

## **IX Meeting of the Tauschring**

**Bad Aibling 3 – 5 October 2003**

**Pantaleo RIZZO**

**Social money and multilateral money**

**Social world and multilateral world**

Pantaleo RIZZO  
Via Costantino, 54  
73025 Martano (Lecce) Italy  
Tel. 0039 0836 575772  
[pantaleo.rizzo@libero.it](mailto:pantaleo.rizzo@libero.it)

Doctor Sociologist - Independent researcher  
Expert of International Cooperation  
Promoter of the SRI monetary experimentation

## Social moneys and multilateral moneys

Worlds in which everyone acts and has relations to others without having recourse to signs or symbols of warning would be possible, but probably they would not be convenient, since nobody could offer an object or a service to a person and asking another object or service to another person, freely chosen. Undoubtedly, the desired worlds are provided of signs or of symbols of warning. These signs or symbols of warning are money, because money, from the Latin *Moneta*, means *the one that warns*. In this passage of millennium, there are about twenty kinds of monetary experimentations. The denominations, the most known, are: RGT, OBV, IH, SEC, TCCS, ICCS, LETS, SEL, TR, BdT, REL, SRI, TD and TS. Some researchers of the *MAUSS* and of the *new social economy* have elaborated a theoretical approach, *the new social approach*, for making intelligible the monetary practices of these experimentations. For the new social approach, every kind of monetary practice is made in organized associations and by social moneys. For integrating all the contemporary monetary experimentations in the new social economy, the policy of the public powers, from European Commission to Town Administrations, has applied *the new social policy*. The question is: *Can the new social economy integrate all the contemporary monetary experimentations in its action and relation field?* To verify if the new social economy can integrate all the contemporary monetary experimentations in its action and relation field, it is worthwhile to explore *the new social strategy* and *the new social approach*.

### The two strategies of the new social policy

With the promotion of LETS, SEL, TR, BdT, REL and SRI experimentations within the nets of friendship and good neighbourhood, the local, national and supranational public powers started to intervene for capturing them. The social policy of the public powers was at first applied by the *submission strategy* and then by the *incorporation strategy*. With the *administrative submission strategy*, the public powers have invited by administrative decisions the persons implicated in any monetary system to operate under the arrangement of the already existing laws. Sometimes, however, public powers have intervened by the *judicial submission strategy*, with the purpose to subdue hierarchically all the monetary systems to the national monetary system. With the *incorporation strategy*, public powers have disbursed funds directly in favour of multilateral monetary experimentations or in favour of organized associations instructed of promoting and manage multilateral monetary systems finalized to let take off the new social economy. They have even promulgated laws and regulations in favour of the associations that incorporate and manage the multilateral monetary systems.

### Critics to the three hypotheses of the new social approach

**The first hypothesis** is that in the monetary experimentations it would exist a reciprocal exchange of resources that have to be interbred with those of the other economic behaviours, within the association. The actions of reciprocity are not considered as a true economic order or an autonomous economic behaviour. Can the new social economy interbreed within the association the resources derived from the behaviour of reciprocity with those derived from other behaviours? Firstly, the philanthropic behaviour of the voluntary association is dissimilar of the reciprocal behaviour of the friendship circle. By philanthropy, one gives and another receives ( $A \rightarrow \rightarrow B$ ) and the actions of transfer stop there. By reciprocity, one gives and another receives ( $A \rightarrow \rightarrow B$ ) and both suppose a future return-transfer ( $A \leftarrow \leftarrow B$ ) of dissimilar value, even if they don't specify anything other about it. Secondly, the relational structure correlated to the reciprocity is not the exchange but the *symmetry* between the debt and the credit created by the transfers. The exchange, instead, equalizes the debt to the credit, because it emerges from two simultaneous transfers of peer value ( $A \leftrightarrow B$ ) or, at least, with a return-transfer specified in the time and in the substance. Thirdly, we have to see if the resources derived from the *reciprocal symmetry* can be interbred with those derived from the commercial exchange in an association. Since the concrete objects and services are transferred between the implicated persons and since the consequent debt and credit pertains only them, the resources derived from the reciprocal symmetry cannot be interbred with those derived from the commercial exchange and the State. Only

the resources derived from the commercial exchange and the State can be interbreed, because they use the same kind of monetary instruments.

