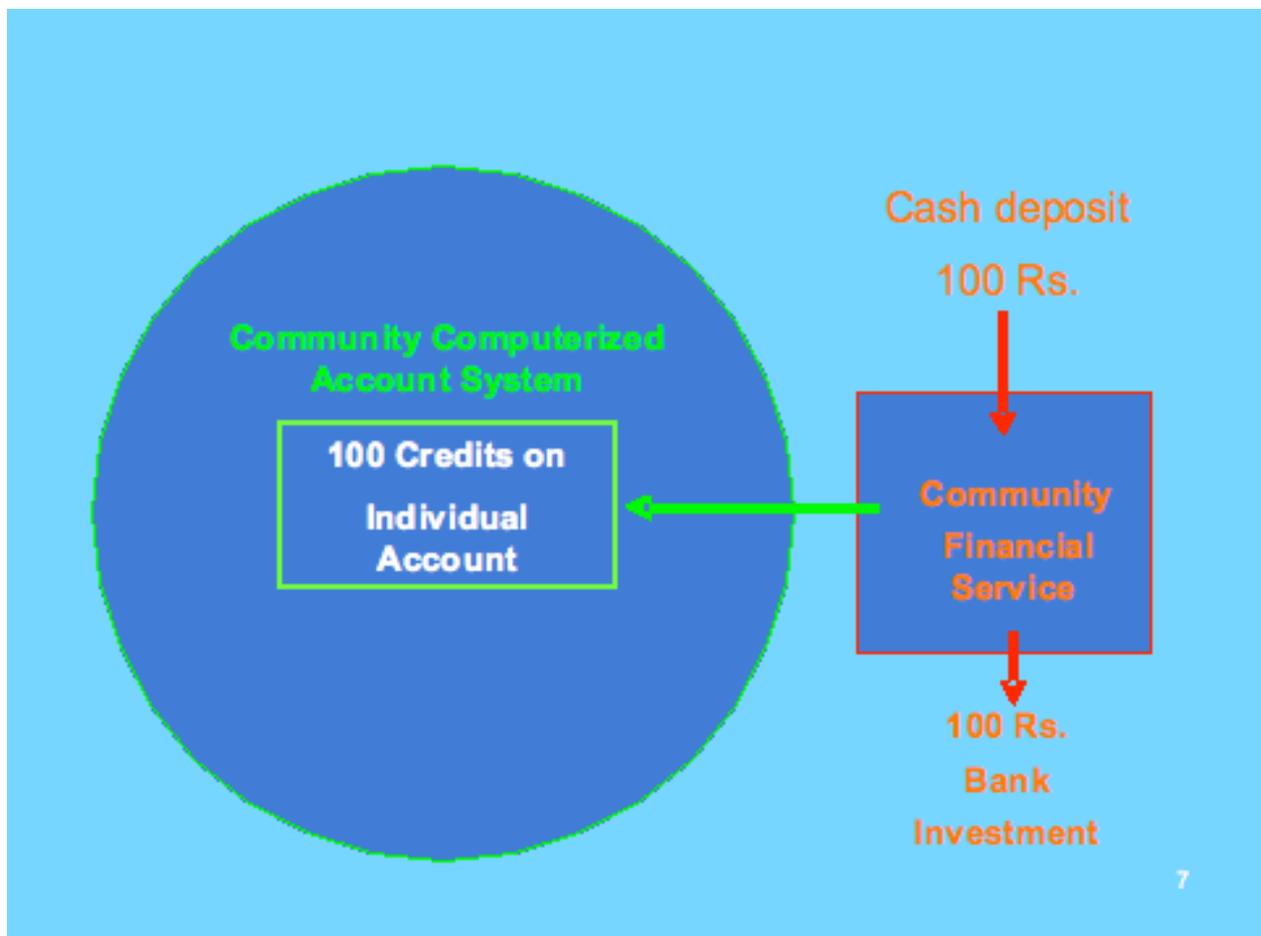
For more general information visit the website: www.auroville.org

The Auroville Charter

- Auroville belongs to nobody in particular. Auroville belongs to humanity as a whole. But to live in Auroville one must be the willing servitor of the Divine Consciousness.
- Auroville will be the place of an unending education, of constant progress, and a youth that never ages.
- Auroville wants to be the bridge between the past and the future. Taking advantage of all discoveries from without and from within, Auroville will boldly spring towards future realisations.
- Auroville will be a site of material and spiritual researches for a living embodiment of an actual Human Unity.

¹² Lietaer, *The Future of Money*, pp. 84-86.

Let us look more closely at what has happened during this operation. The financial service of the community has received an x amount of national currency from our Travellers. What it will do with this money, just like any other cash exchanged by other parties, is deposit it at the State Bank of India for safeguarding and collect interest on the deposit; AND it will duplicate this exact amount on a community account for Mr. or Ms. Traveller to use within the community. What has happened is that from 1 x amount of currency, 2 x amounts of currencies have been created. Now, that is only possible as the amount of currency that is on Mr. or Ms. Travellers community account is not cash anymore but a complementary currency created by the community on its Virtual Mean of Exchange System for members to use within the community's virtual network of accounts ONLY.



Graphic of the cash deposit operation into the community's financial service.

As these community credits are equated 1 to 1 with the national currency and only in an equal amount to the amount of national currency deposited at the bank, this kind of complementary currency is very close to the workings of the national currency. At any

moment Traveller can turn his or her community credits back into cash and spend them in the world market. The difference is only subtle and slightly different from the physical level of the global economy and that is why this level refers to the subtle physical Chakra. A local currency has undeniably been created but the community still works within the interest bearing system even if it's the other way round, with the community lending money to the bank and earning interest on the deal. It is not yet separated from the global system. This level is primarily used for the management of community funds and budgets.

