

SEEDSTOCK: A COMMUNITY CURRENCY IN VANCOUVER

by

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Abstract

This project explores Seedstock, a community currency based on the Community Way model. Seedstock founders demonstrate a commitment to advance social change using education to drive the uptake and use of a community currency. A conceptual framework is constructed to explore values behind exchanges by critiquing current economic theories and arguing for community currencies' ability to generate positive change. Stakeholders were interviewed to reveal the story behind Seedstock. My findings indicate that it is not yet time to determine its success or failure and suggest that educational efforts required to communicate a relatively unknown and complicated concept were underestimated. Overall, miscalculated target audience, insufficient resources given over to communication and education resulted in a poor mix and slow uptake by local businesses, and low engagement by non-profits. The story of Seedstock demonstrates the values and risks of applying 'small is beautiful' economics in a contemporary urban setting like Vancouver.

Keywords: Community currency; community way; Seedstock; challenging neoliberalism; social change; grassroots innovation.

Dedication

To Tamee.

My partner in crime, who made it possible for me to enjoy learning.

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List of Acronyms

CAD	Canadian Dollar
CC	Community Currencies
CLC	Convertible Local Currencies
CRA	Canadian Revenue Agency
CSR	Corporate Social Responsibility
DTES	Downtown East Side
LETS	Local Exchange Trading Scheme
NEF	New Economics Foundation
NIMBY	Not In My Back Yard
OECD	The Organization for Economic Co-operation and Development
TOES	The Other Economic Summit
VV	Village Vancouver

Glossary

Time Banks

Time banking is a pattern of reciprocal service exchange that uses units of time as currency.

HOURS

Ithaca HOURS used in Ithaca, New York. Evolved out of Ithaca LETS and its failure by Paul Glover in November, 1991. Each HOUR is worth \$10 USD.

Chapter 1.

Introduction

Moving from Hungary to Las Vegas for college was a culture shock. After adjusting to local 'norms', I joined the glamorous world of real estate. I stayed long enough to watch the skyline of downtown Las Vegas change as some of my colleagues were 'revitalizing' dilapidated areas. As activity slowed in my profession, I spent time reading about possible causes and forces behind the 2008 downturn and if it could've been avoided. My reading themes revolved around censoring science (Bowen, 2008), movements around peak oil (Hopkins, 2008; Gilbert & Perl, 2008) and end of growth (Victor, 2008; Heinberg, 2011). Shortly after moving to Vancouver, I searched for groups that were opposing the consumer culture, embracing a simpler lifestyle - voluntarily. During these months, I came into contact with the eventual Seedstock non-profit beneficiary, Village Vancouver, and Seedstock founder, Jordan Bober. During my studies, I tried to learn about how our society functions, what motivates us and why behaviors change so slowly. I stayed in contact with the founders of Seedstock and eventually decided to take it on for its research questions and opportunities.

Seedstock is a community currency (CC) with a broader set of goals than most CCs. Unlike most CCs, Seedstock is designed to operate not in a climate of economic recession, but in an urban region dealing with increasing income disparities. By exploring the Seedstock story, I test the hypothesis that the case study of Seedstock as a hybrid model community currency demonstrates a commitment among its founders to the potential of consumer education to drive uptake and use of a community currency, as a model of social change.

This paper explores the reasons why a few Vancouverites decided that social change is needed. It investigates the underlying social change that Seedstock demands from Vancouverites. This investigation uncovers what the Seedstock model, in theory and in operation, demands in the way of social preparedness and what it offers in terms of a

social movement. Communication and educational efforts are researched, analyzed and assessed as these strategies shifted directions during implementation and institutionalization of the currency. I find that Seedstock's model of change overreaches the readiness of its target markets to learn during consumer transactions, and that this expectation has stunted implementation and institutionalization of Seedstock.

A few examples taken from my interviews articulate the story of Seedstock in a manner that shows founders' values, hopes, concerns and disillusion. When a Seedstock founder was asked about his idea of the most pressing social need that Seedstock is meant to address, his answer was that "everybody should be able to find some way to contribute in their community and then be reciprocated with the things that they need to live with dignity" (Interviewee 1). His ideas represent strong intentions to create a socially just environment and hint at the need for more locally grounded economic activity. When I probed him about Seedstock's original intentions and goals, he recalled one of the early brainstorming sessions with the other founders asking, "what if we could develop a currency that helps to connect the different elements of the local food economy?" (Interviewee 1). His question suggested the direction they wanted to take Seedstock. When I talked to one of the founders of a non-profit (Village Vancouver) who helped Seedstock get off the ground, he talked about social change: "I started thinking about social change. There are a lot of activists out there working very hard, but not being effective at creating social change, burning out" (Interviewee 9). With regards to their task to convey a complex concept and funding model, a currency developer said, "the basic problem is people can't see what they haven't seen before. They can't. It does not exist in their conceptual frame. And our task is to create processes which would make it possible for them to see" (Interviewee 3). Finally, a disheartened founder concluded that "You have to have money to get Seedstock. I think we failed to really identify what demographics needed to be involved" (Interviewee 1). These are some of the keys to the story of Seedstock that will be presented in this thesis. Seedstock's educational efforts and misidentification of target demographics are presented, analyzed and interpreted in Chapter 4.

Seedstock represents a unique attempt to advance a social change agenda in Vancouver. The primary question to be addressed in this research is: what is the Seedstock story, in terms of origins, founding ideas, motivations and model formation,

function and performance? On the road to answering the primary question and testing the hypothesis, my paper answers the following secondary questions:

- How did Seedstock emerge as a CC and what directions did it take during implementation and institutionalization?
- How does this model work as a model of social change with regard to the appetite for consumer education among participating businesses, non-profits and citizens not under financial strain?
- What are the prospects for a new CC like Seedstock in a context of relative prosperity and rising inequality?

My project maps out ideas, principles, values and objectives of a small group of committed individuals that have started a new CC connected to a movement that was historically created to solve social issues or to create alternative ideologies with different value systems (Robertson, 1999). This paper provides knowledge - from a community initiative – of how a decentralized, unorthodox financial tool meant to localize economic activity at the same time provides a new revenue stream for local initiatives to address poverty within Vancouver. This initiative places the cycle of redistribution of wealth into the hands of local residents. Seedstock uses a funding model that hasn't been studied. My study demonstrates how this model is challenging in an urban environment. Gill Seyfang from the Centre for Social and Economic Research on the Global Environment (CSERGE), University of East Anglia, Norwich, UK has helped me shape my theoretical approach by researching community-led initiatives which challenge mainstream consumer culture. Seyfang, working with PhD students and other researchers, gathered and analyzed large amounts of both quantitative and qualitative data about grassroots innovations that aim to establish new systems of provision (for food, housing, money, transport, energy etc.) and incorporate both social and technological innovation for sustainability. Her peer-reviewed journal articles have provided the most relevant and up-to-date research information on CCs from the same perspectives pursued here. Some of the reasons to research Seedstock have been listed and more will follow after the Background and Definitions section.

1.1. Background and Definitions

CCs are less known to the general population; therefore, a definition of money and CCs will be discussed to allow the reader to fully comprehend to the type of change that Seedstock stands for. Once definitions are introduced and examples are given of how Seedstock works, my paper will list and explain the reasons why Seedstock is a worthy subject to research.

Definition of Money

The essence of money is an agreement (a consensus) to accept something that in itself may have no fundamental utility to us, but that we are assured can be exchanged in the market for something that does (Greco, 2001, p.29).

The money we use every day is meant to be a medium to efficiently exchange goods and services, but modern money's main function is to be a unit of measurement that Seedstock aims to challenge. There are four functions of money according to mainstream economic theory: means of exchange; unit of measurement (unit of account); standard of deferred payments; and store of value for future use (Begg et al., 2002). According to this theory, the more mobile, efficient and widely accepted a currency is, the better it will perform its functions. The CC and – more broadly – the alternative economic theory literature cite four arguments against the underlying assumptions. The four arguments against modern money are: it incentivizes money hoarding; capital is mobile in the global marketplace, taking control away from regions or localities; the narrow value system is skewed to externalize costs (placing financial values on the environmental services of the planet, but the market is not objective); and types of behaviours promoted are employment in the formal economy versus unpaid community labour (Hallsmith et al., 2011). Modern money's functions are challenged by Seedstock as it imposes geographical restrictions and inserts social values that increase transaction costs of commercial exchanges. In addition, Seedstock only has value if it is circulated, which discourages hoarding or commodification. These arguments will be discussed in detail in the literature review chapter.

The responsibility of money creation in this country belongs to the Bank of Canada - with most money put into circulation by commercial banks - and it can no longer

exchange money into anything other than itself; in contrast, Seedstock is created and backed in a very different manner. Overwhelmingly, the Canadian Dollar (CAD) is accepted as the legal tender, but it is not backed by precious metals, physical assets or any other commodity, which is why it's called a fiat currency. Backing a currency means that the paper money or coin can only be exchanged for the same amount of paper or coin money. The Bank of Canada will not exchange CAD into gold, silver or any other commodity. The Canadian federal government accepts CAD as a repayment of debt and taxes must also be paid in CAD. The Bank of Canada is the only entity that can print CAD legally and accepts it as a payment of financial obligation or debt, hence the name, legal tender. In the UK, a similar banking system, printed money only represents about 3% of the money supply, since most money (97%) enters into circulation from commercial banks - in the form of credit (Ryan-Collins & Goodhart, 2012). The ability to print money offers the Canadian government the benefits of seignorage. The Bank of Canada (2013) defines seignorage as the difference between interests earned on securities acquired in exchange for bank notes and the costs of producing and distributing those notes. In other words, it is the difference between the value of money and the cost to produce and distribute it. In the Seedstock network, this benefit goes to the participating non-profit beneficiaries, Seedstock cannot be exchanged back to CAD, and is backed by participating local businesses. In the following sections, my paper defines CCs; and Seedstock will be introduced and explained along with its structural origins from Community Way and the Open Money philosophy. A discussion about characteristics of modern money will be in the literature review section to help with pinning down the functions and values of current exchanges that Seedstock is looking to change.

Definition of Community Currencies

Seedstock is a community currency (CC), which means it lies outside the realm of legal tender, but is generally accepted as a means of payment in exchanging goods or services. Community currencies have multiple characteristics and depending on their design criteria or function, they are called numerous other names, such as complementary, alternative or local currencies.

Community currency systems differ from national economic systems in that local systems promote “increased social interactions, increased importance of individual reputations, strengthened community and regional loyalties, and increased exchange of

informal services” (Wheatley, 2006, p.2). In this sense, a community currency can be defined as a social movement attempting to insert a sense of conviviality into everyday commercial exchanges, increasing social connectedness and economic activity for that community. By promoting local purchasing, community currencies act as a tool to substitute imports and create industries or sectors that otherwise have to compete with other regions. By restricting the currency to stay within one area, communities develop self-sustaining habits. Community currencies – depending on their purpose – tend to pop up in localities where the level of economic activity is low. In the context of Vancouver – given our high level of economic activity – Seedstock serves different purposes that will be discussed in the following sections.

This paper will concentrate on the community currency systems that are related in some manner to Seedstock. This discussion helps inform the origin of Seedstock and contributes to the story of its emergence. Before I discuss more recent origins of Seedstock such as the Local Exchange Trading Scheme (LETS) and the Convertible Exchange Currency (CLC), the stage can be set by considering the most famous examples of a long running complementary currency. WIR Bank in Basel, Switzerland is known for its ability to substantially increase regional and local economic activity in an unstable financial environment. Founded in 1934, known as WIR Economic Circle Cooperative (P2P Foundation, 2013), it is a cash-less, interest-free IOU exchange, backed by participants’ assets (collateral backing) and pegged to the Swiss Franc. Its interest free feature functions as a stimulus to spend account balances quickly, thereby generating increased sales among members. WIR inspired multiple generations of complementary currency enthusiasts, including the founders of Seedstock.

An upsurge of scholarly work on CCs has demonstrated their ability to increase local economic activity and/or to promote social inclusion of disadvantaged groups such as elderly or at-risk youth. Existing academic research has examined CCs as initiatives to: tackle social exclusion and unemployment in LETS (Pearson, 2003; Seyfang, 2001b; 2003; 2004; Williams et al., 2001); localise economies and improve economic resilience within Convertible Local Currency (CLC) movements (Graugaard, 2012; Gregory, 2009); promote sustainable consumption (Briceno and Stagl, 2006; Seyfang, 2001, 2006a), and as further alternative social movements (Collom, 2011; North, 2007). These currencies may be less efficient from a purely economic perspective, but they are more effective when

environmental and social factors are incorporated (Greco, 1994; Boyle, 2002; Seyfang, 2000; Lietaer, 2001). It has been proposed by many scholars that community currencies are a means of achieving these goals, and are types of exchange relationships and consumption patterns (Douthwaite, 1996; Robertson, 1999; Boyle, 2003; Lietaer, 2001; Ekins, 1986). Seedstock has origins within LETS and incorporates attributes and goals of CLCs. These two latter models will first be explained, in turn, before I detail the construction of Seedstock itself.

Definition of the LETS System

LETS (usually Local Exchange Trading Systems or Mutual Exchange Schemes) are membership clubs using a virtual currency created at the moment of transaction as a credit for the seller of a good or service and a debit for the buyer. All participants start their accounts at zero, and can spend before they have earned any currency. As services are exchanged, account balances are changed thus earning a credit for the service provider and incurring a debit for the individual who received it. For instance, a member may earn credit by doing childcare for one person and spend it later by receiving carpentry services from another person in the same network, or they may spend first and earn later. Individual account balances are disclosed for everyone in the community to deter abuse – a form of threat of public shaming – and to build trust. Most groups range from 50-150 members. Some systems apply debit limits, but no interest is charged on negative balances. Printed directories or on-line databases are used to communicate supply and demand, and a centralized accounting system, usually managed by volunteers, registers all transactions. LETS exchange systems generally have the following five criteria:

1. Cost of service: new members are charged a minimum fee to cover administrative costs.
2. Consent: there is no compulsion to trade. (voluntary participation)
3. Disclosure: information about balances is available to all members.
4. Equivalence to the national currency.
5. No interest charged (Linton, 1994).

The first LETS was created on Vancouver Island, by Michael Linton, in 1983 in reaction to economic recession, to increase local economic activity (Offe and Heinze, 1992: 86-7). Similar versions of LETS are used around the world, representing about one-fourth of all community currency movements. Seedstock has origins in the LETS system. Seedstock's operation is based on the Community Way structure (A1), created by Linton,

introduced later in this chapter. The major difference is that in LETS, both people and businesses can go into debt. On the other hand, Seedstock can only be created after a local business agrees to accept it; people cannot go into debt with Seedstock.

Definition of Convertible Local Currencies

Convertible Local Currencies, or CLCs, are geographically-bounded, paper-based 'backed' currencies, designed to increase the local economic multiplier while supporting local businesses. The local economic multiplier effect of community currencies forces continued circulation within a localized economy, creating a closed loop system. There are about 250 such projects in six different countries (7% of total number of community currencies). These currencies are mostly inspired by depression-era stamp scrip, focussed on economic regeneration of a region (Seyfang and Longhurst, 2013). Stamp scrips were an alternative way to bring money into the economy during and shortly after the Great Depression worldwide. Stamp scrips incentivized the owner of the scrip to spend it, so as to create or increase activity in the local economy. The most well-known recent examples are the German Regiogelder (regional monies), especially the Chiemgauer; the BerkShare of Berkshire County, Massachusetts; and the British transition currencies (Bristol Pound, Totnes Pound).

The major difference between Seedstock and CLCs is the restriction within Seedstock that one is unable to freely exchange it back to the legal tender (CAD). Like HOUR currencies, CLC notes circulate freely within a limited area, and are backed by a legal tender currency, for which they can be redeemed. The norm is full backing, implying that their issuance does not generate any additional purchasing power. The fact that this local currency is redeemable only subjects the existing stock of legal tender to more spatial friction, meaning that available local currency can only circulate within a specified geographical area giving it no value outside the locality. For instance, in the U.S., consumers obtain 100 BerkShares by exchanging \$95, the discount financed by the corresponding 5% redemption fee incurred by participants – usually local businesses – reconverting BerkShare revenues into dollars (North, 2010).

Seedstock – What is it and how does it work?

Seedstock is a project of Agorabora, launched in 2012 in Vancouver, BC. Founders included Jordan Bober and Andrew Perry with consultative assistance from

Michael Linton. Right before its launch, Paola Qualizza joined the founders group and a few months after the launch, Andrew Perry left the group. Agorabora is a non-profit community services co-operative incorporated in the Province of British Columbia. Its mission is to empower people and communities to break down the barriers between making a living and living in a community. The purpose of the Agorabora co-operative is “to propagate a culture of respect and responsibility while creating a robust Open Community; connecting with individuals who share the values of Accountability, Collaboration, Transparency, and Solidarity“ (Seedstock, 2012). Each Seedstock-issuing business has the opportunity to become a member of the co-operative, thereby giving them the democratic right to vote at General Meetings, request information on Agorabora’s finances and other aspects of its operations, to call for an audit, and in every other way hold the directorship and management of Agorabora to account.

Seedstock’s educational efforts are connected to its objectives and could be summarized as definitive local economic and social goals with strong environmentally conscious roots. Seedstock is traded locally; therefore, it is only complementary to the CAD (Seedstock, 2012). However, on the local level, it acts similarly to CLCs. Seedstock was not created to increase overall economic activity, it was created to shift economic activity away from global trade and create stronger ties among local businesses, starting with suppliers and retail businesses connected to the food economy. Seedstock’s social goals to lift people out of poverty are carried out through the chosen non-profits, such as Potluck Café’s Kitchen Tables Project or the Vancouver Tool Library (discussed in detail in the upcoming section). The chosen local non-profits were directly or indirectly involved with providing opportunities and education about Seedstock to the disadvantaged population they served. Seedstock doesn’t have a direct environmental focus, but its emergence is closely tied to environmentally focussed movements such as the Village Vancouver or the Transition Town movements. Also, a few participating local business’s missions include lowering customers’ environmental footprint. As for Seedstock’s educational efforts, it attempts to be an agent of social change by constructing a cycle involving actors from the for-profit sector (local businesses), the non-profit sector (local non-profit beneficiaries of business donations) and the public with surplus income.

Seedstock represents a niche within the community currency movement with its rather unique way of combining qualities of the CLCs and the LETS System (Table 1). The

combination of CLCs and LETS are seen in the Community Way funding structure. Benefits and challenges of the Community Way structure are detailed in Table 2 to demonstrate multiple perspectives of different characteristics.

