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DOWNTOWN DOLLARS: COMMUNITY CURRENCY OR DISCOUNT COUPON?

Naomi Kaplan

University Of Pennsylvania

ABSTRACT

The literature on community currencies builds on the idea that communities can create their own currency to maintain the importance of place and build social and cultural capital. Using interviews, questionnaires, and a survey, this case study reports on the ability of one experiment with community currency, Downtown Dollars, a scrip program in Ardmore, Pennsylvania to facilitate relationships, keep wealth local, and invigorate the community with a sense of place and pride. The outcome that Ardmore, through its first experiment with Downtown Dollars, succeeded in adding value to the community and making people feel proud to live and shop in Ardmore is demonstrated. The study points out, however, that while Downtown Dollars met each of the program's stated goals, it could have succeeded to a greater extent if it had incorporated larger social goals into its strategy from the outset.

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* Email: naomik@alumni.upenn.edu

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> Money is like an iron ring we've put through our noses. We've forgotten that we designed it, and it's now leading us around. I think it's time to figure out where we want to go - in my opinion toward sustainability and community - and then design a money system that gets us there.
>
> Bernard Lietaer (1997, no page)

INTRODUCTION

The money we have, and the way we choose to spend it, is more than simply a measure of personal wealth. Currencies hold more than economic value; they are one of the fundamental ways in which people establish their relationships with those around them and develop a social consciousness of how they think about themselves, based on their income and wealth. The economic system in which we find ourselves does more than produce goods and services needed for daily life; it serves to order relations among people. Today, much of society finds itself trapped in a process of globalization in which neighbors are strangers and shopping is an impersonal experience. In an effort to recreate community and reemphasize the importance of place, a unique variety of currency is one tool that can help align our currency with our values in order to build meaningful relationships among people and a supportive community atmosphere.

Local currency is backed by the people in the community and the skills they possess, as opposed to the multi-trillion dollar debt backing the US dollar. The money each city creates can be easily traced, and can arguably be said to increase the social capital in the community as well as the prosperity of those who own businesses and work in local, neighborhood stores and restaurants. To gain a better understanding of why communities create local currency, I looked at why Ardmore created its Downtown Dollars, how the structure of Downtown Dollars is similar to and different from other local currencies, and the impact Downtown Dollars had on the community both financially and socially during the summer of 2010.

This paper begins by looking at the reasons why a community may decide to create its own local currency. In the course of my research I concluded that, first and foremost, local business owners and community members must work together to establish a successful local currency. It takes a commitment from everyone to build a truly cohesive community; it takes determination and a belief that working together with neighbors and fellow business owners is essential to enhancing the quality of life in the town. Ultimately, though using community currency is an expression of one's values, people seek to act economically and participate in local currency schemes for overtly economic reasons. Therefore, the question that needs to be explored is not only "are Downtown Dollars working?" but also to what extent are they facilitating relationships and raising consciousness about the kind of community in which the people of Ardmore want to live.

LITERATURE REVIEW

A Brief History of Scrip in America

Historically, money in America was not uniform; various items have been used as currency over time including beads, shells, and pieces of metal. Since America adopted a national currency, however, alternative systems of currency that serve to complement the existing national currency have appeared in communities throughout the country. Complementary currency systems, and scrip in particular, burgeoned in the United States during the Great Depression. Though the use of scrip was widespread throughout the Depression, the Emergency Banking Act of 1933 hindered its proliferation. The Act was the government's response to the perceived threat posed by widespread community currencies to the authority of a centralized government (Shuman 1998; Meeker-Lowry 1995; Gatch 2006; Seyfang 2000; Lietaer 2001: 148-157).

Alternate forms of currency never fully disappeared, however, and seem to enjoy a resurgence whenever the economy fails citizen needs. The scrip of today is generally agreed to have originated with the use of scrip for financing small businesses in the second half of the twentieth century. It was first created in 1989 in Great Barrington, Massachusetts when one of the city's favorite delicatessens suddenly lost its lease. By issuing scrip to its loyal customers, the deli was able to self-finance its relocation (Shuman 1998).

The model of distributing coupons at a discounted rate to be redeemed at a later time is a type of community financing that many communities have continued to pursue, particularly in times of crisis (Lietaer 2001). Ardmore's Downtown Dollars is one of the many scrip programs that have emerged during the past four years in response to the recent global economic crisis.

The Centrality of Localism

Money has been identified as a tool to regain control and independence over local economic life. According to proponents, local, complementary currencies allow communities to develop self-reliance through concrete realities of production, employment, and consumption. This focus on developing the local economy in turn insulates the community to an extent from the impacts of outside financial speculative investment. Spending money in local businesses invigorates the local economy because, often, local businesses spend their revenue and buy their goods locally, thus infusing the local market with capital (Greco 2001; Meeker-Lowry 1995; Seyfang 2000).