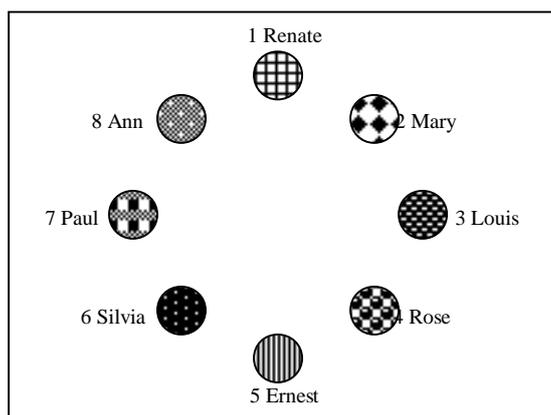
**The second hypothesis** of the new social approach is that every kind of money (*moneta* in Italian, *monnaie* in French, *moneda* in Spanish, *Münze* in German) can be embodied in the currency (*denaro* in Italiano, *argent* in French, *dinero* in Spanish, *Geld* in German). The technical language of the economists and the common language of the experimentation adherents consider that money is synonymous of currency. There is only a difference between the two languages. The technical language considers that currency is the concrete manifestation of money, while the common language considers that money is the concrete manifestation of currency. Can the currency embody every kind of money? Oddly, no one economist of the new social approach and no one promoter of the contemporary monetary experimentations have never given importance on the dissimilarity concerning the issuers of moneys. Starting from this dissimilarity, I affirm that there are two groups of monetary experimentations: the group having recourse to *social money* and the group having recourse to *multilateral money*. In the first group, only an authority can issue social money; the participant can only use the social money, by exchanging it during the tradings. In this case, money and currency are synonymous and, by using the technical language, every kind of social money can be embodied in the currency. In the second group, instead, each adherent can issue multilateral money. The multilateral money is not synonymous of currency. It derives from another kind of monetary system.

**The third hypothesis** of the new social approach is that more monetary systems can exist contemporarily, but that they have to be hierarchically ordered, by the public contribution. Can the dissimilar monetary systems exist contemporarily only if the public contribution orders them hierarchically? The hierarchical articulation through public contribution needs a common fund, but it is with social money that the common fund can be created, and not with multilateral money. The public contribution can hierarchically order only the experimentations with social monetary system (RGT, OBV, IH, SEC, TCCS and ICCS). The multilateral monetary system is not complementary to the national or supranational monetary system and, therefore, the multilateral experimentations (LETS, SEL, TR, BdT, REL, SRI, TD and TS) cannot assure the public contribution. It seems being possible only if the social administrative instruments of the associative statute incorporate the multilateral monetary instruments, as it was the case of the ASSEM-SRI. In 1999, I have elaborated with other adherents to the SRI experimentation the multilateral administrative instruments and substituted them to those of the associative statute. Doing so, we have liberated the SRI experimentation from the ASSEM and demonstrated that the reciprocal symmetry is a veritable and autonomous economic order.

## Social world and multilateral world

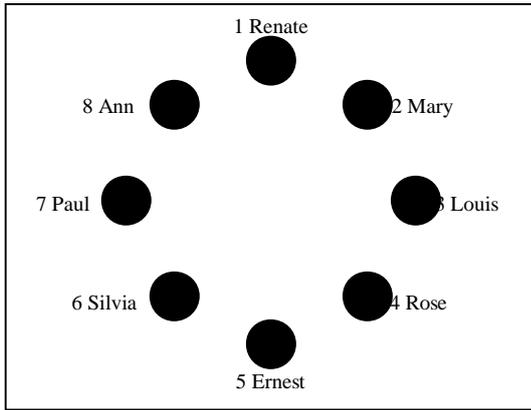
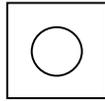
At the beginning there is a gathering of some persons (for example 8) that want to make actions and to have relations. They can create a *social world* or a *multilateral world*. For creating the social world, they conclude two pacts: *the community pact* (for non-monetary practices), and *the organization pact* (for monetary practices). For creating the multilateral world, they conclude two pacts: *the friendship pact* (for non-monetary practices) and *the multilateral pact* (for monetary practices).