Table 1 Community Currency types and characteristics

Community Currencies	Explanation	LETS – Mutual Exchange Scheme	CLCs – Convertible Local Currency – Ex. Brighton Pound	Community Way – Ex. Seedstock
Purpose	Generally designed either for commercial purposes or for social goals	social goals	commercial purposes	both
Design criteria	Support mediums: Commodities, Paper & coins, electronic.	commodities	paper, coins. possibly electronic	paper & coins
Function	Medium of exchange, store of value and standard of value. Not all community currencies fulfill these functions equally.	medium of exchange	medium of exchange, store of value	medium of exchange
Issuing procedure	Examples of backing and redemption include commodities, national currency, collateral, promise or contract, and non-backed (Fiat-money / fiduciary money).	promise or contract	backed by national currency	promise (backed) by local businesses
Impact and significance	When assessing impact of CCs, a number of factors should be considered, including size, growth, period of existence, social and economic consequences. (Lietaer, 2001)	varies with need. Worldwide adoption	very recent, lack of research with some positive economic, relatively negligible positive social impact	period of existence prevents it from assessing impact

The structure employed by this model hasn't been used in a region-wide urban environment. Founders of the currency are tied to the Community Way structure, but have control over the mix of participating non-profits and businesses. Founders have more options to choose their location of operation, for example more populated areas (a city) as opposed to less populated areas like Courtenay in Comox Valley, BC. The concept of how the currency is used is as follows: A local business agrees to join the Seedstock

network and accepts Seedstock as partial payment for goods and services. By agreeing to accept Seedstock, the business creates the currency “Seedstock” and donates it to its chosen non-profit partner up to the amount it is willing to accept back based on its business size (generally 1,000 Seedstock per full-time employee). In this manner, the business (with goods or services) enters a mutually beneficial exchange with the non-profit (which has access to a customer network) to drive customers to the business via Seedstock spending. It is Agorabora that creates Seedstock on behalf of the non-profit that was chosen by the new business participant and distributes it. Agorabora takes an administrative fee percentage (10%), the business keeps a portion of the Seedstock created (10%) to trade supplies and services in the Seedstock business network or reward employees and the non-profit gets the remaining 80%. Unlike gift certificates or coupons, Seedstock can be spent repeatedly (like other community currencies). Up to this point, no Canadian dollars have been spent by either the non-profit or the business. Once the non-profit receives the donation in Seedstock, it can begin to use Seedstock as a fundraising incentive to exchange for cash with individuals, to reward volunteers, or to buy supplies and services from the businesses in the Seedstock network. This step allows cash circulation of Canadian money to non-profits (exchanging for Seedstock) and retains spending power for the individuals who make cash donations (they end up with Seedstock). The circle is complete when individuals who donated to non-profits or charities take their Seedstock to the businesses in the Seedstock network.

Non-profits and Charities (Beneficiaries)

The mix of involved non-profits is a vital aspect of Seedstock that can alter the objectives of a community currency operating within the limits of the Community Way funding model. The founders of Seedstock approached specific non-profits to introduce their concept and provide a mix that centered on the different elements of the local food economy. The original non-profits were Fresh Roots Urban Farm Society (education/food), RainCity Housing (Housing Services), Potluck Café Society (food), Village Vancouver Transition Society (movement), The Lazarus Health Project (health, education), Food Not Bombs (food), The Healing Cities Institute Society (sustainability movement), The Vancouver Tool Library (sharing movement, represents the origins of the local sharing economy) and The Downtown Eastside Women’s Centre (health/security/food). Non-profits have been added, some have been replaced and some have decided to leave the network. Out of the original causes, only three were registered as charities. Currently, only

two causes are registered with the Canadian Revenue Agency (CRA), Potluck Café Society and Downtown Eastside Women's Centre Association. The chosen non-profits represent certain values the founders intended to convey, including the reduction of social, economic and gender inequality. Interview findings reveal that these values represent the goal of redistributing wealth that is flowing through the participating businesses, from the public. The values could be organized around food security for the region; specifically providing nutritious food for the poor. The sharing or collaborative economy provides access to tools and services that allows anyone to improve their skills for a fraction of ownership or formal education.

A hypothetical example of Ruby's restaurant is used to demonstrate Seedstock circulation (Seedstock, 2012). In an illustrative example based on Seedstock's given scenario, Ruby's Restaurant agrees to accept Seedstock as up to 50% payment for all meals and Agorabora issues 3000 Seedstock. Ruby's donates the Seedstock portion issued to a non-profit (Downtown Eastside Women's Centre) to help disadvantaged women and their children. Julie, a Vancouver resident, goes to Ruby's Restaurant for lunch and sees the decals posed in the restaurant that tell her about the 50% cash - 50% Seedstock deal. Wondering if this is a coupon, she asks how to get Seedstock and is told by her server that she would receive a 1-to-1 exchange of Seedstock for a cash donation to any of the participating non-profit projects connected to the Seedstock network. Julie looks up Seedstock and sees a map on the Seedstock website that there are about 60 local businesses that will accept Seedstock. But at the moment, she doesn't have any, so she is looking for non-profits in the network to see if she wants to donate in order to obtain some. Liking this idea of essentially getting to use her money twice, Julie decides to make a donation to the Downtown Eastside Women's Center, an initiative she likes and a registered charity allowing her a tax benefit, in the amount of \$200 through the Seedstock website. She receives 200 Seedstock back and can return to Ruby's to spend some on 50% of her next bill, and can use the Seedstock in other businesses in the network as well, as full or partial payment. Looking on the Seedstock website, she finds that her options include some local artists, an urban farmer, a massage therapist and many restaurants. Ruby's Restaurant finds that its customers, like Julie, enjoy using their disposable income with a dual purpose and spread the word through their friends and personal networks. After a few conversations with customers who pay with Seedstock, Ruby's Restaurant's owner may come to a conclusion that by donating Seedstock to local

charities and non-profits combined with telling customers about it will attract a local clientele with similar interests and values. Local customers who shop in other local businesses or donate to local non-profits, in addition to the decals posted inside the restaurant, may look up the Seedstock website and see Ruby's Restaurant listed. Ruby's attracts these customers in place of offering a discount such as Groupon¹. Similarly to the individuals who receive Seedstock for cash donations, the Seedstock that Ruby's Restaurant earns through transactions with those individuals can be spent in a number of ways. For example, Ruby's Restaurant may find a local farmer who also accepts Seedstock and starts to buy more of the ingredients it uses locally, therefore, strengthening local producer relationships and increasing circulation of Seedstock. The restaurant may give a portion of the Seedstock revenue as a bonus to its staff that may in turn contribute to employee retention. If Ruby's Restaurant finds it beneficial for their business to continue accepting Seedstock, it may make regular Seedstock donations to causes it believes in.

Community Way and Open Money

In designing the "community way" currency model, Michael Linton approached money from a different perspective than had been tried before. He described what money does, instead of what it is, as an "information system to employ human effort" (Greco, 2001, p.24). His previous innovation of the LETS system was an attempt to demonetize exchanges. Community currencies operate outside of this realm by choosing to print additional money so as not to rely on the scarcity of the national, legal tender. The 'Community Way' name was given this new model, based on the Open Money philosophy (see Table 3). Operational details and processes related to the model are presented in Chapter 4. Open Money philosophy (Linton, 2014), which is also the basis of LETS community currencies, are built to counter problems with modern money supply, distribution and cost. According to this philosophy, there is no reason for a community to be without money: "Money is just information, a way we measure what we trade, nothing of value in itself. And we can make it ourselves, to work as a complement to conventional money. Just a matter of design" (Linton, 2014). Benefits and challenges of the Community

1 Groupon is a website that features discounted gift certificates usable at local or national companies

Way structure are detailed in Table 2 below to demonstrate multiple perspectives of different characteristics.

Table 2 Community Way method Benefits and Challenges

Community Way	Benefits	Challenges
Backed by local businesses	Decentralized, more independent from external shocks	Inability to pay taxes, rent, salary or supplies that must be bought outside the network
Selection of local businesses with sustainable development values	Control over what types of businesses join the network	Depending on local context, limited number of businesses qualify, decreasing diversity and endangering wide acceptance and circulation
Cannot be redeemed for cash, must spend it locally	Increases local economic multiplier; increases resilience and the possibility of import substitution; strengthens local connections	Liquidity problems could lower value if number of businesses stays low
Developer's ability to choose local non-profits	High degree of control over the direction of CC (social, environmental or economic)	Demands efficient communication of complex concept and requires reallocation of resources from an already stretched non-profit sector

Table 3 Open Money Philosophy

Open Money	Explanation	Open Money Philosophy Relation to Seedstock
Treat money as information	Reduce or eliminate the commodity aspect of money, reduce its function of storage of value	Low-risk entry point for businesses while supporting local non-profit groups

1.2. Summary of importance

After the explanation and nature of the structure that Seedstock uses, I propose further reasons why Seedstock is an important project to research. In this section, I outline the outcomes of the research in relation to how inadequate educational efforts by founders exposed other issues such as the importance of business mix and demographic description of potential Seedstock users.

One important outcome of this research is the possibility to generalize challenges for a CC, which typically has flourished during economic downturns, in a relatively wealthy North American region. The greater Vancouver urban area is relatively wealthy and not lacking economic activity, but inequality is growing and there are pockets of poverty. The Community Way structure and funding model has only been used in rural areas of BC, with the exception of the first, smaller scale Dunbar Dollar that preceded Seedstock focusing on a single neighborhood in Vancouver. The structure allows for multiple goals depending on the mix of participating local non-profits and businesses. Researching Seedstock will also provide a look at how localization of economic activities was attempted by a community initiative with a non-capitalistic, redistributive nature. The strategy to shift commercial exchanges away from global trade to increase local economic activity started out with a goal to increase food security in the region. Founders in the Community Way model have the capability to construct a mix of participants in order to provide local, ethical businesses an edge to balance out the advantages that transnational companies have in the form of effortlessly flowing global capital and unaccounted-for externalities, among other things that are discussed in the following chapters. The lack of circulation and the poor mix of businesses prevented this 'edge' from materializing. This resulted in participants viewing the currency as a novelty, giving it a try to showcase their ethical social status. The very few actual users of the currency didn't have much chance to use it as the mix of businesses provided mostly novelty services.

Researching Seedstock in an urban context provides new perspective on difficulties of an untried currency in a diverse and competitive business atmosphere. Institutionalization of Seedstock in an urban region may have played a decisive role in the founders' failure to effectively reach their audience. Local and small businesses in an urban context may face tougher competition from larger chains than local businesses in rural towns. Multiple Business Improvement Associations are overlapping with diverse neighborhoods to create a unique set of communication challenges. For example, educational and advertising messages - in an urban setting - have to penetrate through a slew of advertising 'noise' to get to intended recipients. Also, customers have more choices in urban environments and it is more difficult for small businesses to attract and retain them than may be the case in a small town with limited competing shops. The particular ethnic and cultural diversity of Vancouver means that the place considered most like home to many could just as easily be around the world as that neighbourhood. For

example, two shops across from each other may offer vastly different services in different languages and have different appetite for or understanding of community currencies. This study provides an insight into how different geographic contexts – urban versus rural – may require very different understandings of the ‘local’ in local currencies, as well as communications and roll-out strategies.

In addition, the Community Way model draws a hard line between non-profits and businesses, but my research findings reveal that this line is becoming blurred as chosen non-profits are enterprising and using for-profit efficiencies to supplement their narrowly focussed government grant-based operating funds. At the same time, local businesses are offering their space for community workshops with the knowledge that the activities will most likely not “pay-back” the time that was put into hosting them. Literature related to the institutional landscape surrounding Seedstock discusses the role of non-profits in communities.

Some of Seedstock’s qualities oppose the neoliberal project, as will be discussed in the literature review. To offer a quick introduction of the nature of the neoliberal project, I present a few points of opposition from the literature. Neoliberalism is a continually changing and fluid ideal that represents free market ideologies without the limitation of capital flow, contrary to the restricted geographical circulation of community currencies. Neoliberalism sees the triumph of the individual, against communities’ ability to manage economic life actively to serve their collective values and priorities. Opposed to neoliberal practices, community currencies encourage a shift away from individualistic thinking towards a more collective, a more communitarian sense of identity (Helleiner, 2000).

The currency is an attempt to offer an alternative to the values underlying neoliberal and neoclassical economic policies that have created economic problems for many, and contributed to a socially and environmentally unjust society. This grassroots initiative sees modern money as one of the underlying problems in our society. Seedstock founders believed in the value of an outlet for geographically restricted money designed with a more ethical use in mind. These activists saw a need for a shift to add social values to current commercial exchanges. Furthermore, the Community Way structure allows Seedstock founders to choose non-profits that act as a redistributor of wealth, transferring wealth from frequent consumers of participating businesses to projects that directly lift

people out of poverty, such as the Downtown Eastside (DTES) Kitchen Table Project of Potluck Café Society².

Seedstock, being a sustainability oriented social movement, uses a consumption tool to educate the public. This projects a picture of how stakeholders view Vancouver, in terms of its readiness and progressiveness. The analysis of stakeholder values within the movement, in relation to perceived mainstream values, paints Vancouver as one of the progressive cities within Canada, but nonetheless a city functioning under the neoliberal project. The above reasons to study Seedstock combined feed into my hypothesis that this initiative has sought to advance social change by educating a portion of society via local consumption cycles.

With regards to the structure of this paper, a theoretical framework is constructed around the story of Seedstock - discussed in Chapter 2 - and analyzed based on the methodology outlined in Chapter 3. The methodology section explains the methods used to analyze how this group of activists and entrepreneurs intends to insert an ethical social status into commercial exchanges using existing institutional structures. Interviews with non-profits and founders in the network reveal how Seedstock emerged and how these groups approached the issuance and circulation procedures. Businesses, charities, sustainability experts, municipal and financial actors, and users provide insights into why they decided to support it, reject it or remain on the sidelines. Values of the community initiative are analyzed to see similarities within the movement. Also, these values are then juxtaposed with how the rest of the society may view this grassroots movement, from the perspectives of the interviewed stakeholders. Interview and document analysis reveal whether the values of these connected groups are aligned to provide a foundation for the initiative.

This case study is a story of motivations, assumptions and pressures during implementation and institutionalization of Seedstock. Probably the most important outcome of this research is to understand the progress and likely progress of the

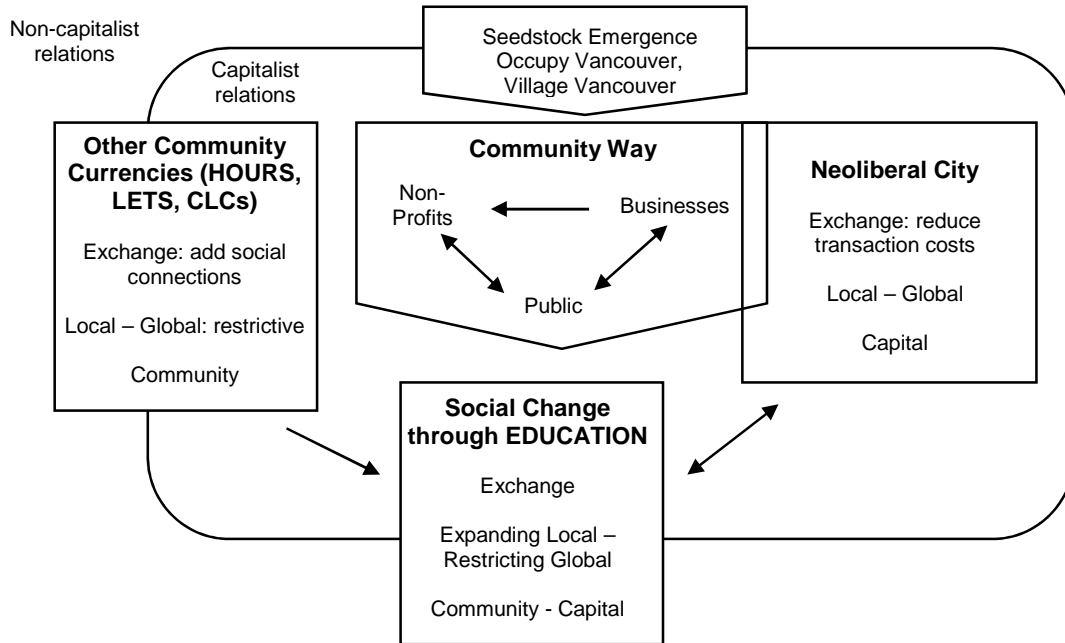
2 The Downtown Eastside Kitchen Tables Project, a program of the Potluck Cafe Society, is improving the health of Downtown Eastside residents by increasing the availability and choice of nutritious food neighbourhood-wide. Based on a Right to Food philosophy, the project is a collaboration of residents, food and service providers to create a sustainable Downtown Eastside Food System that enables people to access abundant healthy food in a dignified manner while creating jobs in the community.

underlying structural societal changes that Seedstock attempts. While documents and interviews reveal missions and goals of local economic development and poverty eradication, activating these goals through a hybrid form of community currency qualifies Seedstock as a social movement advancing societal change.

The conceptual framework is constructed around Seedstock to assess determination to educate stakeholders and the public at large through commercial and gift exchanges. The conceptual framework assesses and outlines the scholarly debates involved in carrying out this research. The framework's structure starts from a broader critique of the neoclassical economic values and provisions that are prevalent in today's society while scrutinizing modern exchange systems. Worldwide social movements that affected Seedstock's emergence and underlying motivation are presented and taken into consideration to test the hypothesis. The framework continues with assessing the forces of current social infrastructures and institutions in commercial transactions that apply to Seedstock. Once the social gap left by mainstream economics is exposed, community currencies are presented as a financial tool to fill this void. After reviewing other similar grassroots innovations in similar institutional environments, Seedstock is placed in the community currency landscape. Sustainable development goals of community currencies serve the basis of the conceptual framework which is assessed throughout the literature review.

The conceptual map below (Figure 1) is drawn to illustrate processes and actors as Seedstock attempts to provide a way out of the neoliberal project using existing institutions.

Figure 1 Conceptual Map



Actors to the left of the central axis are looking to lessen the negative aspects of the structures and institutions on the right, sometimes by attempting to change existing institutional structures. Seedstock belongs to this group with close ties to LETS and added local economic development potential (Community Way). The central axis of the concept map illustrates Seedstock’s emergence along with the movements and events that made it possible for a hybrid community currency to be implemented in an urban environment such as Vancouver. Towards the centre of the axis, the heart of Seedstock’s operational process description is explained and the different forces affecting it, including state and market institutions along with socio-cultural norms. Towards the bottom of the central axis, social and economic relations, structures and spheres are shown that Seedstock attempts to affect and change by educating stakeholders. The “left” side of the axis gives details about other CC movements that are looking to fill a void left by mainstream neoclassical economic relations. To the “right” of the axis, dominant neoliberal economic relations and the norms are shown that Seedstock challenges with the introduction of the Community Way funding and operational model. The structures, relationships and exchanges that Seedstock is looking to change via education are the local businesses with a social or environmental purpose, local non-profits and the public with surplus income. Much built-in behaviour is challenged by Seedstock. The major ones are the

ability to learn a previously unknown concept with complicated processes and the willingness by actors to accept higher transaction costs without seeing or understanding the benefits - social, economic and environmental.

This case study analyzes the initial development of Seedstock to the present, critical moment, in the currency's development. Currently, the number of participating businesses is around 60, but this number is decreasing and circulation had slowed dramatically at the time of my research. Seedstock is undergoing a transition as original founders have taken up other challenges, but haven't abandoned efforts. My research occurred while stakeholders still remembered exchanges with each other and the public. Relationships built out during implementation are still alive and numerous interview participants hope to see a resurgence of Seedstock in a renewed format.

