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Argentina's Barter Clubs as "Complementary Club Markets":

Re-elaborating Gómez's Thesis

IZUOKA, Naoya

Introduction

Studies on complementary currencies[1] have accumulated substantially, but there have been few attempts to analyze their evolution as socio-economic movements or systems; the majority of works examine the working (or ideals) of complementary currencies statically. Just as social movement studies had to shed their limited focus on social movements' emergence and first phase and analyze the entirety of movement development from emergence, to expansion, through, in many cases, decline,[2] studies on complementary currencies would benefit from a broader scope. P. North (2006: 6) points to the limitations of studies of LETS, the first and most researched of (contemporary) complementary currencies, when he says that "[m]any of the claims made had yet to be tested," due to the fact that "much of the academic writing undertaken to date discussed LETS in its formative periods." However, this problem may be more deep-seated, as expansion of complementary currency movements has generally been very limited, and it is difficult to discern the phases or stages of the phenomenon's development.

North (2006) attempts to fill this gap by analyzing a case that has had substantial success in expanding its membership, the Manchester LETS. A more important case for the purposes outlined above, however, would be Argentina's *clubes de trueque* (barter clubs; hereafter, CTs), as they experienced an exceptional expansion and subsequent decline. In fact, it is the only case that has had dimensions on a truly large scale, boasting 1 million people at over 800 CTs in 2001, even before their explosive expansion.[3] As I will argue below, the Argentine experience with complementary currency movements stands out not simply due to the sheer size of extension, but also due to the fact that the movements developed into a transformative project (or projects) of national scale, in the form of networks.[4] The Argentine case is thus exceptionally appropriate for the goal of analyzing and examining the potential and feasibility of complementary currencies. This essay is an attempt to uncover the dynamics of complementary currencies, or at least a certain kind of them, through an analytical consideration of the Argentine case.

We can, and should, analyze Argentina's CTs as social movements, as North does for the Manchester LETS. Another possibility is modeling the CTs as a certain kind of market, as attempted by G. M. Gómez. I follow Gómez's lead, but modify and develop her conceptualization. I consider her concept of "club market" and its application to the CTs very promising, but believe she does not make full use of her notion in two senses. First, her insight into the significance of "markets that limit their membership" bears fruit, but it seems that she does not fully discuss what it means to conceptualize certain types of markets as "club goods." Second, she does not put as much emphasis on the point that the CTs are "markets functioning as a part of, and dependent on, the national regular market" as deserved. To make sense of the "club goods" character of the CTs, and to analyze the CTs' history by means of that characterization requires elaboration of many concepts. Independently of doing so, we can develop our analysis on the dynamics of those markets that limit their membership while functioning as a part of a regular economy, beyond Gómez's original interpretation. That is the purpose of this essay. In that sense, it seems to me that the most crucial deficiency of Gómez's interpretation lies in the fact that she does not, in fact does not try to, analyze the way CTs developed into national networks as they did, and what happened afterward, by extending her conceptualization of the CTs as club markets. In this essay, I will consider these points that Gómez has left untapped.

Thus, in this essay, I would like to present a hypothetical interpretation of the development of Argentina's CTs into national networks and the problems they had in that process, based on the proposition that they belong to a specific category of markets, "complementary club markets," although I risk some oversimplification in doing so. In the following section, I will speculate on the nature of complementary club markets, after which, I will present the Argentine CTs as complementary club markets. In the remainder of the essay, I will examine whether the evolution (including the decline) of Argentina's CTs can be explained by that proposition. As there are many studies on CTs' history, and given the limitation of space, I will keep their description minimal. Some reservations are in order beforehand. Since I am neither an economist nor a sociologist, this essay is innocently trans-disciplinary, as shown, particularly, by the fact that I adopt a quasi-economic definition of market and apply it in a quasi-sociological way. I hope that my hasty adventure into other disciplines will bring something new, however small, to the study of complementary currencies.

Defining the "Complementary Club Market"

As I have stated previously, I consider Gómez's interpretation of the CTs as "club markets" promising but insufficient. Clearly, modeling the CTs as "markets" in itself is an important ingenuity, perhaps one of the most significant elements of Gómez's conceptualization.[5] It would be productive to stick to this inspiration and develop our ideas on what kind of markets the CTs are, which is the goal of this section.

Market

Given that the ideal-typical conceptualization of "market" in the neoclassical school of economics has been long criticized,[6] there is need to define the term so it can apply to a wide variety of real markets, excluding causal propositions from its definition, while at the same time clearly distinguish markets from other categories of (socio-)economic systems. In that sense, J. McMillan's (2003: 5) conceptualization is, for my purposes, the most adequate. He begins with a dictionary definition, "a meeting together of people for the purpose of trade by private purchase and sale," which is basically the same as the standard definition in economics, presented in Slater and Tonkiss (2001: 38), according to which "[p]ut simply, a market consists of the buyers and sellers of a particular good or service." For McMillan, however, these types of definition do "not go deep enough," and the most essential feature of the market is "decision-making autonomy. Participation in the exchanges is voluntary; both buyer and seller are able to veto any deal. [...] Controlling their own resources, the participants in a market [...] are free to make decisions — to buy, to sell, to exert effort, to invest — that reflect their own preferences."

However, there is one element lacking in McMillan's conceptualization: the importance of "price." Slater and Tonkiss (2001: 38), after the sentence quoted above, posit that: "It [a market] comprises three core elements": supply, which "does not refer simply to the quantity of goods available, but to the decisions of sellers in offering these goods for sale at given prices," demand, which is "the call of prospective buyers for particular types and quantities of goods at a given price," and price, which "ultimately represents an agreement between buyer and seller." In other words, the freedom of choice that McMillan so much emphasizes is intermediated by price, which in turn is set by supply and demand.[7]

Commonly, especially in economics, definitions of the market include other elements, the most important of which being the impersonal nature of exchanges and the characterization of actors (buyers and sellers) as maximizers of their self-interests.[8] Obviously, the supposition of the impersonality of market exchanges is related to the proposition that actors that engage in them selfishly maximize their interests.[9]

When we adopt a minimal definition of the market, these points should be considered as causal propositions: that the market type of economic exchanges (exercised in economic entities defined as the market) tends to become "impersonalized" and tends to make their actors self-interest-seekers. Powerful currents of studies and thoughts, the most influential of which, in my opinion, remains to be the works of K. Polanyi, have emphasized the fact that markets have made people selfish throughout history, and generally tend to do so. A dominant current of this tradition focuses on the power of the market to destroy traditional social bonds and norms ("virtues," "solidarity," friendliness," and so on), a la Polanyi.[10] However, the market's supposed power to make its members self-interest-seekers can be, and has been, of course, criticized by the "leftists" as well, who contrast the market (or the market society) with the communal socialist society of the future, not with a lost past.[11] True, there has been a strong body of literature that posits the opposite. As Hirschman (1988: esp. 107–09) and Fourcade and Healy (2007: esp. 287–89), following Hirschman's lead, show, many thinkers and scholars have supposed that markets make people social, reducing their selfishness. Although this position has much value, the cultural and attitudinal changes since neoliberal reforms in many societies of the world seem to take side with the interpretations that see the market's power to impersonalize human relations. Resurge of interest in Polanyi (pointed out, among others, by Dale 2010: 2–5, 235–36) must be partially due to this finding.[12]

I suppose that, if we define the market as an entity where exchanges are made by the impersonal media of prices, at the very least it allows selfish actors more latitude than other types of economic interactions. In markets, by definition, goods and services are exchanged at prices set by the exchangers themselves. (That buyers or sellers are free to decline an exchange with someone and choose one with another, a fact underlined in McMillan's conceptualization, is another way to point to the same feature.) Sellers can set their prices as high as they wish irrespective of their cost if buyers accept, or are deceived to accept, those prices. Thus, we may consider that the market tends to make the actors who exchange in it selfish gain-maximizers or profit-seekers, whether by provoking such motivation in them or by allowing selfish profit-seekers to prosper. I will call this feature of the market, tentatively, its "economizing drive." If exchanges or distributions of goods are done without prices, which have impersonal character, as in economies based on reciprocity or command economies, things should be very different.[13] Note that this feature of markets is based on their definitional elements,[14] and if in the real world certain markets exist that do not show an economizing drive, we must consider that some other variables have intervened to prevent the emergence of one.