Administrative Subtleties and Commercial Output of the Community Finances.

Any community, region, nation, would in this fashion have a "Central Fund" that receives all incoming monies from the outside world economy. In Auroville this fund is called the Unity Fund. It collects funds from:

- The surplus profits of the commercial sales of the community's industry.
- Grants and Donations for projects.
- Contributions from self-supported individuals.

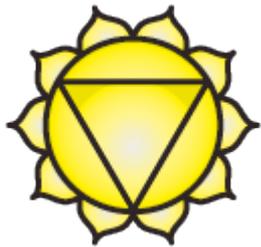
This fund is then managed by a body that budgets the various community activities, maintenance of assets, and best possible investments of the surpluses within the community for development, or on the world markets and available financial schemes.

Each depositor is therefore having an exact replica "Shadow account" in community credits of the amount s/he has deposited in cash at the community's Financial Service.

It is up to each community to decide whether transfer of credits would be allowed on this level between individual accounts or whether these are purely "Funds parking accounts". There are no practical objections to funds transfers done through the Financial Service, but payments of community goods and services done from these accounts should attract tax and the commercial pricing of external market rates. For all practical matters the funds on these accounts are functioning on the same principles than conventional money except that they are in community credits. Each community could then decide whether they would want to reward community investors with interest on their deposits and within which proportions and schemes.

On this level the commercial activities of the community are also having current accounts where income from their sales on the world market are being deposited and from where they draw back cash for external expenses.

Third Level: Community Currency – Energy Chakra



At this level things start to get interesting as the community's financial service is opening another set of accounts that are meant for the members of the community and the activities managed by these members. In Auroville this set of accounts is called the "Kind accounts" as they refer to transactions of actual goods and services "in-kind" as compared to the "Cash deposit accounts" of the previous level.

There is still a lot of confusion in Auroville as to what exactly the difference is between these 2 sets of accounts and most members still see and use their community accounts just like they would use ordinary bank accounts with ordinary cash in them. Even within the administrative and management bodies of Auroville, there is a lack of clarity about the community's economy and how it may be seen as a genuine forward looking model is seldom there. It is therefore my aim to describe it in its ideal state and not as it is now managed, in the hope that some insight might be gained as would be useful for Auroville as well as for other communities around the world.

The main difference then is that the Kind accounts are sealed into a sort of "fish bowl" loop where the credits circulating in them cannot be drawn out by the members themselves but only spent or transferred onto other Kind accounts. If for some reasons an account starts to accumulate too many credits and is not able to spend them in circulation, the account holder would have to approach the system administrator to request an exchange for "Cash Deposit Credits" that could then be drawn out of the community in national currency; alternatively the member might be directed to another scheme that would enable her or him to re-circulate the excess credits. The reason for this controlled gateway in and out of the "fish bowl" is that the credits earned and generated within the community have to be re-spent within the community in order not to drain the economic energy and dynamism of the community. This control is most important as it provides a second possibility for the community to create the credits (money) it needs for its development. The option consists in having the "Economy Group", or committee administering the system, consider putting into circulation x amount of extra credits for starting new community projects or community service jobs, credits that would at that level not need the "backing" of the national currency deposit as the closed "fish bowl" set up would force these additional credits to stay in

circulation only within the community in the Kind system of accounts. Careful monitoring of this sort of option is of course essential, as over issuance of credits without the parallel availability of goods and services could result in inflation. For this reason systems experimenting with this sort of complementary currency setup have given the right of credit issuance to trusted community industries who then put into circulation only the amount of credits they would themselves be willing to redeem with the exchange of their own products and services, and that for the purpose of developing the necessary community services and the production of goods essential to the community members. In this manner the systems become a lot more self-regulated and entrepreneurs can always work in synergy with community administrators to decide on the priorities of community developments.

Different Taxation, Pricing Levels and Types of Participants

On this level each community really starts to have a lot of freedom to design its own system parameters depending on the values and objectives it holds as this economic sphere caters to the community member's consumption circuit.

Different conditions for participation on the "In-kind" circuit of accounts can be applied for different types of participants. For instance, community members who support themselves from outside funds, can be requested to deposit a monthly contribution towards the collective community budget along the cash they contribute to the community for their monthly allowance, while members working for a community activity will have their contribution deposited by that activity in community credits therefore keeping the community credits circulating on the Kind accounts.

Similarly prices can be customized in this sphere. Cost prices or low margins prices can be requested from manufacturers for this member consumption circuit.

Taxes would normally not apply to this economic sphere as this is the community's own production and consumption circuit (taxes are naturally paid on outside products when purchased for community consumption); but each country may have different accounting and taxation laws and requirements.

The basis and conditions for inclusion of temporary or honorary members, long time guests, voluntaries and any category of possible participants has to be considered by each community.

This level represents the internal economic dynamism of the community and therefore relates to the solar plexus Chakra regulating the vital energy of the system.

Fourth Level: The Monastic or “Ashram” Prosperity System – Heart Chakra



What is referred to as the Monastic economic model is the organization of a group of individuals who agree freely to offer their time, energy and work to support the group’s needs and requirements without the expectation of a reward calculated on the quantity of work or level of skills that they provide. In this economic structure each contributes to the best of his ability and receives in accordance with his actual needs. The group shares its resources amongst all members in an equitable manner depending on the availability of what is produced and received by the group. This system therefore allows for the disconnection of the work evaluation from the size of the remuneration received for it. It fosters a more harmonious society as it is more in tune with the genuine needs of the individual and with his or her personal ability to care for the whole without either casting out the sick, handicapped or senile or adulating the powerful, hyper intelligent, extra talented individual.