This research will contribute to the limited resources available on hybrid forms of community currencies circulating in urban regions. I investigate and assess the validity of assumptions that may have contributed to Seedstock's slow start and limited uptake, such as its limited circulation within a poor mix of businesses, and unrealistic expectations with regards to uptake deriving from the founders' ability to educate stakeholders. The implications of this research have value for the developers of Seedstock, for stakeholders participating in the Seedstock network and for the community currency movement, as well as for others experimenting with different models of social change in contemporary society. My research will document the emergence, and the initial growing pains, of one community movement with a non-capitalist agenda and a particular set of expectations about what it takes to drive change in today's Vancouver. From this, I hope to contribute to a richer dialogue about the role and potential for grassroots initiatives, like Seedstock, to prosper in the social context of rising inequality and relative prosperity.

Chapter 2.

Literature Review

The conceptual map in the previous chapter foreshadowed the literature that is used to analyze the story of Seedstock. The theoretical framework starts wide, evaluating current neoclassical economic values, capitalism, its assertions and characteristics, and how free market theories shape our society. This broad critique serves as an example of what Seedstock attempts to change. I subsequently take a narrower look at how the assumptions of neoclassical economics has contributed to inequalities in our cities. After assessing neoclassical economic literature, my framework ultimately focuses on the everyday exchange. This theme builds the community currency argument by analyzing and gathering literature on the discourse of modern money and gift giving. My framework reviews themes in the literature that aid in the analysis of Seedstock within a particular set of local contextual conditions which may mitigate against its successful absorption as a model of social change. In order to assess the emergence of Seedstock, activist movements are summarized and discussed as a response to social, environmental and economic injustice. Literature on prevalent institutional structures and social infrastructures that apply pressure on Seedstock, such as non-profits, community and localism, are discussed and debated. After discussing the shortcomings and negative effects of neoclassical economic thought, the community currency movement is presented as an agent of change. This literature also provides background on the changes Seedstock underwent from development to the first few months of implementation. My framework provides discussion of grassroots innovations as related to the themes of community activism. Community currencies have promoted sustainable development in similar institutional landscapes as British Columbia's neoliberal practices. Benefits and challenges of grassroots innovations by civil society are presented as a benchmark to compare expectations, functions and performance of Seedstock. Opportunities and challenges of the community currency movement are also discussed to allow analysis of Seedstock. Finally, Seedstock is placed in the community currency literature, exposing gaps in the literature and providing comparison to popular alternative currencies. The review of research provides the necessary themes that help answer the questions posed in the summary of chapter one. The following sections build a frame to test the hypothesis

of whether Seedstock demonstrates a commitment of its founders to the potential of consumer education to drive uptake and use of a complementary community currency as a model of social change.

2.1. Economic values and exchanges

The community currency literature offers multiple theories of the types of value systems common among activists and participants. Community initiatives such as community currencies are wide ranging, but they all have common values. Most oppose state involvement, restrict trade to a geographic area and promote values of conviviality and collaboration during exchanges. These socially conscious initiatives are trying to fill a social gap left by the mainstream economy, therefore these movements are characterized as alternative. Community currencies, in general, fit this bill by trying to localize exchanges, inserting emotional connections into an exchange that is supposed to be rationally economical. By issuing Seedstock through charities that aim to increase social equity, Seedstock's goal is to imbue money with social capital. This is anathema to the neoclassical economic conception of what makes currency-based economic systems successful – their ability to operate regardless of the absence of specific social relationships between actors. One of the basic objectives of neoclassical economic behaviour is to reduce transaction costs of economic exchanges in order to allow frictionless movement of capital thereby making money more efficient as a medium of exchange. By advocating for a currency which asserts a value to actually increasing the costs of an exchange by inserting a role for mutual education of buyer and seller through the transaction, and a third party social impact as well, Seedstock flies in the face of these basic economic principles. The next section is a collection of critiques that exposes a gap in understanding the social component of economic behaviour and discusses the negative effects of modern money and the current western political economy.

2.2. Alternative Economic Geographies

Capitalist social relations have been widely critiqued and my framework is constructed by borrowing from some of the most noted academics. Leyshon's collection and J.K. Gibson-Graham point out flaws as capitalism expands and advances. First, I

placed the practical, activist nature of community currency movements within a broader conceptual critique of current neoliberal political economy. This collection of literature points to a feature of community currencies that sets up a case to argue for a social behavioral gap that invites emotions into commercial exchanges. A well-articulated collection of literature by Leyshon et.al. in *Alternative Economic Spaces* (Leyshon, 2003) provides theoretical arguments after reviewing practical experiences of what community currencies represent within other broad strategies to demonstrate ways of alternative economic behaviours. As mentioned earlier, one of the most significant distinctions between hegemonic capitalism and community currency movements is the latter's intention to increase rather than eliminate transaction costs. The expanded role of community currencies stands opposite to neoliberal project goals of making exchanges efficient and free of "socialized" forms of coordination. Leyshon (2003) also compiled more relativistic theories to undermine capitalist social relations – described as the 'cultural turn'. J.K. Gibson-Graham, in *The End of Capitalism*, suggests that over a long period of time, economic discourse became strongly associated with the masculine biological and physiological characteristics. This is evident in the historical progression of associating the mind and reason with masculinity and passion and nature with femininity. This genealogical method also encouraged the capitalist economy to be thought of as integrated and complete so as to 'crowd out' other forms of economic reproduction. Moreover, capitalist economic theory also borrowed from evolutionary theory to suggest that economic forms evolve in a linear manner, i.e. advancing up the ladder. Gibson-Graham's theories seek to reveal these assumptions that currently support the neoclassical economic discourse to pick them apart and undermine their power (Leyshon, 2003). Another foundational theory of neoclassical economics is the Rational Choice Theory. It assumes that humans are rational and behave in such a way as to maximise self-interest. Its assumptions and behavioural predictions have been criticized by the New Economics Foundation (NEF) (Table 4) and other academics (Hollis & Nell, 1975; Foley, 2009). The unorthodox characteristics that are embedded in most types of community currency values such as conviviality and collaboration take precedence over values of profit-making, efficiency and competition. This prioritization of social goals above economic competition on a local scale represents a disruption of neoliberal relations and introduces humane behavioral characteristics into exchanges.

Table 4 Shortfalls of the Rational Choice Theory, compiled by NEF

Rational Choice Theory Shortfalls	Explanation by NEF	Example / Application
Other people's behaviour matters	People do many things by observing others and copying; people are encouraged to continue to do things when they feel other people approve of their behaviour.	Different social circles may produce widely differing hierarchies. Compulsion to purchase goods may increase if a role model is wearing or using that same good. For example, Michael Jordan advertising athletic shoes may prompt irrational spending among a basketball playing group. Community currencies may place higher importance on social connectedness compared to the urge to present a social status by purchasing luxury products.
Habits are important	People do many things without consciously thinking about them. These habits are hard to change – even though people might want to change their behaviour, it is not easy for them.	People may buy a higher priced item at a certain store while knowing it is available for less elsewhere because they got to know the clerk better or because of other non-rational behavioural habits.
People are motivated to 'do the right thing'	There are cases where money is de-motivating as it undermines people's intrinsic motivation, for example, you would quickly stop inviting friends to dinner if they insisted on paying you.	This point is strongly related to how gift exchanges could qualify being above the economic exchange.
People's self-expectations influence how they behave	People want their actions to be in line with their values and their commitments.	A self-confident person may negotiate a better deal on a purchase than someone lacking confidence.
People are loss-averse	People hang on to what they consider 'theirs'	Sentimental values can be irrational when one has to sell certain subjects that represent memories from the past.
People are bad at computation when making decisions	People put undue weight on recent events and too little on far-off ones; they cannot calculate probabilities well and worry too much about unlikely events; and they are strongly influenced by how the problem/information is presented to them.	Purchasing lottery tickets without grasping how miniscule the probability for a win, which is an example of the concept of Choice Architecture.
People need to feel involved and effective to make a change	Just giving people the incentives and information is not necessarily enough	Sustainability efforts raise awareness and policies sometimes give incentives to choose an option that may be better for the environment, but individuals don't act rationally because they don't feel that their decision matters. They are not involved and don't believe that they can make a difference by themselves.

2.2.1. Neoliberalism

The term “neoliberalism” was used in order to interpret restructuring of urban, contemporary North American cities. Brenner and Theodore (2005) summarized the concept in a number of propositions. Neoliberalism is not a fixed state; rather, it’s a market driven process of social and spatial transformation. There is no single or pure form of neoliberalism. It is articulated through historically and geographically specific strategies of institutional transformation and ideological re-articulation. Neoliberalism isn’t simply “rolling back” state regulations and “rolling out” free market ideologies; instead, it generates a complex reconstitution of state-economy relations in which state institutions are actively mobilized to promote market-based regulatory arrangements. Neoliberalization doesn’t generate identical outcomes. Place-territory and scale-specific neoliberal projects collide with inherited regulatory landscapes, contextually specific pathways of institutional reorganization. Neoliberalization is understood as an attempt to impose market-based regulatory arrangements and socio-cultural norms to “socialized” forms of coordination that constrain unfettered capital accumulation. Neoliberalization projects tend to undermine economic, institutional and geographical preconditions for economic and social revitalization. Instead of resolving these issues, neoliberalism exacerbates them by engendering various forms of market, state and governance failure. Lastly, the neoliberal project has continued to reinvent itself - politically, organizationally, and spatially – to the contrary of its economically, socially and environmentally unjust results. Countries in the global North embrace a form of neoliberal practices and promote these practices around the globe (OECD, 2014). Metro Vancouver’s economy is deeply integrated into today’s global market economy. All jurisdictions in the region follow a similar, neoliberal ideology (BC Jobs Plan, 2011, RGS, 2011). In Vancouver, environmental amenities, federal downloading of responsibilities combined with financial certainty for investors and a history of environmental activism created a city that promotes the clean technology industry and the reduction of greenhouse gas emissions while competing in the global economy. Recent research shows that some city goals (City of Vancouver, 2009) are contradictory – economy versus the environment - and aimed at creating a unique city-brand (Soron, 2012). Seedstock’s proposal to challenge the neoliberal project is assessed in Chapter 4.

2.2.2. Critique of modern money

This section of the theoretical framework pins the functions and inserted values of Seedstock against the money we use every day. This literature supports the hypothesis that Seedstock is meant to advance change in society by identifying and addressing the somewhat hidden issues with modern money. As stated in the introduction, the four functions of money according to mainstream economic theory are: means of exchange; unit of measurement (unit of account), standard of deferred payments, and store of value for future use (Begg et al, 2002). Modern money has been approached by several economic theorists over the last decade, collecting numerous arguments and theories. The following arguments against modern money have been put forward by Gill Seyfang, referring to arguments originating in Keynes, Marx, and Schumacher. Four points are listed to form an argument against the stated assumptions of modern money:

1. Money Hoarding/unit of account. From the four functions of money, two of them, medium of exchange and unit of account, contradict each other. Money is both a symbol and a commodity itself. It encourages hoarding, while removing it from circulation reduces the amount available for transactions. This shortage of money results in unmet needs and unemployed workers. This tendency has been observed by Keynes (1973[1936]), who promoted policies that would ensure greater monetary circulation.
2. Mobile Capital. 'Capital flight' or the mobility of money is not necessarily a good thing for local economies. Richard Douthwaite (1996) noted that capital tends to move towards centers from peripheral areas thus draining peripheral communities of the means of exchange.
3. Current pricing regime upon which mainstream money is founded values some kinds of wealth and overlooks others, with profound implications for the signals sent by markets and hence development goals in general. Environmental and social costs are externalized from prices and not accounted for in economic decision-making (Jackson, 2004).
4. Mainstream money and its system of exchange actively promotes particular types of behaviour and discourages others. For example, employment in the formal economy is rewarded compared to unpaid community labor (Robertson, 1999).

Furthermore, a more abstract nature of modern money is critiqued by Ingham, Keynes and Mann to point out its main feature being commodification (unit of measurement or account) instead of its means of exchange. The above mentioned claim (#1) about the contradiction of functions of modern money is fleshed out by Geoff Mann (2013a). Mann proposes that "capitalist money is organised so as to constrain radical redistribution" (Mann, 2013a), and he argues alongside Ingham and Keynes (Ingham

2008: 68; Keynes, 1930) that the key function of money in capitalism is not to serve as a medium of exchange, but as a unit of account.

As we will see in this research, Seedstock challenges all the above characteristics of modern money, but its function as a medium of exchange is very limited. It fails to behave as a unit of account; eliminates the role of banks and reduces the role of the state to using participating non-profits to redistribute wealth; and it doesn't allow capital to leak outside the local geographic area. At the same time, it introduces a new and unaccustomed role for money by increasing transaction costs while inserting social and environmental values.

Non-monetary exchanges - Gift Giving within Communities

Community currencies promote more than a rational social relationship for the primary purpose of economic exchange; they aim to create social bonds within a community. The redistributive structure of Seedstock illustrates the currency's design to help the less fortunate; therefore, academic literature assembled about the act of gifting and gift giving helps with the assessment of Seedstock's attempt to promote people's gifting nature. This scholarship also helps with the assessment of participating stakeholder values. Interactions and exchanges among multiple stakeholders bring up an important question of differences or similarities between gift exchange and rational economic exchange. Some of the theories related to community currency issuance, circulation and the purpose behind them articulates the complicated relations within a network of individuals or a social group. In *The Gift* by Marcel Mauss, a French sociologist, the notion of gift depends on a set of oppositions, between "liberty and obligation; liberality, generosity, and luxury as against savings, interest, and utility" (Mauss, 1990, p.73). The gift is supposed to be freely, generously given without any obligation to reciprocate or without any self-interest. Rational commercial exchanges are also supposed to be freely entered into, but they also are useful, self-interested and there is an obligation to reciprocate. In his theory, gift giving represents almost an excess of freedom, the freedom to renounce self-interest and usefulness. This theory goes against the previously mentioned neoclassical Rational Choice Theory (Table 4).

According to Miranda Joseph's (2002) interpretation of Mauss's argument, gift giving is not free from the constraints of self-interest and power and therefore cannot be

clearly distinguished from commercial exchanges. A 'gift' is rather a part of the exchange system that drives and determines hierarchical social formations within which it takes place (Joseph, 2002, p.104). Mauss argues that 'the gift' also includes honor, social bonds and religious goals so it shouldn't be reduced to a simple economic exchange (Mauss, 1990). Joseph points out that Mauss's notion of complementarity is in fact a contradiction. It contradicts that exchanges might be both free and obligatory. 'Gifts' are the origin of economic exchange, reaffirming the utilitarian narrowness of commercial exchange (Joseph, 2002, p. 105). Furthering this thought process, Derrida (1992) argues that if "someone intends-to-give something to someone", that person intends to build his or her identity by gifting. Derrida's definition of gift points to "the excess beyond a particular economic circuit, that are implicit in the gift" and further points to "the supplementarity of these excessive values to the circuit of exchange itself" (Joseph, 2002, p.105).

Lewis Hyde's contribution to the theory of 'gift' informs my research findings by offering an explanation for what might have happened during Seedstock issuance as business and the public donated to non-profits. The issuance of Seedstock closely resembles the theory of "transformative gift", in which gratitude for inspiration (a local business agrees to accept Seedstock as it donates to a non-profit), or for the change that a 'gift' has caused (an individual donates to non-profits), prompts the impulse to do work (non-profits fundraising with Seedstock) and passes the inspiration on to others (purchasing with Seedstock). Some of the examples Hyde uses – 'the labour of gratitude' – are the folktale of the shoemaker and the elves and the process of Alcoholics Anonymous (Hyde, 1983). This theory of artistic commerce is also directly opposed to the tenets of today's monetary production economy. Hyde theorizes that when 'gifts' or parts of 'gifts' are circulated in a community, it could create coherence within (Hyde, 1983). In an example where scientists give their ideas to the community, they receive recognition and status in return. But when this recognition is received in monetary format, cash represents foreign exchange that could move beyond the boundary of the community.

Another aspect of Hyde's contribution assists with determining the success of Seedstock's educational end goal of social change. With regards to education, for the "transformative gift" to occur, stakeholders need to comprehend the concept. Seedstock never achieved a sufficient level of circulation that was necessary to evaluate donations by businesses or by the public as fully "transformative", meaning that there weren't enough

people that kept using Seedstock. “Transformative gift” is not transformative unless the value of a ‘gift’ is recognized by the person on the receiving end (non-profits). The “transformative gift” theory serves as a benchmark to reveal intents of Seedstock founders to educate other stakeholders and the public. Additional academic literature related to diffusion challenges of grassroots innovations provide further background and explanation on Seedstock founders’ educational efforts in Section 2.3.

2.3. Institutional Landscape

As Seedstock founders educated stakeholders, a multitude of global movements, local events, social infrastructures and state- and economic relations were all crucially important. Some of the movements that affected Seedstock’s development are well researched areas, but the structure of Seedstock, as an example of the Community Way model itself, is new in an urban setting. In Vancouver, especially in the DTES, social and economic infrastructures already exist to reduce, or at least tolerate, poverty. The decentralized nature of community currencies are visible in the way Seedstock was implemented as it didn’t engage any levels of government. Seedstock chose certain partners and chose to distance itself from other organizations or simply acknowledged their presence and contribution. The upcoming sections gather and discuss the literature on what community currencies have achieved and how they challenge and oppose the neoliberal project. As discussed briefly in the introductory chapter, lines are becoming blurry between the non-profits and the local, ethical businesses in the Seedstock network. Literature with regard to non-profits’ role in the community are presented in the upcoming sections.

2.3.1. Small is Beautiful movement

E.F. Schumacher’s landmark book, *Small is Beautiful - Economics as if People Mattered* has influenced heterodox, anti-globalist movements based around his main thesis that using finite, natural capital to solve the problem of technological production will only deprive future generations of the benefits of earth’s ecosystem services. Schumacher’s ideas about keeping our economic system human centered and human scaled have been defeated on the global scale. Global trade and efficiency, driven by technological innovations, have prevailed. His small, human centered philosophy - human

needs and relationships – is prevalent in many community initiatives, including community currencies. His emphasis on local economic activity with a social well-being goal that differs from the current political goal of perpetual economic growth is a fundamental ideal of most local and community currencies. His work coincided with the growth of ecological concerns of the 70's and he became important for many environmental and community movements. Some of these movements related to community currencies include the New Economics Institute, Transition Towns movement (Barry and Quilley, 2009) and the Green Party (Richardson, 1997). Below, I discuss the New Economics movement to connect the Small is Beautiful movement to community currencies and the academic work that propagates the inclusion of social and environmental values into our economic life.

2.3.2. New Economics

The New Economics 'movement' grew out of an event that was named The Other Economic Summit (TOES) in 1984 (Ekins, 1986; Henderson, 1995; Daly and Cobb, 1989). The New Economics Foundation (NEF) is the hub of the movement; it is a UK based think-tank consisting of academics and activists world-wide, focusing its work on creating a "new model of wealth creation, based on equality, diversity and economic stability" (NEF, 2014). E.F. Schumacher's influence is prevalent throughout the work of the NEF and the think-tank's motto pays tribute to his inspiration: "economics as if people and the planet mattered" (NEF, 2014).

