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## Towns mint own money as a way to bond

### More places mint own money to boost community

By Nicholas Riccardi

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PITTSBORO, N.C.

-- The stimulus for this mill town turned artist's colony arrived in the form of green bills bearing sketches of herons, turtles and trees.

A few dozen local businesses banded together this spring to distribute the "Plenty" -- a local currency intended to replace the dollar. Now 15,000 Plenties are in circulation here, used everywhere from the organic food co-op to the feed store to, starting this month, the Piggly Wiggly supermarket.

Last popularized during the Great Depression, scrip, or stand-ins for U.S. currency, is making a comeback. Pittsboro, population 2,500, is one of three communities that launched its own money in recent months. It reports an avalanche of calls from other communities that have lost faith in the global financial system.

"The Plenty is not going to get siphoned off to Wall Street, or Washington, or make a stop in Bentonville on its way to China," said B.J. Lawson, a software entrepreneur who is president of the board of the Plenty cooperative. "It gives us self-reliance."

Over the past two decades, a few communities have created their own cash in an effort to preserve local ties or businesses. These bills -- such as the "BerkShare" or the "Cheer" -- can be spent at neighborhood merchants, which then can use them at other local shops or, should they choose to, trade them in for federal currency or other goods.

So far, none of them face the extreme pressures that popularized scrip during the Great Depression: bank failures that dried up the supply of cash in circulation, requiring governments to come up with novel ways to keep commerce alive.

"Right now there's a lot of interest because of the economy, but a lot of these efforts come about to rebuild social capital," said Ed Collom, who teaches sociology at the University of Southern Maine and

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studies local currencies.

In Detroit, for example, the Cheer was created not due to the city's chronic financial woes but because bar owner Jerry Belanger wanted to encourage patrons to support new local businesses. He issued notes good at neighborhood merchants, backed by a cash reserve at his bar. There are now \$3,000 worth of Detroit Cheers in circulation after about four months.

"It's like a wink or a secret handshake," Belanger said. "People want to demonstrate they care about the community."

In western Massachusetts, activists and a local nonprofit banded together in 2006 to create the BerkShare. Since then, 2.5 million BerkShares have circulated in the leafy towns of the Berkshire Mountains. Residents can exchange \$95 for 100 BerkShares, giving an incentive to use the scrip.

Susan Witt, executive director of the E.F. Schumacher Society, which advocates scrip, helped create the BerkShares. She said that as recently as the early 20th century, banks issued their own scrip that would be used in towns and cities across the country.

"We gave it up for the convenience of a national currency," Witt said, adding that it remains legal to mint your own money.

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