McMillan's minimal definition is combined with his emphasis on the wide flexibility of markets.[15] Apparently, McMillan (2003: 11) supposes that these varieties are based on the "rules" that each market has: "Some of the pieces of a market's design are devised by the market participants themselves; other pieces are devised by the government. It is by spontaneous change, for the most part, that the rules of the market game develop, with the market participants designing better ways to transact."

The importance of the rules is commonly emphasized in conceptualizations of the market. Few social scientists, including economists, would refute an observation by Streeck and Schmitter (1985: 119) that "markets require a legal framework and the authoritative enforcement of contracts [...]"[16] This sentence applies to any market if we interpret the words "legal" and "authoritative" in an informal way. Kay (2004: Chap.5, esp. 52) prefers to label all these elements as "rules."

Here, we can understand why actually existing markets do not necessarily have an economizing drive, even though markets by definition tend to have one.

A conclusion of the considerations presented here is that it is possible and more accurate to categorize any economic entity as a market as long as it consists of the exchanges between sellers and buyers by way of prices, even though this kind of exchanges can be accompanied by a wide variety of other features, which are formed by each individual market's rules.

The importance of the fact that any market has its rules cannot be overstated. Indeed, the more one tries to see the market as a system conceptualized in neoclassical economics, the more one must observe that it necessitates some political power(s) that impose(s) the rules regulating the exchanges in it (for these interpretations, see Slater and Tonkiss 2001: 104–06). Then, the freest possible market is not different from other markets, in that it is necessarily bound by rules.

Markets can be compatible with the rules made by their members (norms inherited from the pre-market social entities being one type of those rules) that can contradict the economizing drive that the market has by definition.[17] Even when these rules are solely for the function of maintaining impersonal exchanges of goods, that is, fair trade and competition, profit-seekers try to circumvent these rules in seeking their self-interests. Then, any market has elements that contradict, in so far as it needs rules and it tends to transform its members into actors who try to avert those rules in order to maximize their self-interest, at the same time.

"Complementary Club Market"

Gómez (2009: 63–65) presents the concept "club market" in order to analyze the CTs. Gómez defines a "club market" as follows: "Club markets are markets that are built by strategic (collective) action and that, as associations that provide goods consumed jointly without rivalry but where exclusion of non-members is possible." That is, club markets are those markets that are formed as club goods, of which "[i]n the case of markets, what is excludable and non-rival is the application of the market institutions and the access to buying and selling directly."[18] The important point is that she introduces this concept, criticizing the concept of "private markets" presented by F. Braudel and later conceptualized to mean the markets formed in order to escape intensive state regulation (to which "public markets" are subject), and underlining that those markets also have regulation. I find extremely heuristic her emphasis on the points that both public, regular, formal market[19] and club markets have their regulations, and that the regulations of the latter are given by strategic choices of the market makers and include exclusionary membership.[20]

Although Gómez introduces the concept "club market" as a type of market, it seems to me that she relates this concept to a characterization of CTs as situated in between "markets" and "non-markets" (essentially, "communities," as defined above).[21] This conceptualization is based on the premise that limited membership gives club markets a feature of being a group of personal acquaintances, negating the impersonal character of "markets."[22] However, it is possible to adopt the definition given above of the market, and posit that the kind of markets that Gómez has interest in are just a certain type of markets *tout court*. In this conceptualization, limiting membership is considered to be these markets' rule, just like any other rule that every market has. I prefer this latter conceptualization, because limited membership does not always imply that members know each other, as shown by the fact that many Argentine CTs, when enlarging their sizes, included members that were not acquaintances, without losing their character of limited membership.

Generally speaking, organizers of complementary currencies suppose that members who are not selfish profit-seekers form these entities. However, as it is impossible to exclude profit-seekers who pretend not to be ones, forcing or motivating their members to not act like gain-maximizers is a matter of the rules (including sanctions) that the entities in question make. On the other hand, we can imagine those club markets whose members' sole goal is to obtain profit by having some sphere(s) of activity other than the regular market. We cannot formally distinguish this type of club markets from that of "normal" complementary currency systems.[23] Thus, we may suppose that all complementary currency systems are club markets, which in turn are markets in totality.[24]

Once recognized that the club market is simply another variety of market, it is important to apply a general tendency in our analysis: that limiting membership enhances the power of a given entity to coerce their members to follow its rules. That face-to-face relations and personal acquaintance breed trust (or informal mutual enforcement) among the members that would impede the market's economizing drive can be considered to be part of this general proposition.[25] My analyses of the CTs in the latter half of this essay will be based on this proposition.

As Gómez focuses her attention on limited membership, and does not elaborate much on the concept of "club goods," one may wonder if it is adequate to use the concept "club market" to categorize the entity that interests us here. However, as "excludableness," combined with "non-rivaliousness," is a definitional feature of club goods, in contrast with "public goods" characterized both by "non-rivaliousness" and "non-excludableness," I find this denomination at least tolerable. I leave full discussion of the conceptualization of some kinds of markets as club goods to another occasion. Here I limit my attention to an important, defining, character of the club market: markets that are formed deliberately by their members and limit their membership.

As club markets must be formed or initiated, by definition, within a larger, regular market (leaving aside, for this essay, those cases formed in socialist or other types of socio-economic systems), in the analysis of the nature of a given club market, its relationships with the regular market must be an important element. Logically, there are two categories of club markets: ones that have interactions with the regular market (i.e., whose members carry out exchanges in the regular market), and ones that isolate, or at least try to isolate, themselves from the regular market. The former must be dependent on the rules of the regular market and the institutions that enforce them, especially protection of property rights and the means of enforcement of contracts (cf. Dale 2010: 201). Regarding the second category, note that if any entity is independent economically, it must necessarily be independent socially of the national economy/society. When the entity in question is small-scale, it tends to be a "community" as referred to above, which cannot be analyzed as a market.[26] Conventionally, socio-economic entities of this character have been called "communes." When the entity in question becomes big enough to have an economic system of a market independent of other social subsystems, the market that corresponds to that entity is another market that functions side by side with the regular market inside of which it was originally formed. The two (the club market and the original national market, or the social systems corresponding to these) exist independently as the same type of entities. If the entity in question can maintain its nature of being a group that is formed deliberately by its members and that limits its membership, it may be interesting to test the differences between the public, formal market and the private, club market. I suspect, however, that it may be difficult to be big enough to have a system of market exchanges independent of other social subsystems and to remain a club market. Besides, whether any "commune" whose independence is substantial can exist stably within modern sovereign states is also of doubt, and a bigger entity of the same nature, which is virtually "the state within the state," must be extremely exceptional. All these considerations suggest that it might be possible to posit that there is no such thing as "non-complementary club market," whether in practice or in theory. Even so, in order to underline the aforementioned feature of complementary currency systems, i.e. their attempting to transform the national regular market economy while being parts of it, I utilize the concept "complementary club market." At any rate, as we will see later, Argentina's CTs depend on the regular market.