The new economics is an environmental philosophical and political movement founded on a belief that economics cannot be divorced from its foundations in environmental and social contexts, and that sustainability requires realignment of development priorities away from the primary goal of economic growth (Jackson, 2004). New Economics proposes that environmental wealth, and the value of the labour of social reproduction which sustains communities and families, must be recognized, accounted for, and protected in order to strengthen inclusive, resilient communities and so support the market economy which relies on it. This requires 'work' to be redefined to include unpaid work outside the home, 'wealth' to indicate more than material consumption (Douthwaite, 1992; Robertson, 1999), and a recognition that the realm of economic activity is not as commodified as has generally been thought (Robertson, 1999; Gibson-Graham, 1996; Leyshon et al., 2003; Williams, 2005). It also stresses the benefits of decentralized

social and economic organization and local self-reliance in order to protect local environments and economies from the negative impacts of globalization (Hopkins, 2008; Jacobs, 1984; Schumacher, 1993). The 'new economics' literature is proposing an 'evolution from today's international economy to an ecologically sustainable, decentralizing, multi-level one-world economic system' (Robertson, 1999, p. 6) or what is known today as the 'new localism' (Filkin et al., 2000). It is an equity-based understanding of environmental governance, drawing on the concept of 'ecological footprint'. These define and visualize environmental injustice in terms of the inequitable distribution of 'ecological space' taken up by individuals, cities and countries; this inequity requires a reduction in the scale of material consumption among the affluent advanced economies (Wackernagel and Rees, 1996). It calls for a new 'ecological citizenship' of humanity as a whole, which expands across borders (as does environmental change), recognizes the political implications of private decisions, and defines everyday activities of consumption as potentially citizenly work (Dobson, 2003).

Lastly, to connect to the upcoming discussion on community innovations, Douthwaite's landmark work (1996) places a strong emphasis on bottom-up grassroots attempts to construct new institutions or parallel public infrastructure. By constructing new social infrastructure, community currency movements contribute new environmental policy objectives for the sustainable consumption debate, because there is a limit to the changes in consumption behaviour that individuals can make within current socio-economic frameworks (Seyfang, 2006a; Maniates, 2002).

Challenges to the neoliberal project

How does a community currency like Seedstock represent a challenge to the neoliberal project? Helleiner (2000) argues that community currencies are a consumption-based oppositional movement to the neoliberal agenda. Helleiner uses well known community currency systems to advance his arguments, such as the LETS system and the Ithaca HOURS system. He lists three ways the movement challenges the neoliberal project:

- In place of the neoliberal promotion of an expanding scale of economic life, local currencies foster a more decentralised and local economic geography by restricting the circulation to a particular locality.

- While neoliberals hope to ‘depoliticise’ the economy and its management, local currencies are designed to restore communities’ ability to manage economic life actively to serve their collective values and priorities.
- The radical individualism promoted by neoliberals is challenged by the way local currencies are meant to encourage a more communitarian sense of identity.

All three points above by Helleiner with regards to Seedstock are evident based on my research findings. Seedstock is only accepted in Metro Vancouver by participating businesses. Founders chose non-profits as an extension of their values that meant to encourage a tribe mentality, for better or worse.

Additional CC literature with regards to the localization that challenges the neoliberal project are reviewed to further argue that Seedstock and other CCs qualify as a tool to disrupt entrenched capitalist relations and structures. An ethnographic study of the types of values participants must share to challenge neoliberal ideas through a LETS system was conducted by Peter North in the UK (North, 2006). He concludes that in terms of regenerating and promoting the local economy, the local currency network is limited in what it can achieve. LETS participants have similar, mostly alternative to mainstream values; thus, little chances of affecting the macro political environment. On the other hand, the message LETS sends of the existence of an alternative (livelihood outside the established consumer culture) is a cultural struggle. This movement represents a more humane market within the capitalist market, thus creating an alternative form within the fabric of capitalism (North, 2006). In this sense, North characterizes these schemes as a micro-political challenge to the mainstream, effective in terms of its local rules about money, work and community, but ineffective outside of them. Economic reorganization has been considered as a pre-requisite for sustainable development (Porritt, 2003) and there are multiple ways in which community currencies could contribute. Economic localization is one the major characteristics of community currencies. Frankova and Joahnisova (2012, p.307) define economic localization as “both the process and the result of moral, political and practical support of as many localized aspects of production and consumption as possible and desirable”. Grassroots eco-localisation movements cite CCs as tools for sustainability, because they prevent wealth from ‘leaking away’, thereby increasing the local economic multiplier and promoting localisation (e.g. Douthwaite, 1996; Hopkins, 2008). Also, Shuman (2000) proposes that CCs support sustainable economic

development among small and local/green businesses via loyalty to local communities, through providing mutual credit systems, allowing them to trade without the need for cash.

There are many similar studies and instances with similar results that show that CCs can be effective in generating local consumption and production, work and community, but cannot alter the neoliberal institutional structure. Additional examples are provided by Williams et al. (2001) in *Bridges into Work: An Evaluation of Local Exchange Trading Schemes (LETS)* and Fare in *The SOL: a complementary currency for the social economy and sustainable development* (Fare, 2011). The listed experiments and experiences will aid the analysis of interview evidence received from business owners, users and possibly currency developers. This literature helps to compare objectives as well as values of stakeholders.

Occupy movement

Occupy Vancouver played a crucial role in the emergence of Seedstock as it connected developers and founders and helped kick-start conversations that led to the emergence of Seedstock. Protests and other forms of activism within social movements have expressed frustration against neoliberal advancements and their social, environmental and economic injustices. The Occupy and the CC movements have many things in common, but relevant theoretical or empirical literature of impacts of the Occupy movement on CCs is missing. Common elements are based on similar thinking about new economics and related goals, such as decreasing economic and social inequality, reducing financial dependency upon transnational banks and increasing local resilience. Craig Calhoun (2013) mentions alternative currencies as proposed solutions by participants of the Occupy movement to build a new economy. Also, Kennedy (2012) in *Occupy Money: Creating an economy where everybody wins*, mentions complementary currencies as a partial solution then quickly disregards it as unscalable. Similarly, in Manuel Castells' *Aftermath* (2012), alternative economic spaces were studied, but results show that these spaces are also unscalable. The research concluded that these alternative spaces only provide employment to a small fraction of the population.

2.3.3. Community - localism

Similar to most other CCs, one of Seedstock's foremost missions is to build social capital, defined as an "intangible resource that is generated through the shared norms and mutual acquaintance of people in reciprocal networks. Social capital takes root in the relationships we have with people who make us smile and laugh; it is the energy that catalyzes our collective action into the manifestation of our skills and talents" (Seedstock, 2012). This definition meshes well with other published work on CCs as well as on the concept of social capital. Putnam (2000) defines social capital as good will, fellowship, sympathy, and social intercourse, both individually and collectively. Seedstock founders' social goals of cultivating new and strengthening current local relationships among stakeholders were present throughout the present research.

Social sustainability and building social capital are major aspects of CCs all over the world. For some CC advocates, the primary objective is to enhance social aspects of wellbeing. This could happen in multiple ways, for example: by rewarding acts of neighbourly support which promote a sense of community, building trust and social capital amongst participants (Cahn, 2000; Collom, 2011). Some initiatives have proven useful in areas where community relations have broken down. They seem to bring together social capital with very different social groups (e.g. teenagers and elderly residents, racially segregated or culturally divided groups), and enable participation by 'hard to reach' excluded social groups in a national study from the UK (Seyfang and Smith, 2002). These models build on the view that everyone has something to offer even if it's not valued by the market economy. Some CCs empower socially-excluded groups by boosting self-esteem, self-confidence, social participation and wellbeing (Naughton-Doe, 2011). Some of these aspects of CCs motivate health-based initiatives, which seek to counteract isolation and depression in particular, as well as enabling elderly people to remain independent and healthy in their own homes (Ryan-Collins et al., 2008). In other types of CCs, some of the minute interactions that happen during economically-motivated transactions also add up to growth in community spirit and friendship networks (Ryan-Collins et al., 2008). CCs can facilitate sharing and provide a reuse market for unwanted goods through new social institutions for collaborative consumption and 'product service systems' (Botsman and Rogers, 2010; Briceno and Stagl, 2006). To provide a local example that was partially funded by Seedstock, The Sharing Project in Vancouver found that sharing tools and education provides access to otherwise financially unattainable

activities for a large segment of the population. This access and empowerment can act as an approach to poverty alleviation through education and skills building (Diplock, 2013).

What constitutes a 'community' has been debated and argued. Scholarly literature provides both positive and negative understandings. 'Community' constitutes definitions involving political, economic, geographical terms. To provide a balanced assessment of scholarly literature, community will be approached not only in its convivial sense, but also for its exclusionary tendencies. The concept of 'community' provides both a sense of belonging to a place, to a group of people to encourage certain activities and excluding or discouraging other types of "unwanted" activities.

Putnam (2000) discusses understandings of 'community' and 'social capital'. He notes both the positive, "cuddly" concept of the above mentioned good will, fellowship and sympathy along with its exclusionary tendencies. His examples of negative social capital include the Not In My Back Yard (NIMBY) movements that are often seen as antisocial in a broader context (Putnam, 2000), encompassing the defensive nature of residents against neighborhood change. Joseph (2002) adds to current understandings of the concept of 'community' based on research in the United States. Joseph relates that current, "feel-good" North American cultural understandings of community may be false. She describes the romantic narrative of community as a place for local, face-to-face relations whereas capital is global and faceless. Because of the structural contrast between this notion of community and modern capitalist society, she argues, community in fact enables capitalism. She proposes that "precisely through being cast as its opposite, community functions in complicity with "society," enabling capitalism" (Joseph, 2002, p.148). The above mentioned structural contrast is evident in the Community Way model as the founders attempt to expand the role of participating non-profits, raise the cost of transactions for participating businesses, or effectively reach and communicate to the public.

One of the most visible aspects of community currencies is the restricted geography of trading. Localization of the economy is discussed in preceding sections, but the discourse of localization and globalization is more complex than most community currency or local business advocates would believe. Joseph (2000) borrows from David Harvey and J.K. Gibson-Graham in their attempts to disrupt the notion of the inevitability of globalization. She proposes that local heterogeneity does not necessarily imply

resistance to globalization. Joseph agrees with Harvey and Gibson-Graham in contesting the notion that globalization is actually totalizing and homogenizing. Joseph argues alongside Amin and Robins (1990) that we are witnessing not the end of mass production but merely increased product differentiation. She cites Brenner and Dirlik to argue for the supplementary role that localities play within globalization. From this discourse, Joseph sees the seductive global/localization story as too easy an answer to the yearning for traditionally positive aspects of community.

Non-profits within communities

Non-profits are an integral part of Seedstock issuance and circulation, as they are central to most contemporary community-building efforts. Joseph (2002) theorizes that “non-profits are defined through their relation to capital....and...play a crucial role in the supplementarity of community with capital” (p.70). Non-profits often articulate desires not met by capitalism such as desires for religion, education, health care, arts, social services, or social change. This pattern reinforces the concept of contemporary community-building efforts; something is missing from capitalism. Through this line of reasoning, Joseph argues that non-profits indicate space that a for-profit mode of production doesn’t fill. Joseph describes the function of non-profits - in Gramscian terms (Gramsci, 1971) - as a “hegemonic apparatus, articulating the desire for community with a desire for capitalism” (Joseph, 2002, p.73). In other words, non-profits are needed to strengthen community connections because for-profit enterprises can’t provide services that are unable to generate profit. Non-profits fill a hole left by for-profit, thus contribute to the advancement of capitalism. The name community weds the “missing subject who is not a subject of capital (community), to capitalism” (Joseph, 2002). Joseph notes that projects carried out by non-profits play a key role in the very survival of the people they serve and this is precisely why non-profits are useful to capitalism. As non-profits either choose or are forced to generate income, they transform into work integration social enterprises (WISE). This hybrid organizational form contributes to the neoliberal project of blurring the boundaries between the market and the welfare state (Garrow & Hasenfeld, 2014). Both Agorabora, as a non-profit itself that created Seedstock, and the participating non-profits that benefit from Seedstock issuance speak for a community. Seedstock aims to strengthen and advance the role of non-profits as they redistribute wealth, but these non-profits also advance the neoliberal institutions they are looking to change.

2.4. Community currencies as an alternative social movement

Certain types of CCs have been springing up in developed and developing countries since the 90's as a response to political and economic climates (Seyfang, 2000). Seyfang's study covers a period before the global financial crisis in 2008-09, listing possible connections to the growth of the CC movement. The article discusses the practical experimentation with contemporary regional and local currencies (including Time Dollars, Hours and Local Exchange Trading Schemes (LETS)). She lists the LETS movement as one of the only examples that is flexible enough to be widely used and accepted by both orthodox and alternative approaches to money. LETS proved to be effective at recreating community feeling, building social capital and strengthening social cohesion, hence attracting many local authorities in the UK to use it as a community economic development policy tool. LETS is also known to act as a community-level cashless trading network, enabling members to trade skills and resources.

Potentially positive environmental impacts of CCs were listed by the New Economics movement. Seedstock's emergence is closely related to Village Vancouver's ecological goals and has a strong emphasis on reducing the negative environmental impact of our cities. The social and economic goals of Seedstock overshadow ecological objectives, but the spatially restricted nature of community currencies inherently reduces negative environmental costs. CCs are claimed to indirectly reduce ecological footprints via localised consumption patterns and import substitution, therefore reducing the transportation required (Douthwaite, 1996). For example, local agricultural production can have lower ecological footprints, depending on soil and climate conditions, agricultural methods for specific food groups, given that all costs are accounted for, such as shipping related externalities, social and environmental costs of sprawl etc.

One of the social, grassroots initiatives that advocates for the use and itself uses CCs (Ex. Bristol Pound) is the Transition Towns movement, which originated in the UK around 2005. Bristol, England has a population of 428,100 (2011), where a CLC (Convertible Local Currency) is widely used: 790 shops that accept Bristol Pound. The intent of this movement is to transition society from oil dependency to local resilience and independence from oil. Rob Hopkins (2008) is a major figure of this movement. In essence, the Transition Towns initiative is grounded in the concept of re-localisation and resilience

– economic, cultural and spiritual renaissance (Hopkins, 2008). The emphasis is on social innovation strongly related to food security, energy autonomy, zero energy buildings, rethinking waste and increased local economic activity that all may contribute to local resilience. There are over 450 official transition initiatives worldwide (Becoming Official, 2013). Village Vancouver is the local Transition Town initiative, supporting these key values (principles):

Action: encouraging, facilitating and supporting action towards a sustainable future for Vancouver

Adaptation: anticipating and responding to current ecological circumstances including climate change, peak oil and social and economic instability

Innovation: encouraging an exchange of ideas that fosters innovative responses and solutions to current conditions

Collaboration: creating the space for those with bridging interests to find common ground and the will to work together in support of sustainable communities

Shared leadership: supporting the emergence of leaders in all walks of life, in local neighbourhoods and throughout Metropolitan Vancouver (Village Vancouver, 2014))

The principles and the relative success (over 1,000 initiatives worldwide) of the Transition Town movement have influenced many other grassroots initiatives worldwide. The relative success is evidence that a growing portion of the population disagrees with the neoliberal agenda and welcomes change. As an interviewee shared with me with regards to the spread of this movement, “Village (Vancouver) used to be a drop in the bucket, now we are two drops in a really big bucket. Transition (Transition Towns movement) has a lot to be proud of, but we have a long way to go before we address issues that need to be addressed” (Interviewee 9). Seedstock’s strong connection to the Transition movement through a founding non-profit, Village Vancouver, and similar social and economic objectives are proof of shared values with a worldwide movement.

2.4.1. Grassroots Innovations

This section of the literature review will borrow from Seyfang and Smith (2007), among others, to offer a theoretical approach to link community action with innovation to study community-level achievements towards sustainability. Also, this section discusses

theories that are currently available to analyze development of community currency movements. According to the above mentioned two authors, grassroots innovations describe networks of activists and organisations generating novel bottom–up solutions for sustainable development. They exist within the social economy of community activities and social enterprise.

Motives and functions of Grassroots Innovations

Grassroots innovations are driven by two motives that are less subjective towards sustainable innovation compared to market-based profit-seeking firms (Seyfang and Longhurst, 2013). Their primary function is to meet social needs – within the social economy - where market driven production and consumption systems fail (Maniates, 2002). Advocates of a social economy approach note the shortcomings of individualization of responsibility, which is usually consumer-based choices such as bagging groceries in paper or plastic, or buying electric rather than gas powered vehicles instead of supporting more efficient public transportation systems. Another major function of grassroots innovations is to provide a platform to create alternative ideologies with different value systems (Robertson, 1999; Jackson, 2004). Works by both Robertson and Jackson are within the scope of the previously discussed New Economics theories with value systems found in community currency movements in general.

Analysis of Grassroots Innovation

Seyfang and Longhurst (2013) studied grassroots innovations in the social economy using a niche development framework, but they found that this framework doesn't provide a satisfactory examination of non-market-based grassroots innovations. Their multi-year study consisted of categorizing over 4,000 community currencies around the world in terms of their innovation toward sustainable development (Seyfang and Longhurst, 2013). The analysis focuses on social networks, learning processes, expectations and enrolment of actors and resources in emerging niche practices. Hoogma et al. (2002: 4) state: 'A niche can be defined as a discrete application domain . . . where actors are prepared to work with specific functionalities, accept such teething problems as higher costs, and are willing to invest in improvements of new technology and the development of new markets'. Some processes of niche-building are relevant: building networks, managing expectations and the external 'landscape' pressures, particularly at the UK federal level (Seyfang and Longhurst, 2013). However, the authors' findings

suggest that existing theories to analyze CC movements do not provide a satisfactory mode of analysis. The differences between market driven (tend to focus on the economic bottom line) versus community-building driven (social or environmental ideals in addition to a less important economic bottom line) initiatives leave too large a gap to fully capture the differences. One of the reasons why the niche development framework is not satisfactory is that CC movements address a range of societal systems (money, welfare, education, health, and consumerism). For example, CC movements show increasing fragmentation as opposed to standardization and consolidation. Lastly, there is little evidence that formalised learning is taking place, which has not held back growth of the movement. The authors conclude that grassroots innovations develop and diffuse in quite different ways from innovations that take place in a market based economy (protecting patents, capitalization via private funders, for example – IPOs (Initial Public Offerings)). My research findings show that Seedstock is not a market-based community innovation. For this reason, my study will only make note of applicable findings related to learning processes while building the network and how founders managed expectations.

In the following section, literature is reviewed on the benefits and limitations of civil society grassroots innovations, within the context of community currencies. This section is to provide a benchmark for expectations and the types of challenges founders may have expected during implementation and institutionalization of Seedstock as they faced demands from stakeholders.