Currently, communities across the world print their own currencies in a variety of forms. These currencies simultaneously promote local purchasing while injecting capital into the local economy (Shuman 1998). Local scrip is one of the many forms of local currency being implemented to regain control of community economic life. Scrip does more than simply restore the economy, however; it also has been shown to serve as "a direct way to respond to the alienation we experience in an expanding global economy" and enables regional economies based on social and ecological principles to thrive (Glover; Witt 1998).

By purposefully limiting choices of consumer goods to those that are produced locally, local currencies can allow the purchaser to understand more fully where goods are produced. It becomes much easier to meet the person who made the good, visit the farm where the food was grown, or see the animal that produced the item. This knowledge fosters responsible consumer choices while simultaneously reestablishing a commitment to the community (Witt 1998).

Local government can also play an important role in advocating for the community. It has the opportunity to change the economics of the community by no longer allowing non-local corporations to extract community resources. Local governments have the power to withhold tax dollars from national corporations until they are firmly rooted in the community and no longer pose the threat of suddenly departing and leaving the community in financial straits. Ultimately, local governance provides the opportunity for the reinvestment of money back into the community where it is most needed (Shuman 1998).

Building Social and Cultural Capital through Community Currency

As noted, among the advantages of local currency is building and strengthening community ties, thus building social and cultural capital by enabling "participants to act together more effectively to pursue shared objectives" (Putnam 1995). Community currencies carry with them the potential to elevate people's perception of the community in which they live and enhance the meaningfulness of the encounters they have with neighbors and other residents. Often, however, the use of local currency is primarily driven by economic motivation, and raises the question of whether the social benefits proponents claim will be fully realized. Although these qualitative outcomes may be more difficult to measure than economic effects, their importance to the strength of a community in today's increasingly anonymous world cannot be ignored (Putnam 2000).

In a world of increasing mobility, alternative currencies provide an incentive for staying in one place and becoming loyal to a community. Maintaining a stable population and business mix is increasingly difficult in the new global economy, but remains crucial for community survival and planning. With increased mobility associated with globalization, local interest no longer drives governments; corporations wield the power to make crucial decisions. If the corporations suddenly relocate, huge costs are imposed on the local government. Companies that abandon a town are rarely responsible for paying unemployment or compensating the town for the costs of disinvestment. Community members must take ownership of the future of their towns and act to avoid having mobile corporations dictate their success or failure (Putnam 1995, 2000).

In an age of global free trade, communities can fight back by creating locally owned enterprises that hire local people and provide for local needs. Community currencies, such as Ithaca HOURS, a well documented example of local currency, work by creating a "boundary" around the community. The labor supported by HOURS cannot enrich the people who take jobs away to exploit cheap labor elsewhere. Creating opportunities and making it viable for community members to be able to support themselves while remaining in a locale, studies show, leads to community members accepting responsibility and working to build community (Meeker-Lowry 1995; Seyfang 2000; Shuman 1998; Witt 1998).

The interactions promoted by local currencies serve to augment feelings of belonging and community cohesion. Ithaca HOURS, in particular, appear to have created a strong community sentiment among users. One survey respondent stated, "Just knowing it's there makes me feel good about living in Ithaca" (Jacob et al 2004). Users describe forming a personal attachment to their local currencies as a symbol of the values and ideology upheld by the residents; the currency becomes an integral component of the community's overall ambience. This attachment and pride subsequently elevates residents' perception of the quality of community life in addition to their own personal wealth. In the course of my research in Ardmore, I investigated the extent to which participants in the Downtown Dollars program prioritized economic benefits or whether they initially participated in the program for philosophical reasons related to these social benefits.

The Current State of Community Currency

While many local currency schemes burgeoned in the 1990's, their use dwindled as time passed. Historically, local currency programs arise in times of financial distress in an effort to keep wealth in the region but then quickly dissipate as soon as the economy shows signs of improvement. It is argued that, while this has been the pattern in the past, the current trend in local currencies may be sustainable as a result of the growing "localism" movement (Block 2009; Lepro 2010).

In the last four years the renewed interest in local economy has "skyrocketed with the collapse of the global economy," according to Susan Witt, director of the E.F. Schumacher Society, a Massachusetts-based think tank focused on local production (Block 2009). Ardmore's Downtown Dollars is an example of the rebirth of local currency schemes sparked by the current global financial crisis. Since the federal government's stimulus had yet to trickle down to small businesses in the local community, Ardmore's scrip program was an attempt to stimulate consumer spending in locally owned businesses. By selling discounted dollars, the backers of the scrip hoped to increase not only the volume of shopping done in Ardmore's historic shopping district but also the amount spent in each transaction.

In addition, local currency experiments provide the opportunity to engage banks in the local community and work to restore citizens' trust in financial institutions. Banks' commitment to the success of programs such as Downtown Dollars proves their will to see local business succeed once again (Allison 2010; Armstrong 2010 (a,b); Lepro 2010).