Given that club markets can be formed with the intent of checking the regular market's power to harm, particularly, the less powerful or less rich, and that complementary ones interact closely with the regular market, complementary club markets can be transformative of the regular market. The mere fact that plural markets coexist may reduce the regular market's power, as one can have the choice of which markets to use, if s/he becomes a member of some club market(s). When the complementary club market in question is the one that has the features that reduce the tendencies that the market generically tends to have, the effect must be much stronger.

One of the most fundamental features of transformative complementary club markets is, as the conceptualization presented above indicates, their attempt to alter the regular market (or capitalism) by being themselves markets and part of, and depending in many ways on, it. This apparent paradox consists of two parts: being a kind of market that has those rules which try to negate its own economizing drive, and attempting to attenuate or neutralize the economizing drive of another market of which it is a part and upon which it is also dependent. While I will discuss the second part of the paradox below,[27] the first part should be discussed in this section, which concerns club markets in general.

As I have shown in the previous section, in so far as a certain entity is a market, this contradiction of being a market and trying to curb the market's economizing drive at the same time (or any contradiction, for that matter) must be solved by the rules regulating that market. The key, therefore, for club markets that intend to modify or neutralize an essential element of markets (i.e. the market's economizing drive) is how to impose the rules formulated for that purpose on members who can, and, in a sense, are obliged to, follow general market logics as well.

In this essay, I will analyze the dynamics created by the mere fact that the rules that contradict some essential features of markets exist. The contents of those rules, including the ways how they contradict markets' economizing drive, and how those contradictory elements affect the CT markets in Argentina, for the analyses of which we need more systematic ideas on the nature of the market, especially the exchanges in the market, will be examined in my forthcoming essay.

Having clarified that, I will analyze the evolution of the CTs, comparing it with a quasi-deductive modeling of club market expansion. A brief account of the CTs' development is in order before doing so, which is the purpose of the next section.

The Rise and Fall of Argentina's Barter Clubs[28]

The first *club de trueque* in Argentina was initiated in May 1995, in a town called Bernal in the southern zone of the Buenos Aires Metropolitan Area (*Gran Buenos Aires*, GBA) by three ecologists who had formed the civil society organization *Programa de Autosuficiencia Regional* (PAR, Regional Self-sufficiency Program).[29] At first, exchanges were managed by bookkeeping on the basis of individual cards, and later by computer records. When members increased and two other CTs were formed, at the beginning of 1996 by the propagation of the three leaders (one in Buenos Aires city, the other in its northern suburb), they decided to utilize printed vouchers, whose unit of account was named *crédito* (credit), which was to become the common monetary unit for complementary currencies in Argentina.

When there were five CTs, the leaders decided to interconnect them, in order to allow participants in one CT to trade in others. In this network formation, singular CTs were now called "*nodos* (nodes)." The PAR leaders adopted a word "*prosumidor,*" Spanish translation of the concept "prosumer" coined by A. Tofler, meaning a person who produces and consumes, to refer to participants of the CTs. The persons who organize the CTs are called "*coordinadores* (coordinators)" in their nomenclature.

Continuing deterioration of the Argentine economy[30] and coverage by famous television programs gave a big boost to the CT phenomenon's expansion. As groups replicating the scheme increased, the network between them was presented to the public as the *Red Global de Trueque* (RGT, Global Network of Barter[s]). After that, much more CTs were formed, first principally in the GBA area and later in other parts of the country as well. Another civil society organization, with contacts with the PAR leadership and with a more ideological orientation was formed to promote the CT formation. With a change of emphasis on its goals give by that group, the network was renamed "*Red Global de Trueque Solidario* (Global Network of Solidarity Barter[s])."

At the same time as the CT phenomenon was expanding notably, divisions surfaced in it. As the PAR tried to coordinate or control the network in 1997, the most notable of which was the attempt to control voucher circulation, which had been very flexible, with many vouchers accepted in many other nodes, by making their printed voucher the standard one, the anti-PAR CTs began to form a front.[31]

This conflict and the perceived need to introduce transparency to *crédito* management led to the institutionalization of the CT movements. The GBA area was divided into four zones (North, South, West, and Buenos Aires city), each of which has a committee to manage the voucher common to their zone. The committees' "meetings became regular and formal, as well as more conflictive, over the course of 1998" (Gómez 2009: 93). This facilitated further organization, that is, establishment of a national decision-making body, the *Comisión Interzonal de Coordinadores* (IZ, Inter-zone Coordinators' Committee), "the highest body in the network and met once a month with two representatives of each area committee across the country" (Gómez 2009: 94).

At first, this institutionalization seemed to work well, and diffusion of the CTs became increasingly notable nationwide. With these developments, Argentina's CT phenomenon entered an unprecedented stage in the history of complementary currencies; it became a system of national scale. As Gómez (2009: 186) says, the CTs "had an umbrella organization, which allowed participants to visit any node in the country using any of the various currencies, even if people hardly knew each other."

However, the sharp divisions continued, becoming uncontrollable when the PAR leaders invented an easy way to diffuse the same type of nodes, selling (frequently by mail) a set of manuals and vouchers to would-be coordinators to begin their nodes. This attempt to duplicate nodes by means of "start-up kits,"[32] with the sole kind of vouchers, the PAR currency, nationwide, was unacceptable for the anti-PAR CTs. The division was complete when the PAR leaders changed the name of their CT network back to RGT and formally left the IZ in April 2001. A network of the Western GBA zone CTs also left the IZ, forming the *Red de Trueque Zona Oeste* (ZO, Western Zone Network of Trueque). With their departure, "the remaining groups formed the umbrella organization" *Red de Trueque Solidario* (RTS, Solidarity Barter Network) (Gómez 2009: 113, in addition to the citation above).

On the divisions of the CT phenomenon, Gómez speaks of the four types of CT movements in Argentina of that period (and afterwards), adding, to the aforementioned three networks, independent local nodes. As for the last category, Gómez (2009: 121) seems to confuse the different levels or dimensions, when she compares these singular nodes and the networks formed by nodes. The ZO, for all the importance of its attempt to build productive cooperatives of its own (with the transport system of the network), was an exceptional phenomenon, for its almost total dependence on the leadership of one person, who had been "an owner and manager of one of the 500 largest firms in Argentina before going bankrupt" (Gómez 2009: 216, n.70), which clearly suggests that he is the entrepreneurial type. Apart from the doubt that that kind of concentration of decision-making with the hierarchical character of the network (Gómez 2009: esp. 123) is compatible with the goals of the CT movements, that kind of network management must be impossible in larger networks.[33] Then, we may talk of the existence of two (national) networks, whose institutions and functioning were extremely different. On the one hand, the RGT chose to diffuse the same kind of CTs. On the other, the RTS consisted of much more autonomous nodes integrated into regional networks with respective regional monies and decision-making bodies, which were then integrated in a national decision-making body, the aforementioned IZ.

With the most severe crisis in the Argentine economic history, combined with partial freezing of bank accounts,[34] since December 2001, the CT phenomenon exploded, boasting the membership of several millions at its peak.[35] This rapid and extreme expansion brought its sudden decline, after which it has been rather common to suppose that the *trueque* became history, with no prospects in the future.[36] A number of causes for its precipitous contraction have been pointed out, though it is common to interpret that many of these causes had been evident long before the confusion brought about by the phenomenon's explosive expansion.[37] Gómez's (2009: 188) summary is representative of common opinions of those who know much about the CTs: "The fall was explained by exogenous factors such as large-scale forgery of *créditos*, interference by political clientelistic networks, implementation of a welfare policy and the rebound of the regular economy. However, the *Trueque* had already been crumbling due to its own shortfalls. The endogenous factors responsible for its demise were opportunistic behaviour, lack of basic food production inputs, rampant speculation, price inflation, and mismanagement, mainly by the *PAR*."