This system is part of our heritage, practised by our ancestors in monasteries, ashrams, and the original kibbutz, as well as by ancient tribes and nomads with just and fair rulers. It is the highest social form of economic organization we know off today as it allows individuals to dedicate their work as an offering to the greater good of the community and the Divinity within each being and within the group. It arises from the teachings of Karma yoga: the sacrifice of all one is and does to the Divinity without attachment to the fruits of one’s actions.

Some of Mother’s Words on Auroville and Its Economy¹³

- I would like there to be no money within Auroville ... I would like money to be retained only for relations with outside.
- In this ideal place money would no longer be the sovereign lord; individual worth would have a far greater importance than that of material wealth and social standing. There, work would not be a way to earn one's living but a way to express oneself and to develop one's capacities and possibilities while being of service to the community as a whole, which, for its own part, would provide for each individual's subsistence and sphere of action.
- The organization should be such, arranged in such a way, that everyone's material needs should be met, not according to notions of right and equality, but on the basis of the most elementary necessities; then, once that is established, everyone must be free to organize his life, not according to his monetary means, but according to his inner capacities.

¹³ See *Mother’s Agenda* (Paris: Institut des Recherches Evolutives)

- There will be no taxes as such but each will contribute to the collective welfare in work, kind, or money.
- Sections like Industries which participate actively will contribute part of their income towards the development of the township. Or if they produce something (like foodstuff) useful for the citizens, they will contribute in kind to the township, which is responsible for the feeding of the citizens.
- Everyone should work at least five hours every day including Sundays. Working for oneself is not working for the community. Each member of the community should have an activity that corresponds to the needs of Auroville.
- And you don't pay for your food, but you must give work, or ingredients: for example, those who had fields would give the produce of their fields; those who had factories would give their products; or else your own work in exchange for food. That alone does away with much of the internal circulation of money.

Here we enter a rare and precise sphere of economic organization which can function only with the full commitment and self-restraint of its members. Our traveller, wouldn't be eligible to participate unless ready to commit himself and become an accepted member of the community.

As this economic sphere resonates predominantly with the offering of the self and the inner experience of the psychic being that comes through the dedication of one's work, it radiates the loving, caring energy of the Heart Chakra in the system.

Monastic Communities¹⁴

Benedictus of Ariane introduced some Celtic concepts into early Christianity and founded the Benedictine Order during the fifth century AD, the first Christian monastic organization in the west. Its rule book specifies that *communitas* is created by the way one organizes the economic necessities of these monasteries. The monks should be self-sufficient as a group, but totally inter-dependent between themselves. Everybody has a function – from abbot to doorkeeper, from cook to scribe, from ironmonger to cheese maker. But each job has to be contributed as a gift to the community. Monasteries knew all about monetary exchanges, as these regularly occurred between the monastery and the rest of the world. It is, therefore, quite intentional and significant that the Benedictine rule explicitly prohibits any monetary exchanges among members of the community.

Non-Christian monastic traditions have gone even further in the same direction, without even knowing the Latin etymology for the word "community".

For instance, "According to the Buddhist monastic code, monks and nuns are not allowed to accept money or even to engage in barter or trade with lay people. They live entirely in an economy of gifts. Lay supporters provide gifts of material requisites for the monastery, while the monastics provide their supporters with the gift of teaching. Ideally this is an exchange that comes from the heart, something totally voluntary. The returns in this economy do not depend on the material value of the object given but in the purity of heart of the donor or the recipient".

¹⁴ Lietaer, *The Future of Money*. p.182.

Administrative subtleties of the Pour Tous – For All – Distribution Center

To achieve this sort of set up in a contemporary community like Auroville, an organization called “Pour Tous Distribution Center” is established that functions on a membership basis. People wanting to join agree that from their monthly community allowance, a fixed amount based on an individual’s basic needs, is directly credited to the Distribution Center. People then collect the products they need which are available at the center’s display store house without any mention of their pricing. A track record of the individual’s consumption is kept but people are not billed so they do not necessarily know the value of their monthly consumption unless they specifically ask for it. Slight over consumption by some is balanced by the under consumption of others and if it looks like some individual abuses the system s/he is approached by the organization to find out if s/he is in a dire situation or unaware of his/her consumption pattern.

In this manner the user can more easily get the experience of fully dedicating its work and time without worrying about his/her cost of living if s/he manages to satisfy his/her needs within the allowed cost bracket and with the range of basic products available through the Distribution Center. (Specific needs can be covered on requests).

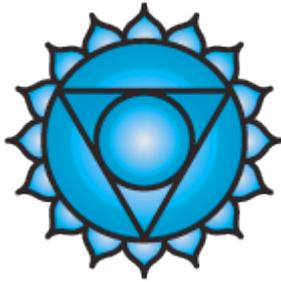
The system provides food (ready meals or ingredients), sundries, clothing, energy and phone consumption, and could include more common services on the same “cost occulting” pattern for the user.

The balance amount from the allowance of the individual is credited on his/her Kind account for special needs obtained then from the regular community outlets and services.

As yet in Auroville only a small number of community members participate in this scheme as the perceived restricted flexibility of usage discourages some from the uplifting experience of “offering ones work and being taken care of” by the community. Ongoing experimentation keeps on refining the system to come closer to the desired inner experience. Reports of participants are usually positive and it is common that personal offerings of garden produce or home-made products are shared through the Distribution Center.

Here the commercial sector supplies its products at discounted rates or cost prices, taxes do not apply and the organization receives a budget from the community for its running expenses.

