
LETS Community NEWS © 2006

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Taranaki LETS News

I had a great holiday and back to work. I took a poster to join a system or set up one in their area, into the Bombay information center and she was immediately sending it off to other centres to be displayed. I had no problems putting up posters. Now for the response is the bigger thing. I will keep you posted. AGM is coming up for Taranaki LETS Monday 12th June. Potluck dinner with a guest speaker at 6pm, 28 Young Street, New Plymouth, TDRC.

A market May 6th followed by a market Saturday June 24th. 9am. Everyone welcome.

For any info about what we are doing??

Email me at taranaki_letsnz@yahoo.co.nz

Anne Dixon

PLEBS Inter-trading Market

On 4 June, PLEBS will hold an inter-trading market with guests from Timaru and the West Coast attending. Obviously anyone else who is around is invited to attend as well.

When: 4 June, 10.30am – 1.30pm (for set up door opens half an hour earlier!)

Where: Waltham School, Hastings St. East, Christchurch

For more info, call 03 366 1992 or email plebs@orcon.net.nz.

Christoph Hensch

What makes a successful exchange?

- Active, well-informed, enthusiastic, cooperating committee
- Work shared among committee and non-committee members
- Clear, sensible, user friendly, comprehensive policies & processes
- Ensuring policies are adhered to
- Joining new members properly, including thorough review and discussion of the member agreement
- Follow-up for new members
- Support for all members
- Informative regular newsletters and frequent, regular email updates to members
- Accounts available regularly
- Regular, reliable office hours
- Well stocked and staffed Green Dollar shop
- Well organised markets, not necessarily frequently
- Committed broker
- Complete, accurate, easy to use directory, updated regularly
- Forums for members, e.g. HANDshake, Annual Meeting, questionnaire interviews
- Ensuring enough Kiwi\$ for printing and other unavoidable costs

- Low membership fees, just enough to cover expenses
- Administration account near zero (including bad debt)
- High community profile, including being a part of special community events and/or creating them

Here is a job description that could be used for a broker position. The broker (called HANDy Messenger in H.A.N.D.S.) is having a strong impact on trading!

HANDy messenger job description:

1. Facilitate and encourage trades between members.
2. Liaise with new members regularly and with all members as appropriate.
3. Obtain & disseminate current info on members' contact details, offers, and wants, as well as other info helpful for the effective running of the system.
4. Be a core person in creatively promoting local businesses to participate, whether current or prospective members.
5. Liaise with other NZ LETS exchanges.
6. Attend committee meetings & maintain open communication with committee.

Our member agreement and brochure are available as examples (email: rojoanna@ihug.co.nz).

Murray & Joanna (H.A.N.D.S.)

S.I. Regional Meeting 2006

H.A.N.D.S. Has just announced that the next South Island Regional Meeting will be organised by them. Please mark your diaries for the 22 – 24 September 2006. More details to follow!

Wanaka Exchange & Barter System (WEBS)

Welcome to our newest member of LETS Connect NZ!

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Wellington Talent Exchange

There was no great fanfare when, on the 17th March this year, the Wellington Talent Exchange (WTE) was registered as part of the SANE CES. With or without the fanfare, for me it was a great day!! As one of the group who laboured to bring the SANE CES into existence in Cape Town, South Africa, in the early months of 2003, I was thrilled to be able to add another exchange to the system in what is now my home: the region of Wellington. It was a great thrill too, to know that the WTE will be part of an alternative currency movement in New Zealand which covers so much of the country, and which has a proud history of dedicated commitment to bringing the benefits of a new way of trading to as many as possible. I have been lucky enough now to have met most of the key players in this movement, mostly at the conference in April in the Taranaki. (Before the conference I already knew Helen Dew and Deirdre Kent and had also met with Jan Machin and had communicated by phone and email with Christoph Hensch.) I do very much indeed look forward to working with all the good folks working to bring about change for the better by using and talking to people about alternative currency systems.

The WTE now has 14 members. We had our first event on the 7th May when nine of us gathered at my home in Belmont, Lower Hutt to get to know each other and to talk about the next steps for the exchange. We will follow this with a trading event on Saturday 27th May.

The meeting was led by myself. I am the administrator and membership co-ordinator of the WTE, and for the immediate future the task of building the WTE falls to me. I am a dedicated workshopper, and don't very much like the conventional approach to meetings, so our gathering in Belmont was more of the nature of a workshop than a meeting. I believe the objectives of the event were reached. There was a great deal of conversation and I was pleased to see that some trading relationships seemed to have been established. One or two items of business were addressed. The outcomes of the discussions on these can be summarized as follows:

- I was given the go-ahead to continue to take the WTE forward.
- I was given approval to go ahead and utilize the funds available (Talents) to the administration.
- It was agreed that two of the members would take on a role of monitoring my activities and plans.
- I made mention of the possibility of my (and implied, others) being paid at some stage in the future for the work of promoting and developing the WTE.