As I have said, the importance of the Argentine case in the history of complementary currency movement/systems lies not only in its sheer size. Perhaps more significantly, it developed into a nation-wide movement, in the form of networks. According to Powell (2002: 631), "[n]owhere before has an attempt been made to create a national, private, yet not-for-profit monetary system. It is, therefore, an initiative *sui generis*." Thus, we can analyze the dynamics produced when complementary currencies develop to become a phenomenon that have substantial power to change national economies (and societies).

The Argentine case is all the more important due to the fact that we can compare the different routes that expansion of complementary currency movements can take. Powell (2002: 621) said, as of mid-2001, before the explosive expansion: "[W]e can no longer speak of a single network; there are several distinct ideologies evolving from an earlier unity, transforming Argentina into an alternative currency laboratory." The "materials" to be compared, according to Powell, are "community-based mutual-credit systems," or "local monies," "a host of regional currencies," and one national network, the RGT. However, the RTS can be seen to have been another national network, being the aggregation of regional networks, with a top decision-making body.[38) Thus, Argentina has had the two types of complementary currency movement/systems that might have had the possibility of transforming the national regular economy. In the following sections, I will principally use a comparison of these two Argentine experiments to analyze the dynamics of complementary currency movements' attempts to transform the capitalist economic system, analyzing them as complementary club markets.

Argentina's Barter Clubs as Complementary Club Markets

That Argentina's CTs belong to the same category of "market" together with the formal market (capitalist market) is far from being a foregone conclusion. Much more than that; that can be provocative. More commonly they are considered to be of more anti-capitalist nature, being projects to counteract the "destructive power" of the market, or at least protect the people from that power.[39) Given the definition proposed above, however, they are clearly markets, as the "capitalist market" is. And, a transformative nature, no matter how central for a given CT movement, does not contradict this categorization. If their members exchange (sell and buy) goods and services utilizing impersonal media of prices, they are markets; at least they are markets as well.

The fact that members of the CTs tend to begin acting as if they were in the regular market proves this characterization. According to a survey realized by Powell (Powell 2002: 639), "[t]hose who judged pricing based on the customer's ability to pay of little or no importance were disproportionately long-term participants," and "similarly, long-term participants were more likely to charge a price as high as the market would bear." Powell argues: "This suggests that, while new members may be receptive to alternative behavioural norms, traditional economic values are re-emerging." An economizing drive, an essential feature of the market, must be at work in the CTs.[40]

That the CTs are markets, or that the members participate the CTs as markets, is also suggested by the fact pointed out by Powell (2002: 634) that, although the RTS leadership has been explicitly oriented toward post-capitalism, and the leaders of the RGT not, "[t]he current research suggests that this polemic has had little effect on the membership itself. As Bombal[sic] and Svampa (2000: 28) [I. González Bombal and M. Svampa, *Movilidad social ascendente y descendente en las clases medias argentinas: un estudio comparativo* (Buenos Aires: Instituto de Ciencias, Universidad Nacional de General Sarmiento)] noted, 'ideology falls with distance from the centre'. Questionnaire results showed virtually no difference between respondents of RGT and RTS nodos. This should not be surprising due to the level of mixing between different nodos; almost half of the participants surveyed were attending a nodo other than their own."

That the CTs are "complementary" club markets should not necessitate any comment. They are supposed to function within the regular economy. Members are expected to buy some goods in the regular market in pesos and buy and sell others in complementary currencies in the CTs. No CT has tried to monopolize the exchanges of its members, nor would do so at least in the near future.[41] And, as Gómez (2009: 78) says, they are dependent on the Argentine official institutions in terms of "recognition of personal property rights, functioning of courts or informal mediators for conflict resolution," among others. It is important to confirm that CTs must depend on the institutions of the regular economy in its fundamental parts.

Another phenomenon may corroborate the interpretation that the CTs are markets and that they function as a part of the regular market. Gómez (2009: 179) says of the CTs in general; "The *Trueque* proved to be a particularly effective tool for micro-enterprise creation and self-employment, judged by the survival rates. [...] This is a positive side of a club market: it restricts buyers to the supply offered in the nodes and thus sustains a regular level of demand to spend the *créditos*. Micro-enterprises in the *Trueque* thus needed a low threshold of competitiveness to be viable businesses." Gómez (2009: 158–59) also reports a general tendency that members of CTs want the micro-enterprises thus formed to perform in the regular economy, and endeavor to make this happen, with varying degrees of success.

At the same time, it is evident that the CTs were (and are) transformative. Whether or not they were succeeding to transform the Argentine economy toward that direction, at least parts of the CT movements were explicitly aimed to construct an alternative to capitalism. At the same time, it goes without saying that even the most radical anti-capitalist current of the CTs must struggle to realize the transformation it pursues while depending on the regular market for the time being (it must be a "revolution from within," in other words). Whether or not that kind of attempt has a possibility to realize its goal, the CTs are markets that endeavor to transform the regular market as a part of which they function.

It must be equally obvious that the CTs are club markets in the sense defined above. Although space limitation prevents me from describing and quoting them, the leaders of the CT movements, even the RGT leaders after they adopted a method of rapid diffusion, suppose that the coordinators of nodes make new members understand the principles of the CTs. Although initiation practices were sometimes to be omitted in the process of CT phenomenon's expansion, the point is that CT leaders, coordinators under their leadership, and organizers or leaders of local CTs, can (could) choose how rigorously they limit membership.

In sum, it may be said that the CTs are markets, and they belong to a subcategory of markets: transformative complementary club markets.[42] I will analyze the dynamics of CT evolution utilizing this categorization in the following section.

Dynamics of Complementary Club Market Expansion and the Argentine Case

I suppose that, if the principal agenda of the CTs is to solve the two-tiered paradox of being complementary markets that try to transform the regular markets, the problems or difficulties they face should be classified in two groups: one being internal of the CT movements, principally, how to expand while maintaining their original nature; the other related to the relationship between the CT movements as a whole and the regular market. Within this framework, I will analyze the problems the CTs faced in the following two sections.

The Logic of Club Market Expansion

If we suppose that the causes of the CTs' (temporary?) failure were intrinsic to their expansion process, which, as shown above, seems to be the dominant interpretation, attempts to find the principal dynamics of the CTs must focus on the two aspects of the CTs' problems: the problems observed in the very acts of exchanges in the CTs and the division of the CT movements, mentioned above, both surfaced when the CT movements seemed to be thriving.

On the first point, I have already enumerated, quoting Gómez, the factors that the academics and journalists mention in explaining the problems that the CTs had already experienced before their explosive expansion. However, a juxtaposition of various factors may obscure the root cause, which, if it exists, is very possibly related to an essential feature of complementary currency movements. In that case, various factors cited hereto should be integrated into a logic based on the fundamental features of the CTs.

On the second point, the dominant interpretation underlines the difference of the visions or ideologies.[43] Powell (2002: 634), citing and quoting the discourses of the two networks' leaders, posits as follows: "At risk of greatly over-simplifying, the network leadership is now split over its opposition to or support for capitalism; those who see the establishment of an 'economy of solidarity' necessitating an eventual break with capitalist modes of organization, and those who would like to see in capitalism a little more solidarity."[44] However, the fact that the members were not conscious of this difference between the leaders suggests that other interpretations must be presented.