Fifth Level: The Mutual Credit System – Throat Chakra



Up to this point in the exposition the basis of operation of the levels has still been connected somehow to the global economy. Proper accounting and balance sheets of the transactions are kept for auditing and the tax laws of the country apply. At this fifth level we finally disconnect completely from the global economy and enter a non-cash related complementary currency system that works on the principle of reciprocal exchange as do the well known Local Exchange Trading Systems (LETS).

Reciprocal Exchanges and the Building of Community¹⁵

We just learned the apparently general rule that whenever money gets involved, community breaks down. However, this turns out to be true only when scarce, competition-inducing currencies, such as our official national currencies are involved. In fact, the use of some other types of currencies can have exactly the opposite effect of building community.

None of this is theory. We are dealing with real-life experiments which have been going on in a wide variety of countries, in some cases for decades. Theory is way behind practice in this field.

These are indeed currencies which have reciprocity built in, which are more compatible with a gift economy than our national currencies. Practice has demonstrated that such currencies build community instead of destroying it.

What kind of money could that be?

How Does LETS Work?

Community Exchange Systems (CES) or Local Exchange Trading Systems (LETS) groups compile and distribute a directory of goods and services offered by the members registered with them, as well as a list of their "needs". When a member requires something advertised in the directory the provider is contacted and the exchange takes place. The provider debits the receiver's account. This usually involves the handing over of a cheque-like exchange Slip that records how much the receiver is offering for the goods/service delivered. The Slip is either handed by the provider to an administrator who will register the transaction, or the information is recorded directly by the provider on a central computerized tracking system. Transactions are recorded as credits for providers and as debits for receivers. The central book-keeping system records the relative transacting positions of the members. Those in credit can claim from the community goods and services to the value of their credit and those in debit owe the community goods and services to the value of their debit. Members receive a regular newsletter and statement of account that lists their transactions and gives their balance at the end of the period. Information about the transacting position of others prevents unscrupulous "buyers" from exploiting the system. News about the group assists in building links and enhancing the sense of community. The Value of the credit is based on

¹⁵ Lietaer, *The Future of Money*. p.187.

work time (i.e. 1hrs=60credits) or on the national currency (i.e. 1\$=1credit). This is given as an indication for members to have a base upon which to agree over the value of the services and goods they exchange. Each one is left to decide upon the amount of credits they want to ask or offer for each particular transaction and decide how skilled is the work they have put into, or got out of, that specific service or item.

This system is a mere tracking of exchanges happening amongst participants and the credits are put into circulation by the participants themselves in amounts decided by them at the time of a transaction for the exchange of their own goods, produce, second-hand items, or services rendered. The simplicity and safety of such a system makes it accessible to children and its universality opens it to virtually anyone able to understand it and ready to participate in it. Therefore its use is not only helpful to community members, not forgetting people like Traveller, who can now exchange their art, healing and teaching skills, expertise, hobbies and the abilities and talents they are, for some reason, perhaps not able or willing to exercise in regular employment, but is also available to the neighbours who may not necessarily relate to the community in other ways than through economic exchanges. Even visitors or people having facilities related to the community such as web based services or au-pair availability can participate in this system.

The system is extraordinarily flexible in its use and actually creates the money the community lacks to maintain its members at a desirable level of comfort. It allows the individualistic eccentric, the free-lance opportunist, and the marginal asocial to “fit in” again and find ways to sustain themselves within the social aggregate; the same goes for working mothers, young people and the elderly, who have other possibilities within the economic framework to add to their incomes. It is fun to “trade” without using cash, and there is no limit to the creativity of finding ways to exchange the things we love to do, that we normally don’t do, or have to scramble to find time for.

ACCESS Invitation Letter

Dearest Friends,

We're delighted to announce the launch of the [Auroville Conscious Community Exchange System for Sustainability](#) or [ACCESS](#) which went live on Friday 20th April 2007.

The community exchange is an online exchange system which is presently running in many countries around the world; it is a community-based international exchange network using virtual credits other than our familiar national money, an alternative, parallel or complementary currency system. There are many similar exchange systems around the world, commonly know as Community Exchange Systems (CES) or Local Exchange Trading Systems (LETS).

From child care to Kung-fu lessons to phone companionship, to computer programming and gardening, there's no limit to the ways of earning credits in this system. In this way a community currency acts like a supplementary currency, creating an additional stream of value in a community. By supplementing conventional cash flow with a local currency, a community can maintain full employment and protect itself from changes and fluctuations in the national money supply.

I help you, and you help another and someone else helps me. The recipients of help become, in turn, the providers of help. What goes around comes around. The credits you earn by helping others can be used to receive services or help from someone else and acquire goods on offer. When you spend your community currency, someone else you know earns it and it won't be drained far away.

It's very easy to use; once you have created your account you can list your offerings to the community. When you are in need of anything at all, simply list it under the needs section of the site.

To visit and join the Auroville Conscious Community Exchange System for Sustainability please click the link below:

<http://www.auroville.com/access/>

With Warmest Wishes,

The Access Team



It is important that a system like this depends upon participation based on freedom of choice: some people are uncomfortable with the idea of evaluating something that they would normally do for free, or may be so well maintained by other economic levels that this option holds little attraction for them unless, that is, they realize the social possibilities for community building such a tool provides.

Typical Objection to Complementary Currencies as “Money” by Another Name¹⁶

From idealists: That volunteering should always be a gift, and that therefore attempts at providing volunteers with a compensation in complementary currency are counterproductive.