- I was given the go-ahead to organize the Trading event on the 27th May.
- Mention was made of the need for the WTE to register with LETS Connect NZ, and agreement was given for me to ask the members of the WTE to contribute in Kiwi Dollars for the fee payable to LETS Connect NZ.

These steps will allow me to continue to grow our exchange. One aspect of this will be to see how we can acknowledge the activity achieved in the past by the Wellington Green Dollars system and possibly draw people who were involved there into the WTE process. I have already chatted with Jan Machin about this and I may at some stage embark on connecting with members of the Green Dollars group.

Russell Bishop

Notes from the Chairman of LETS Connect Committee.

This Committee, which was appointed by 2006 Conference, is currently mandated to prepare a Convention setting out guidelines to help Exchanges make a decision on inter-trading. Shortly exchanges will receive a draft document containing an easy reference scheduled and general guidelines for inter-trading. When you receive the documents please discuss them at your Management Committee meeting and return to Dave Robbie in Invercargill.

Bryan Duxfield

Inter-trading Balances

All inter-trading balances are now available online on CES. Please consult the 'Group Balance' report.

Exchanges that need to buy (as of 14 May):

TATS Timaru:	+2,554.70 (n)
WAIS Wairarapa:	+2,208.40 (n)
WEST Westcoast:	+1,938.95 (n)
TSCT Taranaki LETS:	+1,865.30 (n)
MOSS Motueka:	+1,762.45 (y)
IBES Invercargill:	+764.71 (n)
WINGS Blenheim:	+289.75 (n)

Exchanges that need to sell (as of 14 May):

Thames GDE:	-4,250.90 (n)
REBS Wanganui:	-2,969.99 (y)
PLEBS Christchurch:	-907.30 (n)
H.A.N.D.S. Golden Bay:	-903.45 (y)
WTE Wellington:	-420.90 --

Exchanges that haven't traded (as of 14 May):

WEBS Wanaka	(y)
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('y' and 'n' refers to who has paid yearly sub to LCNZ)

Upcoming Events

27 May: WTE trading event
 4 June: PLEBS inter-trading market
 12 June: Taranaki LETS AGM
 14 June: PLEBS – regular market
 24 June: Taranaki LETS market
 22-24 Sept: S.I. Regional Meeting, Golden Bay
 23 Sept: HANDS market

(If you like to have your events listed, please inform the editor of the NEWS.)

New Zealand LETS and the Community Exchange System (CES) – Part 2: What is CES?

This document by Tim Jenkin of CES and SANE was originally intended to be presented at the conference. It will now instead be published in several parts in the 'News'.

There seems to be a general conception, in NZ at least, that the CES is just a fancy, new software package for running LETS groups, replacing earlier software that was somewhat inadequate.

While certainly the CES software is central, CES is very much more than just a new software package. The CES is an attempt to re-invent LETS, to lift it to a new level and bring it into the mainstream. More than that, CES is an attempt to re-invent money and create a new, healthy, money system that operates internationally. While this might sound like a grandiose aim, there is a general consensus among those who get involved with complementary currencies that the current global money system is seriously defective and destructive. If no one attempts to create an alternative then we will all go down with the sinking ship of the globalised money system. So the CES has set itself the goal of creating a real alternative. The present CES is just the first step on the way to achieving that goal.

The CES then, is not LETS in the conventionally understood sense of the term. You could say it is super-LETS or beyond-LETS. But the best way to describe it is that it is a new money system that attempts to link diverse complementary currency systems into a global network that will one day challenge and, hopefully, replace the unhealthy global money system.

Account clearing system - The CES operates according to LETS principles in that it records sales as credits for sellers and purchases as debits for buyers. The sum total of sales and purchases adds up to zero. There is no physical money and 'money' in these systems is just the recording of values passed from sellers to buyers. So as with LETS, the CES provides a mechanism for the clearing or settling of accounts between buyers and sellers. This is perhaps the most important function of LETS groups and the CES.

Where the CES differs from LETS in this regard is that it gives users the power to manage their own accounts and it minimises the role of the administrator. Every CES user, whether they have access to a computer or not, gets an online 'bank account', much the same as they would with a conventional bank. Those with computers and internet access can enter their own transactions, access their own balances and statements of account in real time, perform a whole range of actions with regard to their personal information, add their own offerings, wants, announcements and recommendations, view group statistics in real time, send online 'cheques', statements and orders etc.

By giving users the ability to enter their own transactions, CES operates much more dynamically than LETS and speeds up processes enormously. Transaction data can be entered immediately and any user's standing can be seen in real time.

Marketplace - As with LETS, the CES is a 'marketplace' but it differs from LETS in that it is not restricted to a single exchange. The CES' 'marketplace' is as wide as the number of participating exchanges and is expanding all the time. This offers users a much wider 'market' to sell their goods and services, and a much wider range of offerings to choose from. A wider 'market' opens up the possibility of sellers offering goods of real value and substance as they know they will be more likely to find something to spend their accumulated credits on.