My hypothesis is that these two sets of phenomena are interrelated, and a conceptualization of the CTs as complementary club markets can integrate the two into a coherent explanation.

The first crux of the CTs when trying to expand was how to do so without losing their character of transformative complementary markets: part of the elements that Gómez analyzes as the theme of "governance" of the CTs.[45]

It must be obvious that the definition given above of the transformative complementary market points to the importance of the question of how to impose rules that counteract the economizing drive on its members. The regular market has its rules, too, but the rules of complementary currency markets must be much more contradictory with general market logics, making rule-enforcement especially difficult.

Being club markets makes this task still more difficult, as they do not have coercive devices such as the ones that regular markets regulated by the states employ. Generally speaking, particularly given the anti-authoritarian orientation of the CTs, rule-enforcing power tends to be based on face-to-face relationships between members. Powell (2002: 631) speaks of "trust," Gómez (2009: passim) points to "social cohesion" based on the "community" nature of the CTs, and Powell (2002: 631) also refers to "social control." One may go further and see some informal mutual compulsion (pressure), or coercion based on such sanctions as informal exclusion. However it may be described, a general tendency that the smaller the group, the more rule-abiding its members exists. It is a sort of common sense that anyone knows, and is formulated as M. Olson's famous thesis that free-rider problem does not occur in small-scale groups.

That “law” might be observed in the CTs. Gómez (2009: 93) points to the fact that when membership expanded, “atomistic behaviour, self-interested transactions, rational calculation and work for a profit” (“the institutions expected in public markets”) were introduced to the CTs. Powell (2002: 631) touches upon the same point in saying that “[i]t appears that the nodo may have grown too large for the maintenance of effective social control,” considering that “[s]everal people echoed the comments of 26-year-old Patricia about the *prosumidores* in the largest nodo: ‘At Bernal, they are all thieves.’”

At first sight, this seems a crucial trade-off for complementary currency movements; they must choose either to limit their membership strictly, selecting only those who can be “trusted” or share similar social orientations, or to try to increase their influence sacrificing their ideals considerably. In other words, one might observe a trade-off between expansion and increasing transformative power on the one hand, and the difficulty of rule-enforcement on the other. Logically, there must be a solution for this trade-off: keeping units small-scale and forming a network.46)

Such networks can assume various forms. If one supposes the trade-off mentioned above is essential to complementary currency movement expansion, one must posit that a specific spectrum “diffusion” — “cohesion/autonomy” is the most important in the variety of formations: that is, a spectrum from the choice of prioritizing rapid diffusion of units to the one of giving importance to respective units’ cohesion and different orientations. The two principal CT networks in Argentina were located in the two opposite ends of this spectrum.

On the one hand, the leaders of the RGT found an easy and efficient mode of expansion: replicating units of the same formula. And, the RGT actually succeeded in expanding its network rapidly. The difference of scale was wide between the RGT network and other national and regional networks.47)

H. Primavera and her companies of the opposing network criticized the RGT leadership for its undemocratic concentration of power, a charge Gómez (2009) and, particularly, North (2007) essentially follow, perhaps rightly so.[48] However, as far as dynamics of club market expansion are concerned, the main problem should be that emphasis on easy diffusion requires that rule-enforcement practices loosen. The RGT's "start-up kits" were sold frequently by mail, without any control by the PAR leaders following the sale (Gómez 2009: 122). This method made rapid extension possible, but permitted less committed persons to become coordinators of nodes.[49] Apart from the possibility of profit-seeking attitude on the part of coordinators themselves, latitude given to the coordinators made their governance of the nodes loose. Thus, as for the workings of each node, rapid replication made regulation by its coordinator permissive, a most damaging aspect of which must have been irresponsible node expansion by relaxing entry rules for new members, that is, to permit membership without making members understand (or, even know) the rules of the CTs.[50] Referring to the period before explosive expansion, Powell (2002: 623) counts the members of the largest nodes in the several thousands. It is easy to imagine that rule-enforcement must have been extremely difficult for an entity of that scale.[51] Gómez (2009: 177) points out one of the most important features of the RGT network, when she indicates a trade-off it had between "fast and easy replication" and the cost of "control infrastructure."[52]

On the other hand, for the other national network, RTS, a principal difficulty must have been how to make the network work as a cohesive movement while respecting each node's autonomy. Without a hierarchical structure, the solution must be a democratic decision-making body representing the nodes. And, that is the way they chose.[53] It must not be surprising that the RGT leaders criticized the institutionalization of decision-making such as the IZ as "politicization" of the CT system, which makes the coordinators of the nodes "political representatives" (Gómez 2009: 94, 98).[54]

In this section, I have tried to present a cohesive explanation that would cover important facets of the CT's evolution, based on a plausible logic of club market expansion. Obviously, another important factor that affected the degree to which the rules were observed, thus being a powerful element in determining the dynamics of the CT movements' evolution, must have been the contents of those rules. I will leave considerations on this theme to another essay.

Resistance of the Regular Market

The second category of difficulties that complementary club markets should theoretically have concerns their relations with the regular market.

Interpretations that underline the role of any sort of external repression in explaining the CTs' decline are rare.[55] This might be surprising, given the fact that complementary currencies challenge what is generally considered as one of the most important powers of the modern sovereign states: the monopoly of the money-issuing power. An explanation can be found in the fact that the Argentine state, and local (state or municipal) governments in particular, having lost control of the economy, supported the CTs. However, it is frequently pointed out that the attitude of the authority changed thereafter. R. Ravera, one of the three founders of the CTs, who is arguably the most active among them as of 2010, signals May 17, 2002 as the time when the state turned to the attack, when their offices were ransacked by the authorities.[56]

Although economic recession may have mitigated government interference in alternative currencies in Argentina, politicians must have perceived the CTs as a threat. Evidently, the CTs were (are) challenging local political bosses (called "*punteros*" in Argentina), principal actors in Argentine clientelistic politics. Gómez (2009: 178) argues that the CTs "offered an alternative to clientelistic networks." Gómez (2009: 59) just suspects the resistance of these networks, saying that "[t]here are suspicions that some Peronist local cronies may have contributed to the decline of the *RT* [barter networks] around 2002."[57] North (2007: 156) underlines it and indicates how, arguing that "Peronist Party machines would incorporate barter networks by purchasing PAR's starter kit, setting up a node for their clients, and at times, violently closing down 'rival' RTS nodes." It cannot be denied that usurpation and repression of the CTs by *punteros* took place.[58]

Ravera has a different interpretation. He does not emphasize the resistance of the *punteros*, but one by an organization of small and medium-sized enterprises, *Confederación Argentina de la Mediana Empresa* (Argentina's Confederation of Medium Enterprises, CAME): Its president began propagation against the CTs in February 2002, which, at least, inspired judicial actions against the CTs. According to him, the campaign of the mass media, that is supposed by some to be a turning point of the CT phenomenon (North 2007: 156), was a product of those businesses, which controlled the media's opinion, utilizing threat of withdrawing their advertisements on them.[59]

If true, this interpretation fits well with my interpretation of the CTs as club markets. Complementary club markets cannot but affect the interests of enterprises that trade in the regular economy. The character of goods principally exchanged in the CTs might explain the fact that the main attacker on the CTs was the organization that represents the interests of small and medium-sized businesses.