Response: In an ideal world, maybe this argument would be valid. In the real world, a majority of people never volunteer for anything, and those who do suffer a “burn-out” or “drop-out” rate of 40% per annum according to a research by the University of Maryland Center of Aging. In contrast, that same research has shown that about a third of the people taking part in the Time Dollars* had never volunteered for anything before. It also showed that the annual

¹⁶ Lietaer, *The Future of Money*. p. 329.

“drop-out” rate declines to a remarkably low 3%. Similar results were discovered in Japan with the use of Hureai Kippu*.

* Complementary currency experiments.

The difference between this kind of complementary currency and the one on level 3 is that the credits here are issued by the individuals themselves (Mutual credit) for their own needs rather than by a collective committee of administrators (Fiat currency) who issues it for collective projects and community budgets.

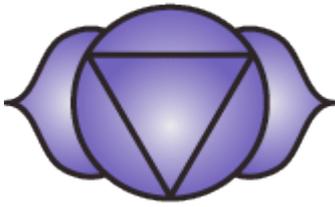
From Money to Womey

Complementary currencies function on such different principles than ordinary money that I firmly believe a new word has to be invented to design them that does not suggest a relation to money or even currency.

As B. Lietaer has established the feminine yin aspect of this medium of exchange, I propose to call it womey, where the *m* of money is flipped upside down and the *n* gets a second arch.

This type of exchange system enormously increases communication between people who would otherwise never meet or think of talking to one another as it is based upon advertising what you are good at and enjoy doing, and being aware of goods and services offered by others in the area. It is therefore naturally related to the communication and expression Chakra of the Throat.

Sixth Level: The Gift Economy – Third Eye Chakra



What is commonly referred to as Gift Economy is everything that is happening and being exchanged without cost. Socio-economists have realized for a long time that there is a lot going on in life that never appears in the balance sheets of companies and nations; at the same time they have been finding out that to take this economic level for granted makes for a serious inaccuracy factor in any attempt to gauge the economics our societies live by.

Here we enter a sphere which goes way beyond any accounting. A mother doesn't calculate how many hours of work she spends cooking for her family and none of us keeps track of the quantity of service we do for our friends, though there may, admittedly be a sense of satisfaction in our kindness to others, or expectation of a favour or helping hand in return sometime in another, but these types of exchange are not systematically tracked or accounted for.

Every one of us operates this economic level to a greater or lesser degree as it sustains a deep need in human beings for nurturing friendships, intimate relationships, supportive families, and our emotional need for recognition and appreciation. In fact, people who are not able to participate at this level are often socially isolated and selfish to the point of psychological imbalance. Even someone well off on the other levels of economy, finds that this level cannot completely be dispensed with. Anthropological research has shown that the exchange of gifts throughout history and cultures is the prime builder of communities.

Community Building and the "Gift Economy"¹⁷

If you need a box of nails, you go to the hardware store to buy one. There is no expectation by either you or the shop assistant that any future reciprocity is involved. This is one of the main reasons why monetary exchanges are so efficient. Each transaction stands on its own. However, no community has been created either.

Now, assume that you go out for another box of nails, and that your neighbor is sitting on his porch. When you tell him you are going to buy a box of nails, he responds, "Oh, I bought six boxes just the other day. Here is one, it will save you the trip to the hardware store". He also refuses your offer to pay. What has happened?

From a purely material viewpoint, in both cases you end up with your box of nails. But an anthropologist would point out that in the second case, something else has happened as well.

¹⁷ Lietaer, *The Future of Money*. pp. 181-182.

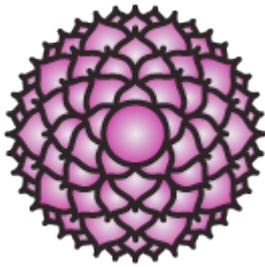
When you meet that neighbor again, you will definitely say hello. And if ever on a Saturday night he rings your doorbell because he forgot to buy some butter, you will most likely share some of yours. The gift of the box of nails is a community-building transaction. Its purchase is not.

A commercial transaction is a closed system, the nails versus the money. In contrast, a gift is an open system. It leaves an imbalance in the transaction that some possible future transaction completes. The gift process creates something that the monetary exchange does not. A new thread has been woven into the community fabric.

The evidence for this relationship between gifts and community is overwhelming. It has been documented all over the world and at all times.

As the exchanges that are happening in this sphere are extremely fluid and often subtle, and so numerous and natural that we are often not even aware of them, this level of economy corresponds to the fast moving workings of our mind Chakra and its constant expansiveness into multiple fields of thinking and visions.

Seventh Level – The Economy of Self – Crown Chakra



The economy of self is the amount of quality time we spend alone in communion with our higher selves, the Divine part within us that we touch in deep meditation or dedicated contemplation when the incessant round of our worldly concerns and inner dialogue is set aside, when our consciousness is free to expand into other spheres of awareness.

What does this have to do with an economic model? This will probably be your first reaction.

When we touch that sphere to the slightest extent, alone in nature, during spiritual practice or ritual, concentrated prayer, or devoted offering, we often have insights, visions, understandings, and intuitive indications about our work, about how to harmonize our relationships lovingly, direct our projects, and carry on life's activities; we may receive deep healings, karmic releases, spiritual realizations and all sorts of profound, life-altering experiences that bring us closer to our true life purpose in an accelerated manner. This inner information, when listened to, saves us years of vain tribulation, long drawn out processes of trial and error, lost opportunities, immature and hasty decisions doomed to failure, and every kind of all too human mistake that we make, sometimes repeatedly, in order to learn our life lessons; all this results in heavy losses on the "balance sheets" of the other economic levels. When this sphere of economic awareness is integrated into our lives we have a powerful tool for self-determination and a much more rooted and confident sureness of what will bring us closer to true happiness and the fulfilment of our life's purpose.