Benefits of Grassroots Innovations

Overall benefits of grassroots innovations include the creation of a space for the development of new ideas and practices, for experimenting with new systems of provision, for enabling people to express their 'alternative' green and socially progressive values, and from the tangible achievement of environmental and social sustainability improvements, albeit on a small scale (Seyfang and Smith, 2007). Scholarly literature provides relevant implications of intrinsic and diffusion benefits of grassroots innovations. According to Church and Elster (2002: 25), a large number of small projects could produce a range of positive environmental impacts such as reduced car use, increased recycling, and planting trees. Positive socio-economic impacts are identified with benefits for sustainable communities. Some of these socio-economic benefits range from job creation to training and skills development, personal growth, a sense of community, social capital,

improved access to services and facilities, health improvements, and greater civic engagement (Devine-Wright, 2006). Grassroots innovations could provide a better 'fit' than top-down measures due to community specific experience and knowledge (Burgess et al., 2003). Lastly, grassroots innovations can act as demonstrations that building alternative infrastructures is possible (Leyshon et al., 2003). Diffusion benefits include bottom-up ways of building alternative systems of provision (Fine & Leopold, 1993: 4). They offer the potential to generate transformations in production-consumption systems in a way that individuals cannot (Maniates, 2002). Church and Elster (2002) identify a wide set of indirect environmental and social impacts from grassroots innovations such as furniture recycling social enterprises to organic gardening cooperatives, low-impact housing developments, farmers' markets and community composting schemes.

Challenges of Grassroots Innovations

One of the major challenges of grassroots innovation listed in the literature is the struggle to maintain a viable sustainable socio-technical space within a wider unsustainable regime (Seyfang and Smith, 2007). Intrinsic challenges include requiring specific skills at start-up and continuation, such as a financial resource base. Most initiatives fail to develop resilience to funding cuts, burnout, volunteer turnover and shifts in local policies. Secondly, projects tend not to leave a well-documented trail of institutional learning (Seyfang and Smith, 2007). Similarly, there are a number of challenges associated with the diffusion of grassroots innovations. Small-scale and geographical rootedness makes scaling up difficult. In addition, ideologically, 'alternative' systems have limited access to diffuse or be accepted on a wider scale (Hoogma et al., 2002). This is what Hoogma et. al. (2002) called the problem of creating a 'world within a world'. Their book reported research results on eight different case studies of different sustainable transport solutions technologies and organisational patterns. These are situated alongside the mainstream of recent transport policy in terms of infrastructure provision, the introduction of new market solutions or the dissemination of best planning practices. The evolution of car-sharing was the most successful example of Strategic Niche Management among the cases studied. Strategic Niche Management "is the creation, development and controlled phase-out of protected spaces for the development and use of promising technologies by means of experimentation, with the aim of (1) learning about the desirability of the new technology and (2) enhancing the further development and the rate of application of the new technology" (Kemp et al. 1998, p. 186). Originally initiated by

grassroots communities and local activists, Strategic Niche Management is now heading towards being a strong business, with professional support and integrated services. Elements of niche practice can be adapted on a mainstream scale, but it may not be in the form that the original innovator anticipated. Lastly, Church (2005) argues that local innovators must follow shifts within higher-level policies for any funding opportunities, capabilities and infrastructures.

2.4.2. Seedstock in the Community Currency landscape

The CC movement literature lists multiple attempts to categorize community currencies and the difficulty of communicating these categorizations is evident. The following paragraphs detail attempts by academics studying the CC movements. CCs have been categorized by types (Seyfang and Longhurst, 2013), by projects (Blanc, 2011) and by a complex diagram combining the basic concept of the currency (trust and purpose) and the technical design of it (currency creation and circulation) (Martignoni, 2012). This literature helps to characterize Seedstock, but similar CCs operating in an urban setting weren't found. After placing Seedstock in the CC landscape, its limitations will be discussed based on the available, limited literature.

First, categorization by type was developed by Seyfang and Longhurst, and quantifies and categorises based on a long-term, large-scale study of over 4,000 community currencies into four groups: service credits, mutual exchange schemes, CLCs, and barter markets. The LETS movement is the most widespread, representing over 1400 (41%) projects in 14 countries. Second, Blanc (2011) focussed on categorization by projects - defined by general purpose – or the guiding principles based on Polanyi's three institutionalized principles of behaviours, characterized by specific social relations and institutional patterns: exchange, redistribution and reciprocity (Polanyi, 1957). Exchange refers to the exchange of goods at prices determined by the law of supply and demand. Its essence is free and casual contract. Redistribution is defined by Polanyi as a systematic movement of goods towards an administrative center and their reallocation by the authorities at the center. Reciprocity involves exchange of goods between people who are bound in non-market, non-hierarchical relationships to one another. The exchange does not create the relationship, but rather is part of the behavior that gives it context (Bohannon, 1963). Blanc furthers the discussion from the three ideal types of currency

schemes: (1) local currencies (territorial projects), (2) community currencies (community projects) and (3) complementary currencies (economic projects). Based on purposes, Seedstock is considered to be a local currency (1) as there are sets of territorial actors and activities where local resilience and development is the desired outcome and Seedstock is fully respectful of the national monetary sovereignty. Blanc (2011, p. 8) further defines currency schemes into generations, where Seedstock is most similar to the first generation of CC schemes that appeared with the LETS model in the 1980s: “community currencies established by local non-profit organizations that aim at providing the means (reciprocity) to satisfy needs that are unmet by market activities or public services”. However, Seedstock also bears some resemblance to what Blanc describes as the third generation of CCs where “Currency issues are backed by national currency reserves, contrary to the first and second generation schemes where no backing is required because of the inconvertibility principle“ (Blanc, 2011, p.9). Neither Blanc, nor Seyfang and Longhurst pinpoint a category that would simplify Seedstock into a pocket that would make it easier to compare to other currencies, and perhaps find best practices. Third, Martignoni (2012) stripped CC money down to its basic features and developed a typology that allows every CC’s attributes to be charted then characterized. According to Martignoni’s method, Seedstock can be categorized as community oriented and inversive. He describes inversive currencies as more complex systems requiring good management with a tendency of the money supply to shrink.

Limitations are revealed in Dittmer’s recent degrowth oriented study (2013). These limitations focus on what CCs may or may not be able to achieve. Dittmer chose four areas of study for each currency type (LETS, Time Banks, HOURS, CLCs), based on Seyfang and Longhurst’s categorization. The four areas discussed were whether community currencies build inclusive communities; any potential to progress towards alternative values; whether CCs provide alternative livelihoods; and what factors of eco-localization are present in the movement. As previously stated, Seedstock is a hybrid model. Most similarities are found with Convertible Local Currencies (CLCs) embedded within the ideological value system of the LETS model. In regards to CLCs, Dittmer (2013) states that they ‘May have some limited community-building potential (research is lacking). Not socially inclusive, because they are as scarce as official money” (Dittmer, 2013, p.9). Dittmer’s study states that the overall potential to create alternative values is limited, since the measure of value is completely subordinated to official money. The author mentions

that CCs are less likely to support alternative livelihoods due to their scarcity. Eco-localization could be interpreted as an amalgamation of economic and environmental sustainability of the local businesses. Dittmer's (2013) assessment of CLCs is that these types of currencies are 'good at attracting local businesses, but the ability to localize supply chains is not sufficiently researched. This literary critique improves Seedstock's position as the currency is not backed by national currency reserves and social capital building is embedded into the model through the "*Open Money*" philosophy.

Also, Dittmer's study proposes major limitations as oppositional statements to the degrowth movement. These two major issues are categorized as two utopian socialist approaches: the behind-society's-back variety of LETS and HOUR currencies, and the appeal-to-elites variety of Time Banks and CLCs. LETS and CLCs have been defined in previous paragraphs. HOUR currencies categorized as part of CLCs. A well-known HOUR currency example is the Ithaca Hours, originated in 1991 in Ithaca, NY. About 350 businesses participated at the height of its trading, issuing currency notes denominated in hours by a central authority. Other 'Time' based currencies are generally focused on economic development of a limited geographical territory (Glover, 1995; Greco, 1995). According to Dittmer, resources required to levy taxes or designate means that can be paid are not available behind society's back. Also, CLCs that appeal for elite support are vulnerable to changing policy agendas.

Bitcoin comparison

The Seedstock – Bitcoin comparison makes my research argument stronger by showing how difficult public education proves to be on the topic of alternative currencies. Seedstock and Bitcoin have very limited common characteristics in that both can be classified as alternative currencies. The impact of Bitcoin on Seedstock's uptake is discussed in Chapter 4. From a chronological point of view, Bitcoin started circulating in 2009, well before Seedstock was developed, but in late 2012 and early 2013, mainstream websites such as WordPress and OKCupid started accepting it as payment, vastly increasing its popularity. A brief comparison of Bitcoin and Seedstock illustrates some of the most important differences (Seedstock, 2012).

- Bitcoin is designed to move effortlessly from user to user all over the world, without the high transaction costs, time delays, and local constraints of Seedstock.

- By setting an arbitrary limit to the number of Bitcoins that can exist, and using sophisticated cryptography to ensure the authenticity of each Bitcoin, Bitcoin has created a digital currency with enforced scarcity that trades much like any other scarce commodity. When money is treated as a commodity, it is used less as a medium of exchange and more like a unit of account (Ingham, 2008). Seedstock is limited in its ability to act as a unit of account by the capacities and commitments of participating local businesses. It acts, instead, primarily as a medium of exchange.
- Issuance of Bitcoin is limited to a few with expert knowledge of computer skills and access to high-powered computers. New Bitcoins come into circulation when a user is rewarded for putting their computer to work on encryption, similar to the way gold prospectors are rewarded with gold for their prospecting.
- Bitcoin’s “decentralised” nature is not controlled by central authorities like banks or governments, but it is highly controlled by the constraints built into the technology itself.

Summary of literature review

The above literature review guides my research to assess the Seedstock story. I began with building a case for community currencies that fill a social void that is left by neoclassical economics and exchanges of modern money. Once literature is presented as to the ways in which CCs challenge the neoliberal project, I reviewed scholarly literature on the type of institutional spaces and structures that await Seedstock and most other CCs in a capitalist city. In this last section of the literature review, as an alternative to mainstream money, community currencies and their benefits and limitations are assessed and discussed. In the last section, I looked for similar CCs to Seedstock and I placed it in the CC landscape.

These theoretical boundaries serve this study in its aim to test the hypothesis that Seedstock founders aimed to drive particular kinds of social change with the currency. The conceptual framework of this research study starts out wide, assessing and pointing to flaws in our political economic system. It then lays the groundwork for community currencies and Seedstock by introducing and explaining neoliberal structures. The third section reviews, in a sense, realistic expectations of Seedstock, then attempts to categorize it.

Chapter 3.

Methodology

This research is designed to explore the story of Seedstock while testing the hypothesis, which is to demonstrate commitment among its founders to the potential of consumer education to drive uptake and use of a community currency, as a model of social change. It is a case study of an organization conducted in an ethnographic manner. Founding ideas, motivations, model formation, function and performance of Seedstock are investigated and the research is meant to uncover whether Seedstock demonstrates capability to advance social change. The methods of research are constructed to test the hypothesis. As a hybrid model community currency, founders looked to drive uptake and use of Seedstock in the Vancouver region. By weaving together a web of narratives and combining anecdotal evidence with a carefully collected scholarly literature, this study triangulates interview evidence and document analysis with the theoretical framework. It is a snapshot of how participants (during development and shortly after launch) understand or interpret their actions looking back approximately one-to-two years. I examine scholarly literature on the critiques of neoclassical economic values and the alternatives that have been proposed to fill a social void, especially as it relates to our view on exchanges; on neoliberal institutional structures that govern our lives, from the perspective of community currencies; and on the various solutions we could expect from an alternative currency. Using the concepts explored in the literature review, I identify the values and purpose of the Seedstock network, explain implementation and institutionalization, and identify learning opportunities in the realm of social change. On the road to testing the hypothesis, the story of Seedstock from early stage development to institutionalization emerges which aids the analysis of the educational efforts by the founders.

In this chapter, I explain the methods of my research and introduce the groups that played an active role in Seedstock's development and first few months of its operation. I will also provide explanation as to why these groups or individuals are relevant to this research. First, the most important method of collecting data was to conduct in-depth interviews to allow interview participants express their views, reveal their values behind

actions and behaviours. Modes of analysis and organization of data are discussed for interviews, and then I provide details with regards to the kinds of secondary data sources used.

In order to carry out this study, a qualitative method of investigation was employed to uncover and explore a grassroots movement. The mixed-method approach was used relying on multiple data sources. Primarily, I conducted interviews with participants involved at the time of development, launch or after the first few months of operation. Additional interviews were conducted to obtain information from institutions such as business improvement associations, credit unions and municipalities that usually interact with community currencies. The information obtained from these institutions is meant to present perspectives and approaches to community currencies in general. Interviewing stakeholders outside the Seedstock network allowed me to see neoliberal characteristics at work in Vancouver. The collected and analyzed interviews offer a significant learning opportunity to stakeholders directly involved with Seedstock and value for the movement as a whole. In addition, prospective alternative currencies in the planning or idea stage may learn from the adversity faced by Seedstock founders, participating non-profits and local businesses while trying to drive uptake.

Interviews were semi-structured in order to contribute to my understanding of founding ideas, motivations of participants and reasons behind involvement in Seedstock, following the concepts previously discussed. Interviews started with a set of semi-structured questions followed by an open discussion depending on the respondent. In total, 637 minutes or about 10 ½ hours of interview data was recorded. The average length of the interviews was 49 minutes and all interviews were longer than 30 minutes. Each stakeholder group received questions related to their place within the Seedstock network. Structural questions were the same throughout the interviews. In other words, I posed questions related to interview participants' relationships within the Seedstock network, involvement, role and general values, the ideals they live by. Some questions were general within a stakeholder group to reveal similar or contradictory values. Lastly, more personal, catered questions were asked of each interview participant to allow a more open dialogue to find out ideologies behind their actions and behaviours. Interview questions were meant to uncover values of modern money that are recognizable within community currency movements.

NVivo qualitative research software was used to highlight themes from the interviews. Interviews were transcribed the same or next day to aid in reflection and so help inform remaining interviews. Some themes emerged naturally as interviews were transcribed and analyzed. Some themes emerged as I wrestled with how to present the results. These themes were gathered, coded and analyzed. Themes emerged with relation to the emergence of the movement and founders' motivation to educate people and drive uptake of Seedstock. Additional themes were related to idealistic comparisons within and outside the movement. Lastly, as the low circulation of the currency was questioned by participating businesses and occasionally non-profits, themes emerged around operational difficulties. These themes are described and interpreted in Chapter 4. Additional sub-themes emerged related to the sustainable development aspect of the currency, and learning about how unrealistic expectations can undermine motivation. The sub-themes are not discussed separately in Chapter 4, but rather are built into my concluding chapter (5).

In addition to interviews, secondary data sources were gathered and analyzed to supplement and triangulate scholarship and interview evidence. A selection of documents was taken from newspapers, magazines and newsletters, mostly related to the implementation and institutionalization of Seedstock. The most important source of information was the Seedstock website at Seedstock.ca. I retrieved third party documents from popular media and community currency research websites. Newsletters, videos, events and blog posts were promotional in nature with an underlying educational mandate. Promoting, educating and learning through the various distribution channels are intertwined. Educational and research websites for community currencies have missions to empower and educate community currency activists. I analyzed the articles and blogs on these websites as they address multiple goals at the same time, including the goal to inspire community currency users. In addition to Seedstock related secondary sources, I reviewed and interpreted a summary of the Dunbar Dollar currency (Bober, 2010), as this currency was based on the same, Community Way funding model. For this study, I analyzed and interpreted information on the Community Way website, community currency newsletters, news articles, and promotional videos. I tried to extract values from these sources, as public relations documents tend to reflect the views of founders and their intent to portray Seedstock in a positive light. Personal interviews provided a more complete understanding of participant values. In addition to document analysis and

participant interviews, I attended numerous Village Vancouver, Living the New Economy and Groundswell (Alternative to Business Education) events. I also attended City of Vancouver and specific DTES community economic development meetings that rounded out my understandings of values of stakeholder groups.

3.1. Stakeholders

This portion of the methodology lists the stakeholders relevant to researching Seedstock's drive to advance social change. The following paragraphs introduce the groups connected by Seedstock and give an explanation of why it was important to include them.

Seedstock founders are responsible for the creation of Seedstock; they educated all other stakeholders including the public to use Seedstock in Vancouver. This group contains the developer of the Community Way funding model, Michael Linton. They set up events to promote the currency and contribute to collaboration within the Seedstock community. They also contacted and educated non-profits and charities of their choice. They handled ongoing operations, administrative work related to Seedstock and Agorabora. Every available founder was interviewed, a total of three. One original founder didn't respond to multiple requests for interviews. A few citizens outside of the founders' group contributed to the development of the currency, their contributions are revealed through interviews with the founders.

Non-profit organizations and charities have a significant role in Seedstock circulation and their involvement is crucial for Seedstock operations. These organizations were selected solely by the founders. I interviewed three organizations out of the original eight local causes, each for different reasons. Village Vancouver was interviewed for its contributions during the development phase as this organization was the bedrock of Seedstock ideas. I uncovered this information before interviews with the founders. Vancouver Tool Library (VTL) was selected for its innovative approaches in providing access to tools in Vancouver. Before I started interviews, I also uncovered that VTL's active role in the research and promotion of the collaborative or sharing economy in Vancouver seems to be aligned with my initial understanding of Seedstock's values. I chose one of PotLuck Cafe Society's project, Kitchen Tables, to include in my interviews.

I chose Potluck Cafe Society for multiple reasons. First, their business model is comprised of a social enterprise structure that uses profit to fund non-profit related ventures. Operating as a social enterprise, interview evidence provided information towards deeper understanding of their struggle to survive and provide meaningful service to society in Vancouver. Second, based on interview evidence from a Seedstock founder, Potluck Cafe Society was assigned an intern with a purpose to educate them. Lastly, the Kitchen Tables' mission aligned closely to Seedstock's initial objective of providing DTES and neighborhood residents with access to skills to gain formal employment and nutritious food.

Local businesses are another stakeholder group that played a vital role in the Seedstock story and their contribution provided insight into how founders went about education to advance social change. Selection of businesses into the Seedstock network was on a case-by-case basis by the founders. They are overwhelmingly small, local businesses that contribute not only to local economic activity, but also support some type of social and/or environmental movements. The interview selection process started with a list of the businesses taken from the Seedstock website. There were 61 businesses listed. I researched and interviewed a few businesses from this list as names had come up during stakeholder interviews. It was revealed by founders that most transactions happened at retail/food businesses. In order to research values and perceptions of people involved, businesses that had at least some interaction with the currency were chosen. If a business didn't have any interaction with the currency, their view would mostly be based on how much information they retained from an educational session. A total of six businesses were contacted and four were interviewed. After interviewing three businesses, no new information related to values was received. Participants were asked to share their views of other businesses, individuals in the Seedstock network. At times, their response helped validate data received from others stakeholders, providing evidence for triangulation.