An important point is that, apart from the interference of local *punteros*, obstructions on the part of the government and business are reported to have begun after the explosive expansion of the CT phenomenon. Arguably, the resistance of the regular market (and the state) is activated when complementary club markets become a real threat to their interests or authority.

Conclusion

In this essay, I have attempted to present a history of Argentina's barter clubs by conceptualizing them as a specific kind of market. Albeit in a hypothetical manner, I have shown that the evolution of CTs in Argentina may fit the supposed dynamics of "transformative complementary club market" expansion. First, formation of networks can be explained as an attempt to resolve a trade-off that otherwise would prove critical for that type of markets. Second, that the Argentine CTs have formed two principal national networks, each with its own specific characteristics, might be interpreted as a corollary of the logic shown in the first point. Third, one interpretation of the CTs' (temporary) failure seems to be compatible with the characterization of the CTs as complementary markets.

This essay is a preliminary consideration in two senses. I am very conscious that the hypotheses presented herein are far from being tested (let alone verified) in this essay. And, these hypotheses must be integrated with a consideration focused on the contents of the rules that have characterized the CTs, as well. I hope that this essay serves as a heuristic work to point to the tasks to be tackled ahead.

*I would like to thank Tetsushi Okamoto for his valuable comments on a previous version of this essay and Kyle Hecht for correcting my Japlish.

1) This same generic unit has also been referred to as "alternative currencies," "community currencies," "local currencies," etc. Scholars and activists use different terms depending on the causal propositions and ideologiesu they have, but the phenomena they refer to (the cases they include) are essentially the same. In this essay, I will not examine differences of these definition-cum-characterizations and their respective analytical values.

2) This breakthrough in social movement literature was led by D. McAdams (Crossley 2002: 113).

3) Powell (2002: 620–21). He states that "this dwarves any mass movement of utopian socialism in contemporary history."

4) According to Gómez (2009: 186), among complementary currency systems in the world, the Argentine case has been "the only one formed by independent *CTs* articulated in a single network with rules in common, as was observed also by Peter North."

5) Conceptualizing the CTs as markets has been commonplace. To begin with, the leaders of the CT movements have spoken of their invention in a book called "Reinventing the Market" (Primevera, Covas, and De Sanzo 1998: 12–13, 14), in which a CT is described as a "protected market (*mercado protegido*)" (protected from "the official market (*el mercado oficial*)" in which the people are stormed by the economic globalization), and an expression "*mercado de trueque*" is used. A paper diffused on the internet about the CTs is subtitled, obviously paraphrasing the famous anti-neoliberal-globalization slogan "Another World Is Possible," "Another Market Is Possible" (Ana Luz Abramovich y Gonzalo Vázquez, "La experiencia del Trueque en la Argentina: otro mercado es posible," [http://www.urbared.ungs.edu.ar/download / documentos / La % 20-experiencia % 20del % 20Trueque % 20en %20Argentina,%20otro%20-mercado%20es%20posible.doc, my last access was on Nov. 27, 2010]). As a review in Hintze et al. (2003: 25–37) shows, in the first academic writings that analyze the CTs, they are basically considered as a variety of market. However, generally, these studies see the CTs as markets that are very different from the formal, or capitalist market. They speak of, for example, "alternative markets (*mercados alternativos*)" (Hintze et al. 2003: 28), "solidarity markets (*mercados solidarios*)" as opposed to "the capitalist market" (Hintze et al. 2003: 49). As will become clear below, Gómez's conceptualization inherits this dominant conceptualization of the CTs as not being normal (capitalist) markets. Some important exceptions should be mentioned here. Krause's (2003) motif is to underline that the CTs have the character of the market in general, but his arguments focus on the character of the CTs' monies. The works by Corragio (2003) and Ford and Picasso (cited in Hintze et al. 2003) are notable exceptions, which I discuss below. It deserves to be mentioned as well, that, when some writings use the expression "(re)inventing the market," or "another market," they, apparently, not only talk of creating the CTs as "markets," but also speak about transforming the regular, public market, muddling their terminology. My intention in this essay is to analyze an experiment by some markets that try to transform the formal (regular, public) market.

6) Kozel (2006: 1–4), among others, illustratively shows how the standard def-

initions of the "market" in economics do not fit well with a wide variety of real markets.

7) It is an object of debate whether the impersonal media of prices (or supply-demand-price mechanisms) must necessarily be combined with the impersonal media of currency. K. Polanyi, opposing the dominant thesis, which posits that money was born as a medium for exchange, challenges the connection between the existence of money and the existence of a market mediated by prices (Dale 2010: 146–48). However, as Polanyi also distinguishes the situation in which the prices are fixed by extra-economic factors from the supply-demand-price mechanism ("price-making market"), and argues that the existence of the former does not imply the existence of the market system, his conceptualizations might be compatible with the thesis that impersonal prices and impersonal currencies have emerged side-by-side (Polanyi 1971: esp. 119, 158, 183–84). Although this may be an important issue for discussions of complementary currencies, I leave my considerations on this point for another occasion.

8) According to Slater and Tonkiss (2001: 38–39), there are five axioms in the modeling of neoclassical economics. Of these, two can be included in the definition given above, and two can be integrated into one proposition.

9) The conceptualization presented by Slater and Tonkiss clarifies why the impersonal nature of the market type of exchange is supposed to make the actors selfish: "Economic models of the markets rest on 'impersonal interaction,' where "actors [...] encounter each other as strangers, and the exchange relations lasts only as long as each transaction."

10) In Japan, a scholar whose work represents theses of this kind is K. Arai. See Arai (2009), among others.

11) Polanyi was a socialist and, at least in its first formation, his critique of the market was combined with his Marxism and search for communist community (Dale 2010: 31–39). However, one cannot but detect a nostalgic looking back to the good old days in his views. Perhaps the fact that his was a socialism integrated with Christianity (underlined by Dale 2010: 39–43) has much to do with this apparently bizarre combination.

12) Also emblematic is the change of R. Lane's evaluation on markets. The difference between the one in his book published in 1991 and that in 2000 is

impressive (Lane 1991; 2000).

13) According to Slater and Tonkiss (2001: 39), "'formal rationality' (as Weber referred to it) is oriented to price. A calculative rationality is therefore typical of market actors and of market relations in general."

14) A conceptual excursus may be in order here, which serves to paraphrase the hypotheses presented in this paragraph. First, the market is defined as a type of economic system that is constituted by exchanges of goods and services mediated by prices (that are set by demand and supply). Those exchanges can be done, as they are in many market economies, face-to-face, between the persons who know each other (and in the way they suppose that their personal relations continue after those exchanges). When exchanges are between people who know each other well, selfish profit-seeking tends to be within the limit of not harming the other. However, price-setting with supposed plurality of buyers characterizes market exchange, which can be easily abused if buyers are not the seller's acquaintances. Second, it is reasonable to suppose, as many scholars do, that once the market type of exchanges, as defined here, diffuse beyond a certain point, in a double sense that they occupy a greater part of interrelations between given persons and that the persons who exercise those exchanges increase, those exchanges tend to become independent of other social interactions, and/or that diffusion of the exchanges of the market type and their becoming autonomous of other social interactions proceed side-by-side, interactively. The economizing drive of the market may be considered a product of the nature of market exchanges itself or of their tendency to become independent from other social relations, or both. Third, the "market society," which may be defined as a category of social systems in which market exchanges come to dominate (or substantially affect) other social interactions (i.e., whose principal dynamics is given by economic system of the market, with other social subsystems being dependent on the market dynamics), which, according to Polanyi's thesis, must be formed when land and labor become commodities (as told, I reserve my considerations on money), is a category of a different dimension. Social systems in which people exchange goods not as independent economic activities, but as parts of social inter-

actions (the most typical of which, according to Polanyi (1971), are — were — seen in "primitive societies" and "archaic societies") can be called "communities." In it, members do not seek economic profit, at least not so much, whether due to lack of motivation of that kind, as substantivist (Polanyian) economic anthropologists posit, or due to containment of that motivation by social control (exercised by social bond), as (at least some of) formalist economic anthropologists would theorize. Perhaps we may appose either a category of "community" or those of large-scale social systems composed of "communities," with that of "market society," on the same dimension. At any rate, we may compare a market and a "community" on the same dimension, focusing on the way how people exchange goods in each.