"...I become what I see in myself. All that thought suggests to me, I can do; all that thought reveals in me, I can become. This should be man's unshakable faith in himself, because God dwells in him."¹⁸

The development and cultivation of this awareness brings us, as well, the inner understanding of the possibility of consciously co-creating, always with the invocation of the Divinity's omnipotence, the circumstances of our own existence. On that level of spiritual development impossibility no longer exists in the manifestation of our lives, and the only limitations we face are those of our own minds and the belief system of the

¹⁸ Sri Aurobindo, *Thoughts & Glimpses*, "The Goal" (Pondicherry: Sri Aurobindo Ashram press). SABCL, Vol. 16. p.378.

morphogenetic¹⁹ field in which we live. This knowledge can however be used with disastrous consequences when applied by greed and desire for the satisfaction of our lower nature and our egoistic demands. Reverence for the omnipresent absolute creator and the nurturing of a deep feeling of compassion for all living beings: this is the ultimate safeguard against the demands of our egoistic separate self and the pitfalls they prepare for us.²⁰

The Be-Do-Have Paradigm

Most people believe that if they “have” a thing (more time, money, love - whatever), then they can finally “do” a thing (write a book, take up a hobby, go on vacation, buy a home, undertake a relationship), which will allow them to “be” a thing (happy, peaceful, content, or in love).

In actuality, they are reversing the Be-Do-Have paradigm. In the universe as it really is (as opposed to how you think it is), “havingness” does not produce “beingness,” but the other way around.

First you “be” the thing called “happy” (or “knowing,” or “wise,” or “compassionate,” or whatever), then you start “doing” things from this place of beingness and soon you discover that what you are doing winds up bringing you the things you’ve always wanted to “have.”

The way to set creative process (and that’s what this is... the process of creation) into motion is to look at what it is you want to “have,” ask yourself what you think you would “be” if you “had” that, then go right straight to being.

In this way you reverse the way you’ve been using the Be-Do-Have paradigm in actuality, set it right and work with, rather than against, the creative power of the universe.

Here is a short way of stating this principle:

In life, you do not have to do anything.
It is all a question of what you are being.²¹

At his level it is the deep spiritual understandings offered to human beings that are focused on; the seventh level is naturally identified with the transcendent cosmic opening of the thousand petaled lotus, the Crown Chakra.

¹⁹ A morphogenetic field is a hypothetical biological (and potentially social) [field](#) that contains the information necessary to shape the exact form of a living thing, as part of its [epigenetics](#), and may also shape its behavior and coordination with other beings. (Wikipedia) See also [Rupert Sheldrake](#)’s work.

²⁰ Refer to the movie “The Secret;” the Jose Silva Ultra Mind System - <http://www.silvaultramindsystem.com/>; and the 7 steps to master-minding - <http://www.maryrobinsonreynolds.com/7steps.htm>

²¹ Neale Donald Walsch, *Conversation with God: Book 3* (Charlottesville, VA: Hampton Roads Publishing Company Inc., date??), p. 14.

System Interrelations – A Holistic View

Taken separately, each of these economic principles is already known and being implemented in various places in the world. What is usually the case though is that a community or society that has established one of these principles predominately has had to impose it and exclude others from its working or seclude itself from the rest of society in order to be able to experiment with an alternative set of economic rules. This has become increasingly clear in the community of Auroville, where the antagonistic views of proponents of one economic approach clash with the supporters of a different approach over which model is the best and most ideal. The climate produced by these controversies seriously hinders the implementation of anything coherent and clearly understood by all community members.

This is by no means to say, however, that there are no other possible forms of economy or other ways to look at such a large and complex field of life; many forward looking and evolutionary views of the conventional economy have been put forward in recent times. Cooperative banking, soft loans, low interest schemes and all sorts of creative social banking methods are experimented with by people who are acutely aware of the flaws and harsh impositions of the conventional system. Complementary “Yin” currencies and the “re-invention” of money - redesigning the principles upon which the medium of exchange functions - is a field of experimentation in its infancy that is already revolutionizing the banking world and the economy of the present times and is set to bring about, in the next decade, society substructures so transformed that we currently have no way of accurately foreseeing the changes. B. Lietaer in *The Future of Money* develops these possibilities interestingly. All these and other attempts are extremely important and commendable but not developed here as they are not entirely relevant to the emerging concept of the interrelating of different economic principles within a particular society.

Practical Dissertation on Level Interrelation

What has been the decisive factor for me to write down the precepts of this concept is that, contrary to other alternative economic approaches that require an entire complementary system to be established by a group or organization, this concept is for each and every individual to consider and integrate as an intrinsic understanding of economic possibilities and their resonance with life levels that are very often confused or reduced to the lowest common denominator of the cash economy. It seems to me that this consideration can already bring

huge differences in terms of individual economic behaviors. The actual experimentation, in a community like Auroville or others around the world, can then conclude on actual life outcomes and social results steaming from the concept.

In this context, what I am seeing too often from otherwise really intelligent minds, is a “blinding” that comes from a particular dexterity and deep recognition of a particular economic level that doesn’t allow the wider picture of a whole spectrum of possibilities to be seen:

The Business man type will for instance do well at making money within the competitive parameters of the ordinary economy and may therefore not be interested to consider ways that are not cognizant with his known methods of business.

The accountant or administrator will have a good understanding of the requirements of book keeping, budgeting, financial analysis, hoping to then clarify the entire economic field of interactions in the community with these tools.

The materially-oriented working youth will want to equate his/her personal income with the consumer goods s/he desires and will probably not be interested in a collective approach to share revenues and resources, while the mature communal life aspirant will, but couldn’t ever function in the “money making” world.