The primordial gathering of eight persons



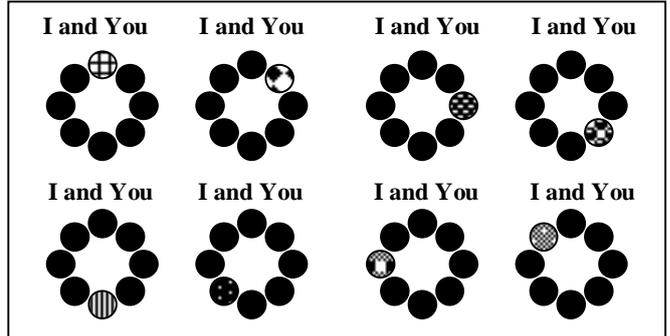
**Social World**

Constitution of one authenticity and son people

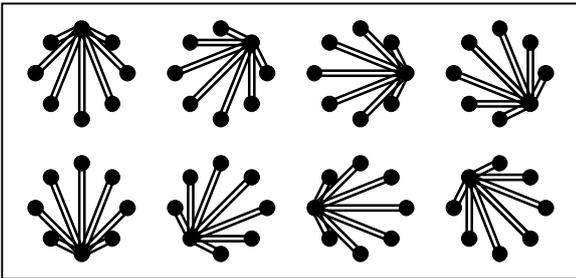


**Multilateral World**

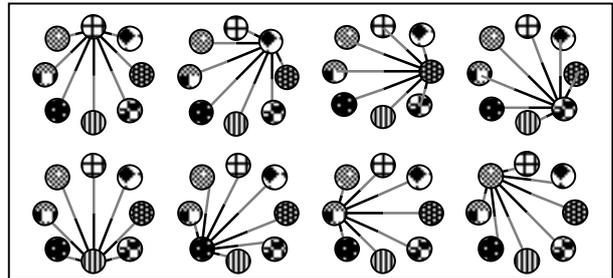
Constitution of eight authenticities and their multitudes



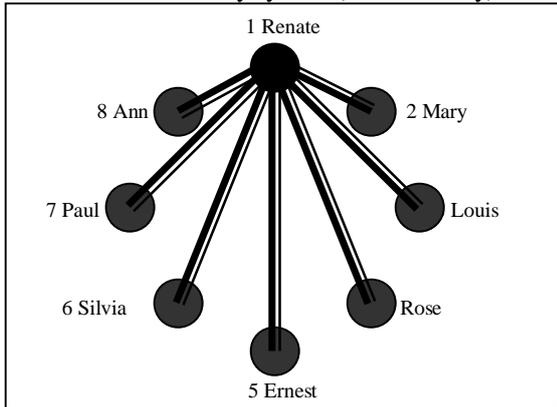
**Non-monetary practice of the barter**



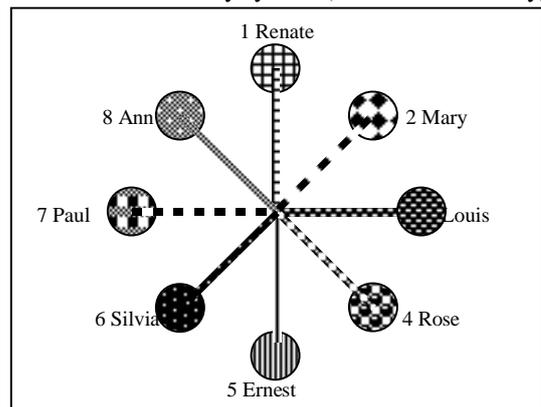
**Non monetary practices of the friendship**



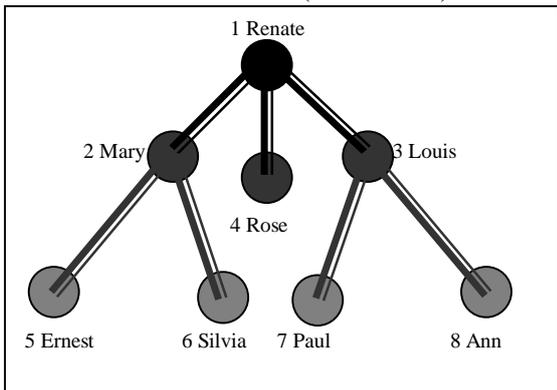
**Social monetary system (social money)**



**Multilateral monetary system (multilateral money)**



**Social Relations (hierarchical)**



**Multilateral Relations (non-hierarchical)**