Considerations on this note are principally based on Polanyi's theses, superbly examined in Dale (2010: esp. Chaps.3–4), who cites a wide range of critiques of them (and modifications of them by Polanyi and his followers). I modify Polanyi's conceptualizations, because I consider his distinction of market (called "market system," when distinguished from the marketplace), where exchanges are mediated by supply-demand-price mechanism, and the situation in which that mechanism covers even labor, land, and money (i.e. where those three are commoditized) ambiguous or confusing. On the other hand, I follow Polanyi's conceptualizations against their critiques from the theses by those who are more critical of neoclassical economics than Polanyi. Many economic sociologists criticize Polanyi (and other anthropologists) in that he does not apply his concept of social-embeddedness to modern markets (Slater and Tonkiss 2001: 100–01; for the details of sociological conceptions that posit that every "market" is socially embedded, see Zafirovski 2003: esp. Chap.4). However, for me, the modern socio-economic system's uniqueness, at least in the *degree* of (dis)embeddedness in other social interactions, is so notable as to legitimize Polanyi's conceptualizations (or, ways of expressing the peculiarity) of the modern market society. This misplaced critique of Polanyi's thesis is attributable to the fact that the economic sociologists' use of the concept "embeddedness" is "deployed at a different level of abstraction" and is totally different from Polanyi's (Dale 2010: 197, 201–03).

On the concept of the community, I also rely on Streeck and Schmitter (1985), although their concepts are not of the types of economic systems but of the ones of governance. On "market society," I rely on Slater and Tonkiss (2001: 6-28, 197). The distinction given in their "Conclusion" (Slater and Tonkiss 2001: 197-203) between the "all-or-nothing perspective of market society" and the analyses of (wide varieties of) "markets" (refuting the former and encouraging the latter) is inspiring.

15) McMillan (2003: esp. ix-x, 10-13) emphasizes the importance of trial and error, people's ingenuity, and Darwinian selection for the evolution and variation of markets.

16) See also Streeck and Schmitter (1985: 123), which argues: "As innumerable analysts have pointed out, capitalist market relations [...] could not even exist if public authority were not present to ensure the policing of contracts — not to mention the myriad of other facilities that the modern state places at the disposition of producers and consumers, capitalists and workers."

17) This fact and the one pointed out in the preceding paragraph can be expressed as follows. The rules that regulate markets, which are given extra-economically and are based on coercive sanctions, can be classified into two categories: those set up in order to make the supply-demand-price mechanism function smoothly and those set up in order to neutralize market logics, including the market's economizing drive.

18) Gómez seems to attach to this definition a proposition that the strategic, purposeful actions to create club markets come from those who "perceive an institutional gap," that is, notable failure of public markets to satisfy their needs. At least, Gómez interprets that Argentina's CTs emerged from that institutional gap. Both are hypotheses yet to be tested empirically.

19) I will use these adjectives interchangeably in this essay.

20) One may argue that regular, national markets are club goods, as well, by positing that, whereas "club markets" that interest us here exclude those members who do not obey their politically set rules principally by deporting (dismembering) them, national regular markets can exclude the members who do not obey the politically set rules by imprisoning or

disqualifying them. However, generally, regular markets are large and open enough to be considered as not having club goods character.

21) For example, Gómez (2009: 184) says as follows: "[T]here were a few substantial differences between regular money and the *créditos* [which are monetary units of the CTs]. The latter was constrained to some goods and services. It created a club identity of 'us and them' between those who participated and those who did not. The system still relied on social relations. [...] They are an emulation of the regular economic system in which some aspects are changed by the down-scaling while others, namely the use of an impersonal and abstract means of payment, stay the same. Social economy schemes are ruled by trust, reciprocity, and the institutions of personal exchange, at least in theory. A local exchange and trading system based purely on these rules would not really need any physical means of payment. Goods and services would change hands all the time between parties and gifts would be reciprocated at some time in the future. In contrast, a CCS [complementary currency system] uses an abstract means of payment to embody transactions, so it is just one step ahead into an impersonal exchange system./ In sum, a complementary or community currency is the central institution of a hybrid economic system which lies between personal and depersonalized exchange, as extremes in a continuum."

22) For Gómez, this dual character is related with the fact that the CTs are basically formed by the downfallen (mainly by loss of job) middle class, called "the new poor" in Argentina, in contrast with "the structural poor." Gómez (2009: 181) links the definitional feature of the club market with the characteristics of the new poor as follows: "Participation in the regular economy was not available to the new poor, who had no jobs and no other income. On the other hand, transferring goods and services as gifts or charity or within a reciprocity network, as often observed among the structural poor, was not an acceptable solution in a middle-class context. The *Trueque* took elements of both and adapted them in the club market: it mixed the institutions of the market with the social cohesion of a closed network. What would have been a gift became a commodity to exchange, though for community money, not regular money."

23) Even though the leaders of the latter category can make a charter that explicitly prohibits their members to seek profits and stipulates that signing that charter be a condition to join them, it is impossible to know whether the members really act accordingly. Approximating the reality to the ideal given in the charters is a matter of rules that govern the entities.

24) We can observe the degree that the members (do not) seek profits, and/or the degree that members know each other, in so doing measuring the position of a certain complementary currency system on the spectrum between "market" and "community." However, in my opinion, the case presented above against the ideal-typical definition of the "market" and the existence of economic drive of any minimally defined market suggest that the conceptualization chosen is this essay is more adequate.

25) According to Slater and Tonkiss (2001: 108–09), a substantial number of sociological treatments of markets emphasize the "rule-governing nature of economic action," including, in these "implicit and explicit rules," "more personalized [i.e. more personalized than formal structures of authority] obligations such as trust." (Note that the second quotation is from the sentence that primarily refers to the relations within firms and hierarchies. That Slater and Tonkiss include "trust" in the rules of the market, however, is clear.)

26) Markets consisted of exchanges mediated by prices (set by demand and supply) are insignificant in small-scale communities, which makes conceptualizing them as markets or analyzing economic relations in them as an independent system (i.e. a market) irrelevant.

27) I do so for the following reason. Attempts to transform the regular market by being a part of it necessitate formation of network(s) of club markets. The exemplar, if not the sole, case of such network formation has been the Argentine. Thus, it is adequate to tackle this question by way of analyzing the Argentine case.

28) As far as I know, the most detailed description of the CTs' evolution may be Gómez (2009: 69–77, 87–102). On the beginning of the CTs, Hirota (2001: 9–11) and Laporte (2003: 163–68) are very valuable. For this section, I rely on those sources, complementing them with a chronology in Hintze ed. (2003: 51–70).

29) One belonged to another organization (of which he was the founder), which was to be integrated into the PAR.

30) The Argentine economy, which had been liberated from hyperinflation (that had begun in the late 1980s) with the introduction of currency board monetary policy and neoliberal reforms and had experienced some growth with that stability, was deteriorating with high rates of unemployment and underemployment, 29.7% in 1995 (Hirota 2001: 8).