The reciprocal exchange trader may turn addicted to this sort of economics by not seeing the value of free services and gift exchanges that a mother of many will be acutely aware off with their subtle nurturing of mutual appreciation and community building; but may have little understanding of mind mastering and the conscious co-creation of the resonant morphogenetic fields for the perceived needs and envisioned life projects.

Now, imagine individuals that do foresee their life evolution and inner growth from an intuitive level and consciously co-design the circumstances they aspire to, cultivate gift exchanges and free service to nurture a luscious, loving, social life with deeply connected, intimate friends; use their local reciprocal exchange network to obtain without cash as much as possible from the locally available goods and services; participate in a community prosperity scheme for their basic needs where they do not receive a salary to buy what they need, and use their community allowance or maintenance credits for anything that the above levels wouldn’t yet supply to them. What an amazing range of possibilities would that offer for anyone to live a simply rich and abundant life experience... Wouldn’t those tools consciously, knowingly utilized save millions in ordinary scarce cash and allow for these savings to be spent only for things that cannot be obtain from these economic tools, like long distance jet travel, a new car or cell phone, and the other consumer good we would still desire or need?

Here lays my vision of several interrelated economic options that support more or less specific levels of life needs. They overlap, integrate, sustain one another in a rich diversity of possibilities for each individual to gain the freedom of choice and decide what options s/he feels more in tune with, and would want to learn how to use or disregard; as part of our life lessons in this realm of material existence. As indeed, to recognize that different stages of life - from youth to elderly, single to family caretaker, and different stages of inner growth, from hermit to communal sharing, comfort appreciative to self-restrained – have very different needs and aspirations; and that these requirements are not only legitimate but necessary for a spiritual society to have the full freedom of evolution in experimentation within an economic system that is wide and complex enough to support such requirements.

What is new in this way of looking at our socio-economic options for the future of mankind and its environment is that we take into consideration a much larger range of possibilities for the life of a human being. Rather than designing, by default, a convenient, because habitual, box into which mankind is properly framed and may best

be utilized by the mechanical mind-destroying social machine, we look at a wider range of life experiences for our evolving species and see which economic tool can best support and enhance this or that state of our evolution as eternal souls at our earthly lesson. This is not to say that this rainbow concept is conceived as a hierarchical ladder of spiritual ascension to transcendental states of existence. On the contrary the reference to the Chakra system makes it a holistic organism where no level has predominance over another but rather all are equally important for the smooth functioning and complete experience of a society that is living its understanding. How can a specific Chakra be more important than another within the body? The harmonious balance of all the centers of energy is what creates a greater, wider life experience. What is of paramount importance is not only the tolerance of, but the complete acceptance and deep appreciation for, another human being living a different kind of socio-economic experience. This acceptance is based on our own understanding of how the value system of the "other" relates to the system we are most comfortable with, and on the awareness of what that other one contributes to the whole. Ultimately, we can use, and refer to, all the energy relationships exposed in this structure; and finally, economic understanding is simply a way to access the multitude of energy exchanges human beings are capable of.

Rather than a hierarchy, what we can envisage is a gradation that the system itself generates, that is: from subtler, fluid forms of energy conception to more tangible, material, expressions of physical manifestation. From the oneness that eternally IS to the multitude that constantly becomes, utilizing the different gradations of unfolding life expressions that feed back to the source the necessary components of the next stage of evolution. Nothing is to be removed or banished from our earthly experience, but only integrated in its rightful place and in its just proportion to the whole so that we may thereby become more aware of our unity in diversity and able to celebrate the global beingness of our complete collective self in full manifestation, from the most subtle spiritual realms to the inherently all-conscious physical cells that are to constitute the natural state of the post self-centered human being.

In this context, the economic concept under discussion simply gives us another consciousness expanding tool to use in becoming more and more aware of our integrality, down to the very material level that is the global economy of our physical world. It helps us, as well, to make contact with the infinite power of conscious self-

determination that we have within our reach to call forth the basic elements of material necessity. The relation of these two extremes - Science and Spirituality, Body and Soul, Divine and Material - have for eons been considered as irreconcilable opposites when, in fact, they are only different aspects of the same and unique reality.

The capacities we will develop to conceptualize models that can express visions of this unique reality in practical terms will determine our abilities either to metamorphose into a more complete state of Divine existence or to auto-destruct into the annihilation of an extinct species.

Addendum: Review of *The Mystery of Money*

In his book *The Mystery of Money* (unpublished in the English language), Bernard Lietaer unravels an interesting connection between Money and the archetype of the Mother Goddess. More precisely, the connection is between the sort of medium of exchange societies and civilizations have had in place throughout history for their commerce and trade, and the relation these societies had with the God Mother, Goddess of fertility, nature, beauty, and the intuitive power of the feminine.

Using the archetype system of Jungian psychology with its repressive / addicted shadows, B. Lietaer comes to the conclusion that the Archetype of the Great Mother “provider” is heavily suppressed in our modern day societies. The repression of this archetype nurtures the “Fear of Scarcity” shadow and the corresponding “Greed” we seem addicted to, and which determines so much of our materialistic behaviour especially when it comes to economic considerations, resulting in a competitive, hierarchical, mostly male dominated, money system functioning within a still patriarchal authority for the power of decision, logical methodology, scientific thinking, and under the postulate of a Transcendent God. The feminine aspect is more abused than revered by our enthralling of the women as a sexual object and our sexuality suppressing, male dominated religious systems. This model has been so predominant for so long that it is completely ingrained in our collective unconscious and we do not even conceive that there could be an alternative to it.