One of the most challenging aspects of my research was to identify users of Seedstock. Interview participant selection originated from all stakeholders and two interviews were conducted with citizens who consciously helped Seedstock circulate. Users are defined as anyone who received Seedstock in any way, but I felt it was important to seek out users who were actively circulating or using Seedstock. A citizen could have received Seedstock in an inactive way, through gifting from another user, gifting from a

non-profit group for survey participation i.e. The Sharing Project connected to the Vancouver Tool Library. Citizens who donated to charities or non-profits in order to receive Seedstock or exchanged CAD to Seedstock were actively involved in circulation; therefore, I qualified them as active users and I tried to seek them out. Another way to qualify as a user is to have attended an event where Seedstock founders of non-profits provided the opportunity to exchange CAD to Seedstock (e.g. the cash bar at a Living the New Economy networking event). My purpose was to find users that in some way made an effort to receive Seedstock. If a citizen donated to a non-profit or Seedstock website and exchanged CAD for Seedstock, this particular citizen was more likely to share similar views of what he or she perceives Seedstock is about. An even stronger indication of similar values was a citizen who volunteered for non-profits or helped Seedstock raise funds before implementation. A user who received Seedstock could also be an employee at one of the businesses that accepts Seedstock. In this case, the employee would have to opt-in to receive salary in Seedstock. I was unable to locate anyone who opted into such a program. Founders provided contact information and participating local businesses would say that they know that same customer. Non-profits didn't track from whom they received individual donations via Seedstock and I found only one instance of a non-profit rewarding volunteer with Seedstock (the above mentioned Sharing Project).

Interviews were also conducted with institutional stakeholders. Data was collected to understand the type of institutional landscape Seedstock looked to insert itself into. Business Improvement Associations (BIAs), economic development organizations, credit unions and municipalities were contacted. Based on my review of the literature, community currencies navigate and negotiate among these organizations as they evolve and operate. Different interests are represented, but their perspectives provided a cohesive picture of the local institutional landscape. One BIA representative and one employee of an economic development organization were interviewed. Data was collected from a local credit union and municipal staff via e-mail correspondence. Interviews reaffirmed secondary data sources and aligned with literature review section on Institutional Landscape (Chapter 2.2). When limited knowledge prevented an interview to focus exclusively on Seedstock, policies on sustainable development initiatives in the community were discussed.

3.2. Organizing the story of Seedstock

The conceptual framework assists with the organization and analysis of evidence. First, the story of Seedstock's emergence is a narrative to describe how this initiative started, and the sociopolitical context in which this particular social innovation originated. The emergence story clarifies the chronological stages of the Seedstock initiative, including development, implementation and institutionalization. The story of emergence also helps us understand the struggle for social change. Second, educational efforts of the founders are explored and interpreted to see how they imagined this change. The strategy of employing neoliberal institutional structures while changing them is explored within the framework. The inherited operational procedures of Community Way combined with stakeholder values paint a picture of the kind of social change envisioned by the founders. The institutionalization stage is investigated as the real needs and expectations of the founding mix of businesses and non-profits came into friction with the rigidity and complexity of the operational model. By probing stakeholder willingness to go against free market ideals, research reveals the extent to which groups or individuals are seeking meaningful alternatives to the current system. Third, I analyzed and interpreted the objectives of Seedstock founders to further gain insight into their motivations. Lastly, in addition to interpreting founders' educational efforts to test the hypothesis of social change demanded by stakeholders, I compared values and ideals of people and groups within the network and beyond it. I compared community-level values within the network and stakeholder-level values, within all direct stakeholder groups.

As far as limitations of my research, it may have some non-response bias. Some participants in the Seedstock network chose not to participate in the research. Their participation might have changed the research findings.

Chapter 4.

Findings

This chapter presents the major findings of my research in a particular way that is meant to tell the story of Seedstock by interpreting interview evidence while keeping the main focus of testing the founders' determination to advance social change. The major sections of this paper are built on functional foundations rather than in chronological order. The emergence section serves as a foundation and explanation of the circumstances of Seedstock development. The Emergence and the Objectives sections combined serve as the Seedstock story and explain foundational ideals, motivations, currency model formations and performance. In the Objectives section, I introduce and interpret the directional changes Seedstock underwent during implementation and institutionalization, as the founders recognized certain patterns that led to changes in their target market and user demographics. I interpret the realization of the need for directional adjustments from the perspectives of the advancement of social change. Uncovering and interpreting founders' objectives help with assessing the kind of social changes they imagined for Vancouver. In the Educational Efforts section, I detail how the founders approached the education of stakeholders and the difficulties they encountered during the process. In the last section, I discuss values and stakeholder participation. This section serves as a gauge to judge the 'alternative' and unorthodox nature of the Seedstock movement. In this section, I delve into how large the ideological gap is between the values of the core, founding group and their perspective of mainstream society as they embark on changing it. I discuss how stakeholders perceived Seedstock and the extent of their participation. This section places Seedstock into current political and social infrastructures. In other words, this chapter discusses the reality and potential uptake of Seedstock, as a unique community currency model introduced at a particular moment of urban growth in Vancouver, a driver of social change. Specifically, I am interested in understanding the impact of two factors that I anticipate to be significant in the Seedstock story: the expectation of stakeholder receptiveness to education when putting the currency to use and the eventual result of poor mix of participating businesses.

4.1. Emergence

The name Seedstock is described with regard to the Community Way model on the Seedstock website. For example, businesses “sow the seeds” of change toward a richer community by agreeing to accept Seedstock. Its origins are found in the need to close the local production and consumption loop, including local and affordable access to nutritious food for people living and working in the region. Both interview evidence and document analysis indicate that an overwhelming portion of participants in the Seedstock network consider food security as the most visible and pressing issue.

Seedstock has its beginnings in the Occupy Movement, Village Vancouver - closely connected to the Transition Towns initiative - and Dunbar Dollar. Operational emergence can be traced to the LETS system and the Community Way funding model. Founder Jordan Bober's first creation was Dunbar Dollar, about one (1) year before Seedstock's implementation. Bober earned a Master's in Economics from the University of Gothenburg, Sweden, focusing on the field of alternative currencies and deficiencies of conventional economic theories and practices. His first venture into the realm of community currencies was the creation of the Dunbar Dollar, named after the neighborhood in which it was centred; it shared the Community Way funding structure. The Community Way model was named after a circulation flow employed in Vancouver Island. When I asked the inventor of Community Way about the importance of its structure, his answer was that the currency offers an outlet for the middle class to “change the world” since “it's not happening through their jobs” (Interviewee 3). According to the same interview participant, large employers of the middle class such as crown corporations aren't engaged with an ongoing, everyday effort to build up local, social infrastructures; the Community Way offers to fill this void through rewarding consumption of local and ethical goods and services. The founders intended for the currency to be used for everyday purchases. As such, Seedstock, like Dunbar Dollar, was intended to encourage the establishment of other alternative currencies in Vancouver. Interview evidence suggests the determination to change current behaviour of citizens is apparent in the structure of the Community Way model.

Both the connections made during Occupy Vancouver and the experiences with Dunbar Dollar showcase the founders' determination to advance social change. Dunbar

Dollar was launched in 2011, but, according to Bober, it proved to be “too small and too conservative in a lot of ways. Most of the interest I was getting for Dunbar Dollar was from other parts of Vancouver”. In retrospect, this served as a platform and testing ground for Seedstock. The small number of businesses involved in the circulation of the currency proved to be inadequate. Later in 2011, during Occupy Vancouver, Bober and Linton met Andrew Perry who became involved and contributed to the development of Seedstock. Bober and Perry articulated the basis of Seedstock with Linton providing consultative support. The structure of Seedstock became the Community Way model, focusing on food security in the region, involving local businesses and non-profits to create a local production-consumption loop while using a more socially conscious exchange system. During the development phase in 2012, Seedstock founders organized events and meetings with local residents in the Commercial Drive area to involve citizens and artists from that community to create the Seedstock Bills. This invitation served multiple purposes. It served as a promotional and an educational tool for the founders, but the involvement of the community may have taken resources away from the process of institutionalization and the end goal of affecting societal change. According to a member of the founders’ group, time spent on involving citizens in bill design could’ve been spent on promoting the currency to businesses.

Village Vancouver (VV) is probably one of the most influential organizations in the emergence of Seedstock that clearly articulates the need to change society. The VV movement is one of the largest and most active ‘villages’ in the Transition Towns movement that originated in the U.K. Pre-Village Vancouver, the Eco-Village (Vanecovillage, 2014) had a very similar vision to Transition Towns promotion of local, resilient economy before the global movement took off in 2007-08. Village Vancouver is looking for ways to use resources more effectively, given the limited amount of non-renewable resources, and live within our bio-physical means. “I wanted something that embodied that kind of values around sustainability and resilience and permaculture etc. on a much larger scale. I was imagining eco-villages around the city, not physical ones, but just people doing stuff together, working on projects that are more sustainable” (Interviewee 9). This quote reflects VV’s social values and not only environmental ones. Getting together, holding workshops and learning about permaculture techniques serves as a tool to strengthen social connections. The ongoing efforts of VV members are closely tied to long-term social change, education and a just society. Their strategy is to “connect

with people beyond the ‘true believers’” (Interviewee 9). This quote has an embedded message about the determination to affect a wider audience. This data also reflects the idea of wanting to reach people who might not share the founders’ core values. Village Vancouver is a registered non-profit organization, but consciously makes an effort to operate using community resources rather than money as a strategy to avoid dependence on the ever tightening scope of grants. They are not averse to money per se, but over the years, this organization preferred to meet in members’ kitchens, living rooms and garages rather than pay rent for independent office and workshop space. An active organizer of VV reported:

I saw many organizations, non-profits struggle to get grant money. It's almost dried up or at least not sufficient. My goal with VV was not to be dependent on money as a primary resource. We work with little or almost no budget. We rely mostly on people power to figure out how to do stuff. Ex.: We do lots of workshops that are hosted in backyards, living rooms, kitchens. As we became more known, we got offered space in Neighborhood Houses, Community Centers, etc. (Interviewee 9).

VV members promote values that strengthen local trade relationships to reduce the risk of external, uncontrollable shocks without promoting specific industries. Many of the members are highly political, but the movement prides itself on its political neutrality³. While Bober created Seedstock separately from Village Vancouver under the Agorabora cooperative, many Village members supported the emergence of Seedstock with volunteer or financial assistance.

The literature review presented evidence about the effort that is required from founders of grassroots innovations to begin social movements. Overwhelmingly, the Seedstock community view the founders as leaders in the attempt to transform our economic growth driven society into one that is more equitable and just. Founders took personal risks - including financial, interpersonal and career development risks - to start a social movement in the form of Seedstock.

³ One of the original steering committee members, Mel Lehan, ran for Vancouver-Point Grey MLA and received 40% of votes compared to incumbent Gordon Campbell's 50% of votes in the 2009 B.C. election (Elections BC, 2009). Also, COPE mayoral candidate for the 2014 Vancouver municipal election, Meena Wong, is a Village Vancouver member.

4.2. Objectives

Seedstock's economic and social goals seemed to be working to achieve Agorabora's mission, which is to empower people and communities to break down the barriers between making a living and living in a community, as was stated in the introductory chapter. Multiple interviews confirmed that this was the mission of Seedstock in the beginning; however, in addition to clear economic and social goals, founders' misidentification of their target market and initial goal of helping their peers became a sort of vision, or at least, a very long-term goal. Based on interview evidence, economic and social goals combined create an underlying objective of changing society through education because of the structures and processes involved. The misidentification negatively affected the founders' desire to reach their goals, but they stayed on course even when they realized that Seedstock acted as an option for well-off people with ethical intentions to make themselves feel better about their shopping habits. A recollection of a memorable meeting came up during an interview with a founder that happened shortly after their realization of misidentifying the target audience of Seedstock: "Wait a second, what's the point? Who are we trying to help? If you look at Agorabora's mission statement, it's not so that yuppies can feel even better and support non-profits when they go grocery shopping. That's not the mission statement of Agorabora" (Interviewee 2). This realization will be discussed along with the economic and social goals in the upcoming sections and continue testing the hypothesis of the founders' determination to advance social change.

4.2.1. Economic

One of the main objectives of the founders was to increase circulation of a community currency that would provide an economic advantage to local, small entrepreneurs. Interviews reveal Seedstock's intent to be transformational. Placing a previously rural or small town community currency structure into an urban context suggests plans by the founders to eventually transform the regional exchange system with a focus on food security. By singling out local and small businesses, they were looking to close or complete the production and consumption cycle in the region. In other words, Seedstock explores ways to increase import substitution. Founders intend to create a competitive 'edge' that a Seedstock accepting business would gain. The acceptance of Seedstock in the public's perception would be seen as a community-building intention and

gain an edge over the not-so-local competitors. Seedstock aims to increase connections among local farmers, food suppliers and people working in urban agriculture and permaculture. A founder stated: “My motivation was really to do this to help local businesses to create a strong local economy” (Interviewee 1). Interview evidence shows progression toward this objective, but these connections were severed quickly as suppliers of participating businesses were not local or regional. For example, a participating store owner told me that “it’s rare that I have to decide between a local product and non-local product. It’s more of a case when it comes to quality and availability... Often times it’s not feasible to source stuff locally, but there are exceptions like the candles, cloth products from the Lower Mainland, but they are the exception” (Interviewee 6). Other business owners told me similar stories about trying to source locally: it was more difficult, expensive and time consuming than purchasing online or sourcing from overseas. At instances when suppliers were from the region, their procurement practices in turn were often global. The number of connections between participating businesses increased due to business networking events that founders organized, but it was below a threshold that would create a positive reinforcing effect to substitute imports or build local production-consumption cycles. A participating business owner said:

Big stoneware planting crocks are made really well in Germany and I pay a lot to ship it. I tried with local pottery studios, spent a lot of time and effort and it turns out that making a good pot is actually pretty hard even if you are accomplished in pottery. We don't sell enough crocks to support research and development. They (local pottery studio) lost the time, we (participating local business) lost the money (Interviewee 6).

As this example illustrates, participating local business made efforts to substitute imports by conducting research and development, but the scale of production needed to achieve economic efficiencies were too low to compete with importing. Seedstock, in this case, didn’t enhance local connectivity. Instead, the connection was established before the business joined the Seedstock network and the decision to seek out local manufacturers was made based on the business owner’s values.

4.2.2. Social

Another objective of the founders was to reduce poverty through supporting non-profits with poverty reduction mandates. According to one founder, “Seedstock or its manifestation as Community Way currencies is really about creating money for non-profits and getting people to spend money at local businesses” (Interviewee 1). This quote explains how the operational cycle meant to redistribute wealth from the citizens who shop at participating non-profits to disadvantaged citizens that require help from local non-profits. As an example, the Vancouver Tool Library contributes indirectly to poverty reduction by sharing tools to allow low-income resident access to resources that would otherwise be unattainable. This indirect process of providing access is closer to providing full engagement to retirees with lots of free time rather than helping achieve a goal of full formal employment (Williams et al., 2001). This type of benefit was discussed as one of the intrinsic benefits of grassroots innovations (Devine-Wright, 2006). My interview with Potluck Café, a participating non-profit, revealed a direct connection to the empowerment of disadvantaged groups. This charity innovates in the social economy, employs its social enterprise model to create jobs for neighborhood residents with barriers to traditional employment and earns revenue to support its community programs, hence contributing to lifting employees out of poverty. One of the most involved non-profit in the emergence of Seedstock, Village Vancouver, organizes workshops to improve skills mostly related to urban food to increase self-reliance, food security and independence along with providing social connections, making friends. As previously mentioned, inadequate educational efforts towards non-profits ruled out any quantifiable positive results.

4.2.3. A hidden educational agenda

As mentioned in the introductory paragraph of this chapter, the major economic and social goals, the mission and vision of Agorabora, triangulated with interview evidence from stakeholders, reveal an agenda to advance social change through education. Interview evidence along with CC literature reveals the intent behind some of the alternative currency movements. Seedstock is meant to shift exchanges locally; therefore, a widely used currency in a region other than the legal tender would shape society and perhaps lower the use of the legal tender. To achieve a significant shift away from global trade in Vancouver (if at all possible), a significant portion of the population would need to be educated about community currencies, and in particular, the Community Way structure.

This educational agenda is carried out as a promotional, sales and public relations project. Unfortunately, public education is not only challenging for small organizations, such as Seedstock, but also for larger institutions (ie. Metro Vancouver Transit Plebiscite). In addition to general challenges of educating the public, Seedstock founders lacked important sales skills, which were revealed to me by multiple interviewees (1, 2, 3, 4, & 9).

4.2.4. Misidentified mission

Interview evidence reveals (Interviewees 1, 2, 4, 5, 7 & 9) that the original mission of Agorabora was misidentified. Its mission is to empower people and communities to break down the barriers between making a living and living in a community. This mission is in itself could be interpreted in different ways. My interpretation, based on interviews with stakeholders is that this mission requires a transformation that opposes current trajectories of a global city, such as Vancouver. Based on the original mission, the founders went about educating their peers and their immediate social circle. As particular high-end mix of businesses joined the Seedstock network, founders realized that their mission will not be achieved by educating people in their social circle to use Seedstock, since the founders themselves would be unable to afford to use Seedstock. Founders lamented that the most likely user of Seedstock is an ethical consumer with discretionary income. I was unable to confirm this perception of founders; I was unsuccessful in my attempts to locate and conduct interviews with people who used Seedstock on a regular basis and belonged to the group of consumers with discretionary income. One founder stated as she recalled talking to the other:

[Founder – Interviewee 1] was saying he felt alienated from the project [Seedstock]. He said: ‘it doesn't even help me’ and it's not helping with people without a lot of money....Who is our target market?...People who shop at farmer's markets. Because they are voting with their dollars, they are making a statement, and they are spending more money, changing their habits. They are going grocery shopping within four hours on one day a week, because they believe in something (Interviewee 2).

This sad revelation was echoed by the founder-interviewee 1, who said:

The prices [of goods and services at participating local businesses] are way higher than normal. It's a luxury sort of thing.... We [founders] made a bit of a miscalculation in terms of what are the core purposes that Seedstock meant to accomplish and who we serve....you have to have money to get

Seedstock. I think we failed to really identify what demographics needed to be involved (Interviewee 1).

Founders associated themselves with the educated, yet underemployed or unemployed young adults. Income and intergenerational inequality personally affected them. It was clear to them shortly after launching Seedstock that the target audience has to have surplus income. The slow uptake by local businesses, and their conclusion that Seedstock only helps a wealthier portion of the population with their social responsibility goals, took a toll on the group's morale. Founders stated that they should've been educating the ethical user who is willing to pay more for locally sourced goods and services and change purchasing habits. Reluctantly, and probably with less enthusiasm, founders adjusted their approach and messages towards a more affluent public.

4.3. Educational Efforts

This section speaks to how Seedstock diffused complex concepts to stakeholders and the public in actuality; and specifically, how it laid out the "curriculum" that it intended to use in rolling out the currency, as well as the lessons that users have learned (and those users have ignored). I start with presenting interview evidence of how Seedstock founders started spreading the word in the community about Seedstock. Once the founders felt energized talking to their immediate circle, contacting, educating and convincing businesses became an uphill battle. The combination of comprehending, communicating the concept of community currencies and Community Way structure and lack of sales skills within the Seedstock organization resulted in frustration and low business acceptance and consequently low Seedstock issuance. I continue presenting my research findings about how the lack of resources directed toward non-profits caused inactivity (no fundraising) and incomprehension of the concept. Following that, I present findings related to public education and I interpret these based on the founders' realization of the "real" target market. Lastly, in addition to the founders' intent to educate stakeholders, I discuss that non-profits with close ties to the founders are also pursuing social change through education.