31) The supposed power concentration on the part of PAR leadership and the emergence of counterfeits of their voucher were generally cited as the main problems that caused this opposition.

32) The expression is from North (2007: 154).

33) The most emblematic aspect of this is that the leader himself visited unannounced the nodes and traded there incognito, in order to keep coordinators under control, thus exercising random monitoring (Gómez 2009: 124). This practice must be totally impossible in widespread networks (Gómez 2009: esp. 132, who also underline an exceptionality of the leader's capability). This impossibility forms part of the trade-off between expansion and maintenance of rule-enforcing power of the CT networks, picked up below in this essay.

34) This policy, in December 2001, triggered riots, which started economic meltdown (along with the fall of the government).

35) Primavera cited in (interviewed by) Hirota (2009: 250) and R. Ravera (my interview, Buenos Aires, September 2, 2010) estimate the number of participants at six million, and Gómez. (2009:5-6, 113) thinks that a frequently cited estimate of 2.5 million participants (in 4,700 CTs) seems conservative.

36) This observation is based on various conversations I had during my stay in Buenos Aires in August 2010.

37) An ex-participant spoke to me that the *trueque* had already become a disappointment before its explosive expansion and confusion. The principal cause of her disillusion was partisan manipulation of the CTs by the politicians.

38) Powell (2002: 632) himself speaks of the RTS as follows: "Though far from realizing its democratic rhetoric in practice, the emerging multi-level

structure of assemblies (from nodo through sub-zone, zone and inter-zone) offers the possibility of RTS members having a voice in decision making. This represents the emergence of an alternative politics to match heterodox economic organization."

39) See note 5, above.

40) Myriam Ford and Mercedes Picasso, "Representaciones sociales acerca de la pobreza, el trabajo y la identidad," paper presented to the Concurso "Las caras de la pobreza," organized by the Universidad Católica Argentina, 2002, cited (and quoted) in Hintze et al. (2003: 30) sees limitations of the CTs based on this feature (inevitable existence of competitiveness), inherent to them being markets.

41) Pearson (2003: 226-27) posits that the radical line argued that "the social currency is a tool not to support but to replace the formal currency, seeking self sufficiency outside the formal economy," as opposed to the RGT, one of whose leaders is quoted as saying that it "does not seek to do away with formal money but rather to complement it." The footnote to the quoted part indicates that the former was the position of the RTS, whose ideologue is H. Primavera. However, she (who is a social scientist) also admitted the complementary nature of their CTs. According to Primavera (2003: 140), the CT "is a market that is realized without money and occupies an important part [*fracción*] of the total market [*el mercado total*], principally with the non-salaried work by women and volunteers."

42) I am conscious that my empirical testing is far from being sufficient to posit that the Argentine CTs are (were) club markets. That task will be a part of my future study. I would like to say that this essay can support that proposition collaterally, to the extent that its interpretations are plausible.

43) Gómez (2009: esp. 97-105) seems to emphasize a power struggle between the PAR leaders and the leaders who, according to Gómez, thought that the power was too much concentrated around them. This is not to reduce the division to personal antagonism, because that kind of power, if it existed, may have been contradictory with a (the) main principle of the CTs. Besides, this point must be related with the ideological difference underlined by Powell; the RGT leaders' limited sensitivity to a contradiction

between concentration of power and the ideal of the CTs, if true, must have been related with their less radical ideal of "humanizing" capitalism, in contrast with the RTS leaders' goal of abolishing capitalism.

44) At least for Powell (2002: 627–28), this division corresponds to the two dominant interpretations of complementary currencies: functionalist views that see them as a complement to capitalism and radical interpretations that see their potential of creating an alternative to capitalism.

45) Coraggio (2003) analyzes "the trueque community as market" ("*la comunidad de trueque como mercado,*" which is the title of one chapter of the essay, p.260), and his arguments on many points are similar to mine, such as, among others: the contradiction present when having a quasi-money and beginning indirect exchanges that pave the way for accumulation of values (money), which must be controlled by a political power; a trade-off between expansion and "certain moral values"; necessity of regulations and control (to prohibit the resale of the goods bought elsewhere); and, especially, the fact that the introduction of alternative currencies in itself does not guarantee any specific value system in the CTs, which should be considered to be maintained by "a system of norms established independently [of introduction of alternative currencies]" in the communities of *trueque* as in the society." However, Coraggio's argument does not seem to be systematic (that is, these points are not deduced from the basic categorization of the CTs as markets). Besides, his way of expressing the difficulty of inhibiting the profit-seeking attitude in the CTs may not fit well with the categorization of the CTs as markets *tout court*: For example, he speaks of the necessity of moral obligation or of a "change of political culture"; he argues that keeping moral restrictions are difficult as contact with the capitalist market (which does not have such restrictions) is necessary; and, he says that "[i]t is important to consider that [the CTs] are not pre-existing communities, with value system of reciprocity, in which introduction of mercantile values and relations are resisted, but their members come from the very culture of the market that, though they do not want, impulse these values and relations [...]." He also characterizes the CT as "the solidarity market (*el mercado solidario*)" as opposed to "the capitalist market."

46) This is the method actually attempted by many complementary currencies. According to Powell (2002: 623), "CCS throughout the world advocate a growth pattern resembling cell reproduction rather than the enlargement of a single cell [...]." And the reasons Powell presents for this choice are similar to the consideration indicated here ("This belief is based on the fear of reproducing regional inequalities present on the larger economy and losing the social controls vital to the maintenance of an independent value regime."). As shown above, the Argentine case is unique in actually succeeding to form national networks.

47) According to Gómez (2009: 120), the RGT "became by far the largest sub-network in Argentina [...]."

48) Their critique must point to another aspect of the aforementioned trade-off: whether complementary currency movements can expand substantially while keeping their transformative nature. To consider this point requires examining the contents of the rules of the CTs, which, as I have said, I intend to do in another essay.

49) Coordinators "were asked to stay in touch and to submit themselves for re-election by their nodes once a year," but Gómez has found no RGT CT that had held such a re-election and that very few coordinators actually stayed in touch.

50) Gómez (2009: 122) shows, based on her interviews and fieldwork, that many members of the RGT nodes did not even know that the rules existed.

51) Naturally, these problems became more evident in the chaotic situation during the explosive expansion in 2002. North (2007: 164, 166-67) presents a number of observations of selfish profit-seeking of participants and corruptness of coordinators.

52) Gómez (2009: 173-75) also describes the same trade-off as the one between expansion and social cohesion, including the members' non-observance of the rules in the case of loss of the latter.

53) More correctly, they maintained the body that the other networks left.

54) That the institution whose pinnacle was the IZ was a kind of political system is recognized by Powell. See the quotation in note 38, above. The decision-making process of the RTS is described by Gómez (2009: 123)

and North (2007: 155), among others.

55) In conclusion of his book on various attempts of complementary currencies, North (2007: 180, 181) underlines this element, arguing that "Argentina's barter network was attacked and destroyed," or that those attempts "were not — outside Argentina — attacked by the same forces that were the utopians of the nineteenth century," although he does not show its details in his chapter on Argentina.

56) My interview, Buenos Aires, September 2, 2010.

57) As quoted, Gómez (2009: 188) counts "interference by political clientelistic networks" among the factors indicated by exogenous explanations but puts greater emphasis on endogenous explanations.

58) The existence of the former is corroborated by one of my interviewees, as shown in the note 37, above.

59) My interview, Buenos Aires, September 2, 2010.

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