In his research, Lietaer identifies two periods in history of which there are sufficient records for matrifocal structures of social organization to be recognized, - where both the mythology and the system of reward and appreciation in a society honoured the feminine - and where the monetary system was of a “Yin” type - whose issuance is based on egalitarianism, which discourages accumulation, and encourages cooperation amongst its users.²² See also side box: the [“Yin-Yang coherence”](#). These periods are ancient Egypt and the central middle-ages (10th to 13th century).

In ancient Egypt devotion to Isis, the Great Goddess “Mother of All”, was predominant and well established for nearly three millennia. The Egyptians had a special monetary

²² Definitions from the glossary of *The Mystery of Money*

system based on the “Corn standard” of their own agrarian production. This money was issued by the Pharaoh when the grains were brought to his granaries.

These receipts, called “Ostraka”, were engraved pieces of pottery with the Pharaoh’s seal; they lost their value over time reflecting the loss of corn when stored. This effectively made it a “yin” type currency as loss of value over time encouraged spending rather than hoarding, leading to build up and spreading of wealth rather than scarcity and concentration of wealth among the few. This “yin” currency was used mostly for the local exchanges. At the same time gold, silver, and other precious materials, which Lietaer calls “yang” currency, were used for long distance trade. Egypt enjoyed a tremendous prosperity which was distributed amongst its population and was an extremely rich and enterprising culture to which the pyramids still bear witness. This era ended when Greco-Roman influence began to grow. The corn standard was disregarded and the Isis cult faded with the Roman occupation and the Christianisation that followed it.

In early medieval times the cult of the Black Madonna seems to have been a fairly influential and common feature in Europe. The money of those times was minted by the Lord of a region or county for exchanges within his Kingdom and called back periodically for re-minting with the addition of a recoinage tax. This process was called “Renovatio Monetae”. This again established a “Yin” type currency which people would spend in circulation rather than hoard as, for anyone holding large amounts at a time of recall, the losses in re-minting fees would be substantial. This is the period during which nearly all the great cathedrals were built and historical records of the abundance of the times are numerous. During the late middle-ages, 14th and 15th century, successive Popes implemented massive repression of the Black Madonna, burning thousands of so called witches, as well as manuscripts and idols. This was also the time of the great plague, and of countless wars, when the monarchies finally took over the right to issue a fixed, value-established currency for their entire extended kingdoms. These silver and gold coins were then mostly used by the aristocracy and hoarded in vaults for future “bad times” rather than spent in circulation, effectively propagating an economy of scarcity where borrowing from the rich with an interest rate gradually became common practice.

Lietaer refers to numerous historic records to demonstrate that in both of the periods with yin currencies women enjoyed a higher status in society. They were more equal to men, had more freedom of expression and rights of ownership, more power of decision over their lives and that of the community. The art and culture of the time were rich in expressing the goodness, sensuality and pleasures of life. In a word, the feminine aspect was less repressed, more celebrated than it was later to be.

This thesis may be of great interest to new-age movements, intentional communities, eco-villages and to movements such as “Cultural Creative”, as these mostly spring up complete with a need for reverence of the feminine aspect of life; they aim at respect for, and protection of, nature and make substantial stands for ecological considerations, the rebuilding of community values, and for nurturing relationships where women hold power. These movements have an inherent spirituality and celebrate life, believing not only in a Transcendent God but also in the Immanent Goddess of our inner and outer nature. This is particularly true for the community of Auroville whose founder, considered by millions to be an incarnation of the Divine Mother, judiciously advised the members not to use money for exchanges within the community.

Part II : Universalisation of Community Exchanges

In part 2 of *The Future of the Economy* we shall explore :

- The different possibilities that local communities have to develop exchanges across the planet with other communities on a regular basis and how a globalized complementary economy can develop.
- The new breeds of consciously designed Credit Clearing Systems that merge responsible parameters of participation with ease of use and long term dynamics.
- How can we create a Universal unit of exchange (UC – Universal credit).
- How different scenarios of economic transmutation could unfold to move from our present financial system regulated by fear and scarcity to a universal economy of simple richness, respect for all life forms and abundance for all.

Acknowledgements

I'd like to particularly thank:

Thomas Greco, Bernard lietaer, John Perkins, Margrit Kennedy, Philippe Derruder, Paul Grignon, and all the great writers on the subject who have shaped my understanding.

Mary Premela for her skillful edits and advices.

John Robert Cornell for his experience in editing and outlaying and his willingness to go out of his way to help.

Mat Brady, Bhavana, Priya and the dozens friends who shared their feedbacks and suggestions on my numerous drafts.

Emmanuel for his lovely drawings, for which he delayed further more important projects.

Deval for some graphics.

Laura, Manjot, Marion, Tewa, Rajesh and all those who helped me find references, web links, articles, etc...

Afsaneh who supported me with her loving care while I was writing this down during our retreat in a lovely "God granted" cottage in the Kodaikanal hills.

The community of Auroville and its family without which I wouldn't have got the idea to study Alternative economics in the first place.

Sri Aurobindo and Mother for showing us the way and giving us the evolutive home of Auroville.

Finally I wish to thank the almighty Divinity whose working has chosen me to condense and express these ideas and concepts.

...And the willingness of most of these people to accept compensation and rewards with Auro credits and function with other levels of the Rainbow Economy whenever it was necessary or adequate.

This is my gift to my family, the residents of Auroville, and my extended family, the residents of our planet, with a prayer in my heart that the sharing of this new understanding around economic possibilities leads us all to a better way of experiencing a rich, abundant, and simple life for every human being with a respect for all life forms and nurtures a peaceful and collaborative existence.