4.3.1. Difficulties of convincing businesses after an encouraging start with close social circle

Educational efforts at the implementation phase resembled promotional work; founders had less difficulty convincing their immediate social group of Seedstock's benefits than when they tried to persuade small, locally owned business owners. The design and the creation of the currency bill served this purpose along with inviting the community to be part of the project. Founders inviting artists from the community also acted as a tool to strengthen relationships and make attendees at these events feel a sense of ownership and stake in Seedstock: "We started talking to a lot of people, holding community events. Quite a few people came out to the events. We spread the word through our personal networks, Facebook, social media. Word just spread pretty easily" (Interviewee 1). Public reception was very positive and the founders were ready to hit the road and convince other stakeholders to join the movement. The difficulties and slowdown started as soon as the founders started approaching business owners. "We actually got quite a few people out of those initial presentations who were kind of like eager to get involved in some way. Not so much the businesses. The businesses were always the most challenging part of it.....The people who run these types of businesses that we want Seedstock to be adopted by are the busiest of all entrepreneurs because they are small businesses" (Interviewee 1).

4.3.2. Pushback from small businesses

Newsletters, flyers and other educational materials were created specifically for businesses. Organized business networking events included Seedstock 101 workshops for those not familiar with the currency. These were 20-30 minute segments while other attendees networked informally. Time commitments by local, small business owners started to show up as the uptake started very slow: "the people who run these types of businesses [that fit founders' criteria] that we want Seedstock to be adopted by are the busiest of all entrepreneurs because they are small businesses" (Interviewee 1). It was important for the founders to keep talking to businesses, since they are the ones who would start the Seedstock circulation cycle. One said:

We did a bit of door-to-door kind of stuff, going to businesses and talking to them, but it wasn't as successful as it could've been. I think a good part of that was lack of follow-up..... Something happened after, that would just

prevent us from following up for weeks. That has been the #1 problem. I've learned so many things from this and one is the degree of consistency required (Interviewee 1).

Founders changed how they approached businesses quite often and didn't stick to any one script. Knocking on doors proved to be very time-intensive and when they were unable to follow-up on good conversations immediately, multiple meetings were required to maintain the relationship and understanding. It took 5-6 meetings on average to sign up a business. At the end of the educational process, businesses still proved to be very cautious. A founder expresses his surprise about this:

I thought you'd get it! What don't you understand about what we are trying to do here? Business would have no problem issuing coupons for 50% or whatever and you are saying that you would only accept 10% of a CC... It would reduce my morale to see that happen... when it came to dealing with the businesses, it started deflating (Interviewee 1).

It was far easier to convince the people who were socially connected to the founders and didn't have an active role in circulating Seedstock than the small business owner who perceived the acceptance of Seedstock as a high-risk activity. All interview evidence from participating businesses reveals that increased transaction costs, such as employee training, accounting issues, actual transaction time, and efforts taken by business owners to comprehend the concepts involved far exceeded potential benefits of using Seedstock (Interviewees 4, 5, 6 & 7). Participating businesses were excited about this project at first and wanted it to succeed, but an overwhelming amount of businesses tried to reduce the percent of Seedstock they were willing to accept, per transaction. Interviewee 6 (business owner) said that he "chatted with (a founder) a bit, I was initially skeptical. Talked a bit more with (a founder) about how it worked and the details, which I misunderstood. He persuaded me that it was a beneficial project that I'd like to see moving forward. It sounded like an additional layer of bookkeeping, probably just going add more difficulty". Another participating business said: "it was a really neat idea, but I had hesitations.... We met several times. For example, what if we get flooded with Seedstock? We needed an explanation" (Interviewee 5). Based on interview evidence, the businesses that joined were reluctant at first, but after many hours of explanation by the founders, some business owners comprehended and accepted the concept of Seedstock and the

structure of Community Way. The number of businesses approached and convinced remained low, which hindered circulation and issuance.

4.3.3. Passive involvement of participating non-profits

The issues related to educating and convincing participating non-profits were not whether they would join the Seedstock network or not, but their active involvement in Seedstock circulation. According to the founders, non-profits and people in the community were easy to convince, it was always the lack of understanding by businesses that slowed down uptake. Non-profits had no problem agreeing to receive “free money”, but it proved to be difficult to “get the non-profits to really to be the full partners that we kind of needed them to be in the process” (Interviewee 1). This quote explains that for the Community Way structure to work, non-profits have to play a very active role. Based on interview evidence with founders (Interviewee 1 & 2), an active role would be to organize fundraising events where Seedstock can be exchanged for cash while promoting participating businesses to the public. Founders implemented new strategies as they realized that non-profits need more consultation to fully comprehend the concept of Community way and start fundraising with Seedstock. Educational materials were also created for non-profits along with additional meetings to convey the operational process and the potential of Seedstock. Founder (Interviewee 2) with regard to Interviewee 8 (non-profit) said that

We [founders] should have encouraged them [the non-profits] to take more of a leadership or an ownership role over their Seedstock account and their value in it. It could've taken off. Cause, all of a sudden we would've had to consult with non-profits. We had a woman who was volunteering for Seedstock for couple of months. Her role was to liaise with non-profits. She starts with one, she picked one non-profit and she just focused on one and it took her over a month, one or two months of working with this. She barely got anywhere (Interviewee 2).

This quote serves as a testament of the difficulty of communicating the concept of Seedstock. When the role and effectiveness of the intern was asked of the same non-profit, Interviewee 8 (non-profit) said that “she [the intern] tried to communicate it [concept of Seedstock] in a confusing way. I need success stories. I need you to dumb it down, then I can sell it [to my Executive Director]” (Interviewee 8). Whoever attended educational meetings was able to comprehend the concept and somewhat understand the processes involved, but that person wouldn't be able to pass it on within their organization: “[Founder]

explained it to me [Interviewee 8] 4 or 5 times. I watched the video on how it [Seedstock] works and I still barely get it...I tried to sell it to our Executive Director.... For me to explain, it didn't work. It was very confusing. I had to say it many, many times. I had my finger on it.... and all of a sudden it's gone" (Interviewee 8). This quote serves as another demonstration of both the difficulty of the concept and the determination, but lack of good salesmanship, among the founders to educate participating stakeholders.

In addition to the difficulty of comprehending a new concept, non-profits are increasingly reliant on project specific grants and social enterprising to supplement revenues as state agencies continue to download responsibilities to local providers (StepUp, 2013) and fundraising with Seedstock would've taken away limited human and financial resources. The listed non-profit beneficiaries were supposed to take the received Seedstock from a business that donated 1 - 2,000 Seedstock and organize fundraising activities to get them exchanged into CAD. This did not happen: "90% of all Seedstock exchange that happened with non-profits was via our website [Seedstock.com]. It [the exchange] was passive. It wasn't through any kind of work from the non-profits themselves" (Interviewee 1). As a non-profit participant stated during the interviews: "I get grants from the municipalities, foundations, Vancity" (Interviewee 8). This non-profit interviewee (8) told me that she works on finding efficiencies using for-profit strategies (social enterprising) and deals with writing and submitting grant applications to local institutions, such as Vancouver Foundation or Vancity Community Foundation. Seedstock required non-profits to redirect resources away from the known process of grant writing and social entrepreneurship to an unknown process of fundraising with Seedstock. Participating non-profits write grant applications or, increasingly, turn to the for-profit component of their organization to create funds. Similar, enterprising and grant writing activity is found among non-profits across BC (StepUp, 2013). Another sign of incomprehension of the Community Way concept was to possibly undervalue Seedstock, based on interview evidence with the founders. In addition to proposing extra work or a new way of funding for non-profits, multiple founders (Interviewee 1 & 2) told me that the large amounts of Seedstock donated by businesses may have undervalued the amount received: "If you are receiving a 1000 Seedstock, surely, that's not worth a \$1000. You don't just get a \$1000. In their mind [non-profit], maybe it [donation] made it feel more play-money" (Interviewee 1). Founders felt that when non-profits received multiple thousands

of Seedstock - when businesses joined - this large amount might have been viewed as having no or very small actual value.

4.3.4. Messages to public was based on a misidentified target audience

As I mentioned in the Misidentified Mission section, my findings indicate that educational efforts toward the public were misplaced. Educational efforts directed toward the public were mostly informational and didn't change significantly after the realization of incorrectly interpreting the target market. Public education by the founders included the distribution of flyers at events where Seedstock could be exchanged. Founders arranged media coverage and gave interviews to local newspapers to spread the word about the currency, but this didn't affect overall circulation. Multiple interviewees told me that most users would only exchange once to be able to say that they are part of this alternative currency movement (Interviewee 1, 2, 5, 7 & 13). Once the initial Seedstock was spent, there were seldom any efforts to obtain more.

Educational efforts by non-profits

The founders weren't the only ones looking to advance social change with education. A number of participating non-profits and businesses are looking to spread the founders' values. For profit businesses also have a profit motive, but non-profits such as the VTL and VV are active in educating the public to better themselves. Findings reveal that both VV and VTL are helping people learn skills, be it permaculture or building a shelf. I started my thesis with a few interview quotes related to one of the founders of Village Vancouver: "I started thinking about social change. There are a lot of activists out there working very hard, but not being effective at creating social change, burning out" (Interviewee 9). Unfortunately, this statement became true of Seedstock founders. As they weren't able effectively create the uptake they wanted, burnout followed from their frustration.

In conclusion, education efforts failed as founders were unable to fully or quickly convince participating businesses to join and non-profits failed to be active stakeholders. However, the founders' inability to increase uptake in the currency didn't undermine their determination to advance social change. The element of my hypothesis that founders were

determined to advance social change through education and uptake of Seedstock is evident.

4.4. Discussion of values and stakeholder participation

This section is meant to illustrate and discuss the space that needed to be bridged in order to advance social change. My research findings reveal that the further stakeholder values are from the core founders – the conceptual space of values and ideals - the more education was necessary to effect change. The less socially connected the interview participants were to the founders, the less likely it was that the overall values and rationale for the functioning of Seedstock were understood. This section starts with values of the “inner circle” then widens from this core group to first non-profits, then participating businesses and lastly the public to determine the extent of the gap in values. As discussed in the literature review, a major function of grassroots innovations is to provide a platform to create alternative ideologies with different value systems (Robertson, 1999; Jackson, 2004). Based on my research, Seedstock is a platform that was created to advance an alternative ideology with a value system determined by the founders. It tries to meet a social need by creating additional revenue streams for non-profits; and using this new structure to redistribute wealth. The following sections address relations of Seedstock with actors and groups that play a role in determining the amenability to uptake of such an alternative ideology in Vancouver. Grassroots innovations that are not market driven have a long history in Vancouver. Greenpeace and Adbusters have roots in Vancouver. Adbusters was a major player in formulating the Occupy Movement. On the other hand, Vancouver operates as a gateway for resource based industries and global consumer goods. The city is continuously looking to attract foreign investment (City of Vancouver, 2009). All levels of government (the state), most academic institutions, along with corporations operate under neoliberal practices. British Columbia focuses on natural resource extraction (BC Jobs Plan, 2011). Seedstock was attempting to situate itself in a difficult point of contradiction between these two sets of values and gauges of success.

4.4.1. Founders’ values

Values of founders can be seen throughout the participating non-profits and the businesses. The founders or the “inner circle” are looking to advance social change; they

bring an activist and entrepreneurial mindset. They are highly educated, familiar with alternative economic theories; they are frustrated with the social damage done by neoliberal practices; their work to oppose these practices includes bringing social aspects to exchanges, advocating for no government involvement and restricting the flow of global capital. They were influenced by the Small is Beautiful movement and propose sharing, conviviality and collaboration rather than competition and distrust. For example, the founders promoted well-being based on relationships rather than materialism. They are familiar with and share New Economics values – discussed in the Literature Review chapter (Chapter 2) - related to criticism of modern money, and disagree with the practice of neoclassical economics related to Rational Choice Theory. They are willing to sacrifice their own living standards (or at least pursue more than economic gains) for the betterment of others.

The selection of non-profits as Seedstock participants was directly correlated to founders' ideals and done on a case-by-case basis. Seedstock Founders sought out beneficiaries that are “active in promoting the causes of local food and food security, health and wellness, a vibrant artistic and creative community or a more collaborative culture overall” (Seedstock, 2012). Based on interviews with the founders and participating businesses, the founders are trying to build a structure that promotes sustainable urban development. The selected businesses and non-profits aimed strictly to create an atmosphere that promotes sustainable behaviours. The participating business mix includes fair trade goods, organic, small scale groceries, life skills education through workshops, sharing resources, and selling cleaning products with less packaging. This mix of businesses also includes healers, naturopaths and yoga studios. Unfortunately, my research findings don't indicate whether this targeted business mix attracted other types that cater to the same demographic group.

4.4.2. Non-profit participation and values

Founders needed active participation from non-profits, but even though their values are aligned, structural differences and outside pressures contributed to a passive role for non-profits in addition to inadequate educational efforts. My research findings indicate that the gap of values between participating non-profits and the founders are almost non-existent. It is the missions and the institutional structures that apply pressure

to non-profits that cause friction, leaving no space for mistakes (Garrow & Hasenfeld, 2014). As the state downloads responsibilities to the non-profit sector, resources become tighter, leaving no time for untried, unknown complex concepts, such as Seedstock. My impression - based on interviews with participating non-profits and founders - is that even though each participating non-profit has a different mission, they are similar in their aim to fill a void left by for-profit corporations. When non-profits talk about building stronger community connections in their locality, I believe they refer to for-profit corporations operating globally. Larger corporations' (the publicly traded ones) mandate is to increase values for shareholders; therefore, these corporations' concern - with given locality - extends only as far as strategies to keep high employee morale by organizing activities such as volunteering to feed the hungry. This leaves a social void for non-profits to actually combat poverty by building infrastructures that provide education and skills.

Shrinking funding from government agencies is countered by strategies ranging from participating in the sharing economy to employing for-profit strategies. Interviews reveal that the funding is shrinking for non-profits and charities. In addition to interview evidence, this information was noted as a key trend that was confirmed by the StepUp, BC survey (2013): "a shift in government funding away from core or operating funding to a greater focus on shorter-term, project-related funding, an increased emphasis on reporting and accountability, increased emphasis on fundraising and social enterprise activities to augment other sources of funding". With regard to social entrepreneurship, interviewee 8 told me that "you get to balance the for-profit inhumane-ness and shifting the values towards something that is more socially conscious.....incorporating for-profit innovation into non-profit enterprise". This quote explains how a participant non-profit sees the effectiveness of market-based solutions. She is very proud of the fact that they are embracing challenges and succeeding in the new role. However, she sees an internal contradiction with trying to turn services into profit centers: "I find myself in the tension of: I have a luxury of working in a social enterprise, but there are things that cannot be enterprised... not everything could have money attached. You can't sell everything" (Interviewee 8).

Even as non-profits expand fundraising activities, some non-profits are choosing not to rely on government funding. This switch in strategy could also be interpreted as government downloading public welfare responsibilities to the non-profit sector. In addition

to the social enterprise model, non-profits are innovating by sharing resources or conducting business without money. Both Village Vancouver and Vancouver Tool Library non-profits rely more on the sharing of resources and reducing dependence on third parties by asking members to help or providing access to resources such as table saws and garages. Village Vancouver was discussed in the Emergence section of this chapter as it played a larger role in Seedstock's development than most other non-profits. VV's goal is to shift values in our society to a more collaborative economy through practising permaculture, organizing pot lucks and improving life skills via workshops. This holistic vision has origins in sustainable agriculture with the integration of social aspects to strive for a sustainable system. The VTL, and the larger concept of sharing, questions the ownership of assets and how these assets could empower and build skills in a community. The concept of sharing in a consumer capitalist economy is an outlier, encompassing non-capitalist notions.

4.4.3. Business participation and values

The value gap between founders and participating businesses is slightly wider than that between founders and non-profits, but this gap is not the reason for the slow uptake. Interview evidence reveals that it took many meetings for the businesses to understand complex concepts, but it took longer for the founders to understand how businesses felt about Seedstock. Unlike most of the non-profits, interviewed businesses actively participated in extending the Seedstock network, which has been briefly discussed in earlier sections with reference to founders' objective to build stronger local connections resulting in reduced imports from outside the region. My interview evidence illustrates that participating businesses viewed Seedstock as an unnecessary risk since the chosen businesses were already promoting local trade, searching for local connections and finding ways to satisfy their corporate social responsibilities. Their objections about transaction costs, liquidity (spendability) of Seedstock and accounting issues outweighed unproven benefits.

As I mentioned in the Founders section in this chapter, the mix of businesses may have resulted from the direction taken by the founders combined with the attraction from businesses that sell to the same customers. Inadvertently, the mix of businesses turned out to be offering products and services to an unintended demographic group – ethically-

minded citizens with discretionary income. By attracting service-offering businesses with low transaction volumes without attracting businesses with high numbers of daily transactions, Seedstock obtained a lopsided business mix. In this context, educational efforts were either inadequate or ineffective for potential users who shared the founders' values, but lived on a low income. An interview with a low income Seedstock user revealed that her reason not to shop with Seedstock more often was the lack of businesses that sold goods to people with low incomes within the network. She was only willing to spend Seedstock at the one grocery store that participated. This evidence, coupled with other interview evidence from founders (1, 2) and participating business owners (5, 6 & 7), shows that 'must have' daily items are more likely to build regular users of Seedstock.

Local businesses in the Seedstock network were generally active in promoting Seedstock use. Each interview with a business owner resulted in an example of local businesses seeking out regional connections, but not all of them with the purpose of promoting the acceptance of Seedstock. Two out of three interviewees mentioned an example in which they actively promoted Seedstock usage. For example:

We could instigate [participation from] the people who we purchase from - local farmers ideally. Local farmers and distributors, even if they accepted 1%....It's partially our (participating businesses) job to share with people and support it (Seedstock), because there is a core group (Founders), but it's up to the community to branch out (Interviewee 5).

My interview reveals that participating businesses were talking about promoting Seedstock and felt as though promoting was partially their responsibility.

Interview evidence reveals that differences in values between the participating businesses and the core group of founders are not the reason for the slow uptake and low participation by local businesses. Participating businesses interviewed were a generally risk averse group, but with similar entrepreneurial spirit to the founders. They are vocal about the hardship they experience in competition with large businesses; constant tweaking of businesses plans to survive, and they are less familiar with alternative economic theories related to economic exchanges or global capital flow. Participating interviewees from this stakeholder group were already contributing their space for community activities in the hopes of gaining more customers, knowing that they gain they experience from this contribution will most likely not meet the costs of providing it. One

interviewee made a note to the effect that the value-based distinction between their work and that of non-profits is unfair due the community-building activities of businesses:

People are starting to understand that the specifics of how organizations are incorporated are not the best metric for whether that organization is beneficial to society. For example: I feel like [Business Name] is doing work that non-profits would do. There are certain grants and other support that we are ineligible for... we are ineligible for it as a for-profit business (Interviewee 6).

