

Money, geography and the ordinary economy: multiple spaces, multiple currencies and multiple economies

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Money, geography and the ordinary economy

Multiple geographies in a relational world

Multiple monies? Geography and money

Monocultural economic geographies?

**Concluding comments: Diversity in
economic geographies**

Multiple geographies in a relational world

Place matters: there are no such things as economies, only economic geographies

Multiple spaces

Absolute notions of space

Relative notions of space

Relational space

Globalisation

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geographies of globalisation involve

- the interaction of geographically grounded but expansive circuits and networks of influence (eg knowledge, corporate organisation, metrics, law, international states/organisations ...), social relations (frameworks of meaning), semiotics (discourses of meaning) and power with
- differentiated local networks and circumstances and
- the resultant social, semiotic, material transformations and further differentiation of the local and the global.....

thus

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...endogeneity is itself problematic

On the one hand, as relational entities, regions are composed of multiple networks passing through and across, as well as within, them. Thus it is arguable that endogenous development may be both impossible and undesirable

On the other hand, insofar as absolute concepts of space and of identity have a very powerful and persuasive presence in geo-politics and geo-economics, it is precisely the exposure to such relational influences which may be resisted

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The questions then become

- 1 which is the more progressive: an attempt to defend and promote some notion – eg the regional - of the local or an acceptance, promotion and management of the multiplicities involved in relational thinking?
- 2 what are the appropriate spaces to consider and promote such actions?
- 3 how can notions of relational spaces be incorporated into political thinking and policy practice?

Multiple monies? Geography and money

the significance of money is that it both enables and overcomes difference

four major functions of money – to act as a unit of account, as a means of payment and exchange, and as a store of value – all reflect this purpose

money is the precondition and resolution of complex difference - between giving and receiving, between demand and supply, between here and there and, in the form of credit, between then (past and future) and now

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circuit of value

- e - c - e - p - e - c - e - p - e -

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In this sense then, money is the most geographical of economic phenomena

- a reflection of the difference that space, time and the transformation of value makes
- a means and product of relational space and time

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Money and geography

Money is not neutral (1)

produced by geography

a producer of geographies

embedded in geography

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Money is non-neutral (2)

Money and social relations

embodies the social relations which shape the economic transactions in which it is implicated

- dollarisation
 - LETS systems as moral, libertarian geographies
 - LETS schemes as moral geographies
 - Time dollars as centralised and regulated local geographies
- real difference – actually not commensurable through money

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ie money – like all economic relations – is, above all else, a socio-political geographical phenomenon.

As do all ‘economic’ relations and phenomena, money carries with it certain geographies and certain moral norms and understandings about the nature of economic geographies and - most significantly of all – the evaluation of those geographies.....

thus

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Local currency systems are, then, much more than possible catalysts for endogenous regional development. They carry with them the moral norms and expectations necessary for any circuit of value to be able to function and these moral norms and values are, therefore, built into the 'development' which may follow from their establishment

Money and circuits of value

secular notions and norms of apparently socially neutral economic practices and relations

vs

the moral/religious understandings of the practices and relations of circuits of value

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distinctions 'neutral' circuits vs moral norms/values

- a concern for local decline or stagnation vs extra-local growth and prosperity
- exclusion vs inclusion
- wealth vs deprivation
- powerfulness vs powerlessness

or

- green vs environmentally unaware or dismissive relations
- social justice vs economic 'efficiency' in economic evaluation

lie at the heart of the emergence, advocacy and implementation of local currency systems

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Such systems are, therefore, themselves highly diverse in terms of their objectives and so of their scale and institutional framework

They therefore raise the question of the extent to which money can be an effective means of such distinctions and boundary drawing

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degree of economic

integration <-----> separation

formal
policy/
institutions

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|
|
|
|
|

v

informal
practice/

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2 hypotheses

- the degree of monetary distinction and the formality of the process of distinction are inversely related
- the kinds of monetary distinctions implemented by formal means of economic policy and those which arise more spontaneously by informal economic practice are simply incommensurable

Monocultural economic geographies? Entanglements in diverse ethics and values

diverse economies

alternatives (ie moving through the boundaries of economic normalcy - through the differentiation of monetary relations, for example)

counter economies (ie erecting boundaries between different sets of economic norms - by exclusionary monetary practices, for example).....

eg.....

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vitriolic differences between LETS schemes
and LETS systems

thus the question of a politics of organization
and representation of economic geographies
becomes central

however....

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the messy practical realities and imperatives of economic activity in the form of circuits of value inevitably disrupt neat distinctions and distort and puncture boundaries

a politics of organizing and representing economies which recognises this complexity is central to their reproduction and extension
such a politics is founded in entangled ethics and may be identified in 'the ordinary economy'

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economic geographies are inevitably and necessarily exploitative

exploitation must take place through circuits of value

and it is, clearly, ethically desirable that it should: social life is premised upon it

BUT.....

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two questions arise from this singularity

1 whether/how economic geographies are able to combine exploitation with other ethically desirable features – such as social justice or environmental sustainability or different notions of value

2 how such combinations may be handled politically

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Indeed, the same is true of capitalist economies which have always been highly diverse and responsive to contradictions whilst closely retaining their central, highly-defined and evaluative notion of value

Concluding comments: Diversity in economic geographies

the political lesson of local currency systems and the possibilities to which this lesson gives rise

- that economies are highly diverse despite appearances to the contrary (hence the inherent fragility of capitalism) –

may be far more important than the economic in rethinking the possibilities of (regional) development