Like transactions, users can add their own offerings and wants. This also speeds up processes as goods can be advertised and sold within hours, instead of waiting for a quarterly directory. Likewise a want can be placed and satisfied almost immediately.

Inter-exchange trading - The ability to trade with users in remote exchanges is built into CES, allowing anyone to trade with a remote user as easily as if they were trading with someone local. The mechanism that enables remote trading is completely hidden from users and requires no special actions, apart from selecting the user's remote exchange group. Where trading is between countries an exchange rate is automatically applied, without any consideration on the part of the traders.

The way inter-trading works in the CES does not violate the LETS principle that no credits can leave an exchange. The way it works is through virtual members who represent the remote groups. At the accounting level trading is thus between users and these virtual members but at the conceptual level trading is between users, whether they are local or remote. Users are shielded from all these complexities and appear to trade directly with each other.

Levy - A feature currently used by only one NZ exchange using CES is the built-in transaction levy. When activated,

this generates revenue for the administration of the exchange that uses it. Some say it is a 'tax', which in a sense it is, but then the same could be said about membership fees charged to members in national currency. It is better to view the levy as a 'service charge'.

The transaction levy is a tremendously empowering feature. It operates completely transparently and without fuss. A small percentage of each transaction is deducted from both the seller and buyer when a transaction is entered. This flows to a special 'treasury' account where it waits until brought back into the system by the administrator. The administration can then use it how it sees fit.

By using the transaction levy there is no longer a need to charge a membership fee in the national currency. This has a number of important consequences:

- Users no longer feel that they belong to a club. (We don't pay a membership fee to use the national money system so why should we pay to use a complementary currency system?)
- There is a progressive usage fee: those who use the system more pay more. A fixed, annual membership fee is unfair, as everyone pays the same irrespective of how much they use the system.
- There is no collection effort and chasing of members to pay their fees.
- The levy helps the exchange to feel that it can run on its own steam and that it is not dependent on national currency. It eliminates the feeling of being secondary and alternative.
- Revenue accrued through the levy ensures that everyone can get paid for what they do and there is no need to rely on volunteers.
- Those members who do not have computers can purchase, in national money if necessary, what they require from the administration. For example, paper directories and statements can be offered as a service by the admin. If people want paper then they can pay for it by subscription rather than it being part of the system.
- The revenue accrued to the administration gets spent back into the system thereby increasing turnover in the local currency. National money that accrues to the admin through membership fees gets spent outside the system, benefiting no one.

Mobile phone interface - The CES has a fully functional mobile phone interface. It is a cut down version of the real web site but allows users to perform practically all actions available from the full site. Trades can be entered, offerings, wants and announcements can be viewed and entered, balances and statements can be viewed and so on. The administrator can even sign up new users!

Sub-groups - The CES has the ability to set up sub-

groups within a particular exchange. This feature allows an exchange operating over a wide area (such as in a large city or extensive rural area) to operate as if was made up of several semi-autonomous exchanges. This allows users in these sub-groups to organise their own events, to see who is in their immediate area and generally filter out all information that is not related to their sub-area. It also gives the administrator a powerful tool to see the 'balance of trade' between different areas. When a sub-area is selected then all statistical information will refer to the chosen sub-area, providing a useful statistical breakdown.

Paper 'interface' - For those without computers or who hate computers CES has a built-in 'paper-based interface'. Through a system of local-area co-ordinators it is possible to set up 'branches of the bank' where people can interface with the system in the same way as they do with the conventional banking system. This gives the CES the ability to function as a traditional LETS group for those who are not internet enabled. All the documents necessary for the 'paper interface' are available from the site.

Co-ordinators are trusted users who are designated co-ordinator status by the administrator. This gives them access to a special co-ordinator interface that allows them to perform actions on behalf of others without having to know their passwords. It is a cut-down version of the full administrative interface giving co-ordinators the ability to operate as 'branches'. All the documentation required to run a branch is available from the co-ordinator interface.

Real time statistics - Every user of the CES has access to a wealth of running statistical information, showing the current position of a range of essential parameters. The standing of any member can be viewed so that sellers can decide if they want to trade with a buyer. This keeps the system open and exposes anyone who is abusing the system.

Administrative interfaces - The CES comes with three separate interfaces for running a local exchange.

- 1 The full administrative interface through which the administrator manages the exchange. All functions in the other interfaces are in this interface as well as many others for viewing/sending notices, newsletters and reports. Full statistics are available as well as facilities for managing levy revenues, password reminders, customisation and many other things.
- 2 The membership co-ordinator's interface for adding new users and their offerings and wants
- 3 The co-ordinator's interface for performing actions on behalf of users who do not have computers or who prefer to have their accounts managed by a 'teller'

(.. to be continued next month: How can NZ exchanges benefit from CES?)

Tim Jenkin, CES