This quote is evidence of the blurring boundaries between the actions of organizations in the Seedstock network. In particular, the Community Way model is incapable of making a meaningful distinction between non-profits and for-profits that is meaningful to participants in this network. The additional costs associated with being part of a new movement without a proven track record, rather than opposing values, prompted businesses to act slowly or stay on the sidelines. By listening to the same interviewee (6), I heard additional causes of lower circulation: "It's a pain in the ass. The only good thing about a Seedstock transaction is, the transaction would not have occurred if that person wasn't stuck with Seedstock". My interpretation of this quote is negative towards Seedstock, meaning that if Seedstock itself would bring in new business, it would be worth accepting and trading. If the transaction would have occurred regardless of Seedstock, it acts as a burden in the eyes of this business person, adding cost to the transaction. Another interview reveals that even if Seedstock brings in a new customer, it doesn't necessarily mean that it is without negative consequences. For example, a grocery store owner receives large amounts of Seedstock, since they offer items that are needed every day. They started holding on to Seedstock because of the difficulty of spending it elsewhere. When it was spent, it comes back very soon due to the poor mix of participating businesses: "We have an issue: We have a lot of Seedstock, but no places to spend it we are holding onto it. We give it as tips to staff and stash it here and there, but when I try to give it to staff. They are saying: "What is this? I just want my \$50." (Interviewee 5). This quote serves as another example for additional costs being detrimental to uptake by participating businesses. The above mentioned examples of high transaction costs and liquidity problems could be countered with education that might change attitudes. More diversity and increased volume of businesses accepting Seedstock would solve liquidity issues and help to reach a threshold that is needed for continued circulation.

Values outside of the Seedstock network for-profit organizations were discussed during interviews with non-profits. Outside of the interviewed, participating businesses, the idea of giving and charity have come up for non-profits to discover how larger organizations satisfy their Corporate Social Responsibility (CSR) goals. One of my non-profit interview participants revealed her experience with corporations as they looked to satisfy their yearly CSR goals: “The for-profit world should really shift towards giving resources that are their expertise. Anybody can give out dishes [feed the hungry], not everyone knows how to do taxes....Most of the bigger companies always want their instant gratification of coming in teams to give out dishes” (Interviewee 8). According to her, larger corporations opt to do something that makes employees feel better about themselves, such as feeding the poor instead of providing services that the non-profit may need, such as accounting. This type of corporate giving may also serve as a better public relations story than a simple, yet very effective donation of professional services. On the contrary, scholarship on charitable donations notes (Chen et.al., 2008) that there are no significant associations between corporate philanthropy and employee relations concerns. Corporate gifting could be interpreted as the repayment of debt to the public. As corporations extend their CSR programs for various reasons, “giving back to the community” implies that the community provides ongoing value for the corporation (Mauss, 1990).

Seedstock remains on the fringes as an alternative movement and is so far unable to educate the general public and advance social change. The general public has proven to be too far removed from the founders in terms of sphere of influence or social circle and the difficulty of communicating a complex system has prohibited the comprehension of the concept and processes of Seedstock. The interviews conducted with Seedstock participants and document analysis reveal intent to reach and educate a wider audience. Interviews conducted with returning users of Seedstock (two interviews) provide limited evidence as to how the general population would respond. As noted in the Methodology chapter (Chapter 3), I had a difficulty locating users of Seedstock who repeatedly exchanged CAD, donated to or volunteered for non-profits. Interview evidence suggests that most people didn't purchase or exchange more than once, demonstrating Collom's (2005) 'novelty effect' - with respect to business transactions - as new people join they engage a bit, and then become inactive. An analysis of a LETS system by Williams (1996) reveals that systems need to recruit and maintain a 'critical mass' of at least fifty active

members to survive. Those who received Seedstock as gifts never returned; therefore, they didn't see it as money that can be spent just like the legal tender.

The inability to find Seedstock users is in a way an important research finding. I interviewed two very different people with different backgrounds and demographics, but they are both aligned to the founders when values are considered. One of them is a community gardener - who used to live "off the grid" in the 70's and now is living on her pension. She exchanged Seedstock three times for \$50 each. Her values are closely aligned with the founders' as she stated very confidently that "I didn't really understand how it worked, still don't. But I love the idea of being independent of the money system. The money system is so out of our control and so important. Banks and currency... to be able to live without being dependent on that, sounds fabulous" (Interviewee 13). The intricacies of the Seedstock model were lost on her, making educational efforts irrelevant, but her values aligned with those of the core group. The other user is a high-school teacher with a deep connection to permaculture and community currencies. This interview participant mentioned that Seedstock's main objective is to "unite the political greens" and that this CC attempts to create a place for the "ethical crowd" (Interviewee 12). He defined the ethical crowd as the people who can afford to buy the more ethically produced and fair trade goods and services. He considers himself to be a good communicator with a good knowledge of different community currencies, but shares other interview participants' view that Seedstock is complicated. His opinion of the monetary market is that "national currencies are a soft form of war" (Interviewee 12). He explains this quote as national currencies being a tool to expand the economic empire, paraphrasing Chomsky (2003).

As one of the founders of VV put it: "Village used to be a drop in the bucket, now we are two drops in a really big bucket" (Interviewee 9). This quote sums up the movement that originated Dunbar Dollar and Seedstock. A 'world within a world' critique by Hoogma et. al. (2002) points to the difficulty of scaling up from geographical rootedness. A few instances of using a currency may help during the start-up phase, but continued interest and circulation is necessary for a currency to survive. Community currencies demand everyday participation from an overwhelming number of members. A small group of committed volunteers are enough to start a currency, but buy-in is required from a much wider community to sustain it.

4.4.4. Institutional values and participation

Research findings reveal limited knowledge of CCs among local institutions and shows sometimes opposing values. Based on interviews with founders, they see disconnect between the ideal and the real, in which decision-making and control have been taken away from the people in communities. Seedstock is meant to challenge the root of the founders' perceived problem, which is the exchange system. Founders decided not to build close ties with local institutional structures or local governments. Seedstock founders didn't actively engage credit unions or municipal-government controlled economic development agencies. One of the founders noted that it is imperative not to let a municipality issue a community currency: "municipalities should never be issuers of money" (Interviewee 3). This quote doesn't mean that there shouldn't be any interaction, but gives a sense of the hard stance that Seedstock took with government agencies. Referring back to the scholarship on grassroots innovations, Seedstock struggled to establish a viable sustainable socio-technical space within a wider unsustainable regime (Seyfang and Smith, 2007)

Collom (2005) found that in U.S. cities, similar to the case of Seedstock, community currency activists and policymakers don't interact with one another. He mentions that CLCs could complement social welfare policy as they may directly ameliorate unemployment and underemployment problems. In his study, he used the word 'local' not to differentiate alternative currency types but to refer to a geographical restriction. In my research, I found it difficult to engage local institutions and conversations resulted in less useful information than initially expected. Information received from a municipal economic development agency and a social planner were both comparable to publicly available policy documents. My research findings reveal that local economic development agencies are exploring the use of alternative currencies with the intent to increase the awareness for local digital media and clean technology companies. Local agencies have place-based missions focusing on small businesses in the clean technology sector. Social planners from local municipalities have heard about community currencies and are working on a Community Economic Development strategy. Community currencies are one potential tool that may be involved but this would be up to the community to identify and implement over the long term: "where good community credit unions exist, they should play this role! And if they aren't playing this role, members should demand they do!" (Interviewee 14). Local credit unions understand that CCs have solid

motivations and values, and they have been useful in many communities. Their unfamiliarity with Seedstock's structure, its history and goals could lead to sweeping interpretations of Seedstock as a community currency. It is clear that this particular interviewee (14) - representing a local credit union - generalizes community currencies as a tool to directly combat poverty by increasing local economic activity.

As a conclusion, my study found that stakeholders close to Seedstock have similar values, but these values become disparate as social proximity decreases. Opposing values become the norm as I moved further away from the core group during interviews. The more neoliberal institutional structures interact with stakeholders, the tougher it was for Seedstock to gain ground.

Founders looked to educate in order to advance social change, but they may have over-emphasized the need for careful and meticulous education as a key to successful implementation, and overestimated the appetite for this education. This case study of a community currency structured with the Community Way funding model points to certain factors that could've increased Seedstock uptake and circulation. The factors that my study uncovered were the need to better understand target demographics, have better sales skills matched with an effective and easy to understand message, do a more consistent job of marketing, and focus more on values match rather than business plan.

Chapter 5.

Discussion and implications of the Seedstock story

The founders demonstrated their commitment to educate potential consumers of Seedstock to drive uptake and use, using an innovative approach by involving the social economy to advance social change. The misidentified mission and the ineffective communication of a new concept caused morale to suffer and an eventual burnout. Grassroots movements such as Seedstock can show that there is some appetite for the values of building connections in your neighborhood while promoting the buy-local scheme. From a historical path dependency perspective, there is great potential in Vancouver to draw upon these values, given local origins of groups such as Greenpeace and Adbusters. This chapter discusses the implications of the findings and prospects for a newly structured CC in the context of relative prosperity and rising inequality. First, I will discuss lessons for the CC movement in relation to communication, comprehension and urban environment. Second, I discuss how Seedstock's complicated proposal to advance social change met with layers of continuously shifting neoliberal policies. Lastly, I illustrate the difficulty of disrupting the neoliberal system by discussing the growing, yet nascent trend of local food production and consumption cycles in our region.

5.1.1. Lessons for Community Currency activists

Three implications are discussed in this section related to my research on Seedstock. First, forging a message to communicate alien concepts to the public can be a daunting task. Using this message to educate stakeholders takes a long time and lots of effort. Trying to explain previously less user-friendly devices to an older generation could be used as a comparison. A founder used the Cynefin framework (Snowden, 2005) to illustrate the problem of articulating the incomprehensible: "the basic problem is people can't see what they haven't seen before. They can't. It [CCs in the form of Community Way] does not exist in their conceptual frame and our [founders] task is to create processes which would then make it [the structure of Community Way] possible for them to see" (Interviewee 3). Second, Seedstock set out to change functions within existing

institutional structures; it sought to add a fundraising tool that requires buy-in from the whole organization. If people in the non-profit world don't understand and can't convey the message simply during a fundraising event, it won't be adopted as a tool. Third, the Community Way model has been tried in rural and urban environments. It may work better in one, but more information is necessary to find out if one environment is better than the other. CLCs seem to work well in an urban context (see Bristol Pound in Literature Review), while LETS have been used in both urban and rural environments (North, 2006).

On a similar note, CC activists looking to choose a framework for their own currency – depending on community objectives - may project into the future and theorize how an active and circulating complementary currency may affect neoliberal institutions, if at all. Referring back to Joseph (2002), even if Seedstock circulation had increased, it may not have affected the community the way the founders imagined. Seedstock founders imagined that the combination of a strong local business network and a financially independent - from government funding - local non-profit scene would affect how and where people spend their money. As a consumption tool, Seedstock might have shifted some of the local spending from chain stores to local businesses and participating local non-profits would have gained additional funds to help their constituents. But would additional funds for non-profits mean significant changes to their operations, let alone to broader society? If current trends continue, governments would in this case continue the downloading of responsibilities as soon as non-profits demonstrated an ability to generate additional revenues. For example, if Potluck Café raised cash via Seedstock, other similar organizations may have sprung up to follow suit. This would ultimately result in less government funding offered to non-profits locally. If other localities and regions were to pick up on similar, Community Way structured CCs, higher-level governmental funding may dry up faster as a result. With regard to effects in strengthening the local business network, increases to local business taxation – with some help from corporate lobbying – might have merely returned the balance of power to what it is today.

5.1.2. Seedstock offers a relatively convoluted shift away from the neoliberal construct

Seedstock offers a not so clear answer as to how social and economic relations should look. It gives legitimacy to current structures like for-profit companies and non-profit organizations with a strong administrative connection to the legal tender. At the same

time, Seedstock asserts that current redistribution systems (taxation) are widening the income gap and constructs new avenues to solve it (through non-profits). Seedstock proposes opposite ideas to the free-market ideology by increasing transaction costs of exchanges - restricting the global flow of capital and infusing social values. This grassroots innovation highlights many shortcomings of our current way of living, but assumes that people are ready and willing to lower their standard of living, to consider the interests of future generations and to create a more egalitarian society. By contrast, I think that neoliberal structures create a sense of fairness in the local socio-political atmosphere, constructing the appearance of giving citizens a chance at economic prosperity.

Metro Vancouver and municipalities in the region promote livability, prosperity and sustainable development, but these initiatives have hidden agendas and serve particular interests. Definitions of livability, prosperity or sustainability are up to the policy-makers, and to an increasing extent, to the communications departments and outside forces.

Vancouver celebrates innovation, but as Peck (2010, preface p.6) stated, “creativity strategies barely disrupt now-extant urban-policy orthodoxies, based on interlocal competition, place marketing, property- and market-led development, gentrification, and normalized sociospatial inequality”. Vancouver also has a “green” plan (Soron, 2012), counts “green” jobs (VEC, 2014) and my interview with an economic development agency reveals advantages that the local tech industry receives: “We are finding opportunities for - especially in our technology sectors - businesses that have a hard time getting the first customer, first investor. They either partner with the city or private enterprises to be able to demonstrate the product or test out how it works” (Interviewee 11). Vancouver city officials assist local technology start-ups – in addition to place-based marketing – connect with each other and connect with investment partners outside the region.

Vancouver, among many other North American cities, celebrates entrepreneurship. Entrepreneurship was evident in my interviews with the founders. Instead of looking for a job that would most likely not satisfy the founders or not pay enough, they chose the activist, entrepreneur route (Interviewee 1 & 2). As the founders talked about being activists and entrepreneurs, interview evidence showed how widely entrepreneurship is celebrated. On the other hand, Vancouver city officials and politicians are navigating in a very narrow ideological space, competing against other jurisdictions

for limited resources. Cities are trapped by and depend on industries (i.e. real estate, tourism, and banking) and other levels of government for income to serve current and future residents.

Local food systems: an example of the difficulty of disrupting the system

My findings indicate that a considerable proportion of public values align with Seedstock’s philosophy and ideology, but this doesn’t mean that this CC has been able to “empower people to break down the barriers between making a living and living in a community” (Seedstock, 2012) and help expand local food production and consumption. Some studies have been produced to find out the market size that would be supported by people who are willing to pay more to purchase locally grown and possibly organic food. Vendor receipts from farmer’s markets in Vancouver totaled over \$10 million (Hild, 2009). As a comparison, households in our region spend about \$5 billion annually on food (Regional Food System Strategy, 2011). The findings are from a survey of 1,001 Canadians conducted and funded by NRG Research Group and Peak Communicators. The research manager is quoted in the *Vancouver Sun* (Shore, 2013) saying “Although not a direct question, the pattern of results suggests that (British Columbians) may prefer to give their money to individuals and small businesses rather than larger corporations,” and “62 per cent of British Columbians said they would pay 6 to 10 per cent more for local, unprocessed foods, while only 43 per cent of all Canadians felt that way” (Shore, 2013). These surveys and results bode well for the local food producers, but other research shows that the growing trend may not continue. Broadway and Broadway’s (2011) findings show how efforts to increase the local food production and consumption have been largely unnoticeable. Their conclusion is that to make a change in the local food supply chain system, supermarkets would need to change their operations and increase the number of local suppliers. This; however, would create higher costs to supermarkets and ultimately higher food costs. Broadway and Broadway see the Metro Vancouver market as a typical one in the North American context, that has embraced Wal-Mart’s “Save Money: Live Better” philosophy.

In light of Seedstock’s efforts and a review of how scholars promote and openly prefer the local scale, it is very likely that some of the scholars and activists connected to the community currency movement have fallen into the ‘local trap’ as Purcell (2006) argues. Purcell sees a tendency in academic and some activist circles to assume that the

local scale is preferable to other scales. I think his research on urban democracy and citizenship can be applied to the Seedstock movement and its mission. Community currencies in general see the local scale as optimal and prefer decentralized fiscal control. Focusing on what the founders originally set out to achieve - making a living and living in a community - has an innate preference for the local. They chose local businesses and they specifically approached local non-profits. As the founders kept bumping up against the realities of local business and food related non-profits, they were pushed to a larger geographical scale to find a potentially optimal scale for Seedstock. I recall from a conversation with the founders that they were imagining a Cascadia size currency as local producers were unable to obtain quality goods from Vancouver or surrounding municipalities. Even the founders of Seedstock recognized that some kinds of economies of scale were going to be necessary for their ultimate success. The current political and environmental realities force grassroots innovations to search for solutions using multiple scales. Once ingrained assumptions that one particular scale is better than the other are dropped, more desirable results could be created.

My research on Seedstock combined with the information from the above mentioned studies provide relevant knowledge for future CCs in any North American region hoping to expand local production and consumption cycles. The case study of Seedstock highlights similarities with other slow-circulating community currencies as scaling up utilizing current institutional and social structures remains difficult. Overall, Seedstock may not have achieved what it set out to do, but it created new connections between people and local businesses and made people think about whether our current way of exchanging goods and services is really the only way.

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Appendix: Operational Details

The Seedstock website (Seedstock, 2012) – out of all other secondary information sources - provides the most relevant information regarding the founders' educational efforts to implement and institutionalize the currency. If some concepts or educational material were unclear to me, I questioned them during interviews. Founders' objectives and values can be inferred from the website's setup, operation and information included. It provides links to educational materials related to Open Money, Community Way and other community currencies. The website also reveals information about strategy and promotional material used to induce circulation within the community (Figure 2). The relevant pieces of propagation and lessons meant to be conveyed are discussed as these pieces reveal values behind actions. Operational details were also discussed during participant interviews due to the way these were perceived to inhibit circulation of the currency.

Figure A1 Seedstock circulation using the Community Way structure



Source: Seedstock website (Seedstock, 2012)

According to Seedstock, The CRA (CRA – IT490) treats community currencies just like any other cash for tax purposes. Income earned in Seedstock must be declared together with all other sources of income on a tax return. After fact checking, the CRA doesn't differentiate between community currencies and barter transactions. It refers to "*member-only barter clubs, where credit units possessing a notional monetary unit value have become a medium of exchange*" (CRA, 2014). Community currency and any barter-kind of transactions are taxable – where general income is earned in one's profession - on the same basis as cash.

Charitable donations made in Seedstock are as eligible for tax deductions as donations made in CAD. Seedstock creators encourage a livable wage, but warn that it is illegal to pay wages in Seedstock and any bonuses in Seedstock increase the tax liabilities of staff – all taxes are payable in CAD. During interviews, non-profits reported accounting issues when trying to write corresponding tax deductions to donations made on the Seedstock website. The uncertainty shown by non-profits could be attributed to the lack of education or unclear accounting procedures within Seedstock itself.

A fee is built into the Community Way method in order to sustain operations. When businesses sign up to issue and accept Seedstock, they pay a one-time implementation and training fee. This fee is used to support the development and propagation of Seedstock. To meet its cash needs, Agorabora will then exchange some of this Seedstock for CAD with members of the public, just as any other non-profit beneficiary of Seedstock donations can do. Aside from the initial one-time fee (in Seedstock), Agorabora assesses its members (participating businesses) a recurring quarterly maintenance fee on a cost-of-service basis, to be set and ratified by the membership each year at the Annual General Meeting of the co-operative. Again, all fees from members are payable in Seedstock.