The research completed in this study documents the perceptions of local merchants and contrasts them with the perceptions of consumers who participated in the first Downtown Dollars experiment lasting from May to September 2010. Comparing surveys and interviews between these two groups led to answers about how members of the community view localism and the extent to which relationships were built or maintained through the interpersonal contact Downtown Dollars require in a transaction. I set out to determine the extent to which Downtown Dollars add value to the community and make people feel proud to shop and do business in Ardmore. Using Ardmore's Downtown Dollars as a case study, I determined that a local currency program fueled only by economic incentive does not fulfill the impressive social benefits claimed by proponents and, ultimately, is not sustainable over time. To meet the goal of sustainability, the supporters of a local currency must incorporate larger social goals from the inception of the program.

METHODOLOGY

This paper reports on the first of a two-part experiment with Downtown Dollars in Ardmore, PA. The methodology consists of interviews, surveys, and questionnaires. Interviews were conducted with the architect of Ardmore's Downtown Dollars as well as with the executive director of the Ardmore Initiative, the program's project manager, a local psychologist who specializes in money issues, and the chairman and CEO of a community bank.

Surveys of eighteen local merchants who accepted Downtown Dollars in at least one transaction were followed by in-depth interviews of three of the merchants to gauge their personal reactions to the program. Fifteen participants in the program were surveyed using an online questionnaire and four of the respondents who purchased Downtown Dollars were interviewed by phone to determine their response to the program and if it affected their decision to shop locally.

In an effort to determine what value Downtown Dollars add to the community, I posed qualitative questions about general impressions of the program in the surveys and interviews I conducted with merchants and residents. I also attempted to better understand how Downtown Dollars made people in the community feel about their downtown shopping area. After asking about their initial impressions of the program, I probed merchants and residents with further questions in an attempt to determine whether the Dollars program has the capacity to build a stronger sense of community and makes participants feel proud to live/shop in Ardmore.

DATA AND ANALYSIS

> For Ardmore, Downtown Dollars are a direct response to the current economic crisis. If you remember a couple years ago, probably 6 or 7 years ago, the federal government did an economic stimulus plan where every taxpayer got $600, and they said, 'We trust you to go stimulate the economy: go do it.' Everybody took the money and they put it in the bank or they paid off their credit card. Nobody spent the money. This is, 'here is $100 if you give me $50,' so you've got skin in the game, it's not just me giving you money. And you have to spend it, or else it is worthless. And it can only be spent here. So, it is free money that has value immediately if you spend it.
>
> John Durso (personal interview)

Economic Crisis as a Catalyst for Community Cohesion

Ardmore, a suburb of Philadelphia, sits on the Pennsylvania Railroad's "Main Line." Lancaster Avenue is home to Ardmore's historic business district and is lined with small, independent stores that provide the area with a quaint, nostalgic feel. Walking down Lancaster Avenue, one immediately notices a handful of vacant storefronts that point to an alarming truth: it is increasingly difficult for small, independent stores to thrive given the tough economic times that retailers and consumers alike have dealt with over the past few years.

Though the stores lining Lancaster Avenue are independently owned and operated, they are part of an improvement association that works to sustain local businesses. The Ardmore Initiative, Ardmore's business improvement association (BIA) was established in 1993 with the goal of enhancing the business community and improving the commercial district. Its revenue comes from an assessment tax levied on all commercial property in the district. The Ardmore Initiative works to make Ardmore's business district attractive to investors, residents and shoppers in addition to providing planning and management for the district.

John Durso, a vice president of St. Edmond's Federal Savings Bank and the Ardmore Initiative's board chairman, recognized a vicious cycle that was playing out among the businesses on Lancaster Ave. As John explained, "[Economic forecast conference presentations] all say the same exact thing, and every slide presentation ended with the same slide, which is: for the Philadelphia area, the economic recovery is going to start with consumer spending. People have to go spend money." Using this logic, John Durso proposed the idea of Downtown Dollars to the Ardmore Initiative as a means of injecting money into the pockets of local merchants.

Downtown Dollars is Born

After completing much research, including focus groups, board meetings, and psychological consulting, the concept of Downtown Dollars came to fruition. Ultimately, it was agreed that the Downtown Dollars to USD ratio would be 2:1, giving consumers a fifty-percent discount, and that change would not be given to customers who purchased items totaling less than the $10 or $20 Dollar denomination used in a transaction. What makes Downtown Dollars unique, however, is that 100% of the money used to give the discount came from the Ardmore Initiative's budget, not the merchants' pockets. Thus, as all merchants interviewed agreed, it was a win-win for the businesses and consumers who chose to participate.

Though some argued the fifty percent discount was aggressive and perhaps too extreme, Christine Vilardo, executive director of the Ardmore Initiative, explained that a ten to twenty percent discount would not get people to leave their homes. A fifty percent discount, on the other hand, will get people to react and, hopefully, to shop in Ardmore when they otherwise would shop elsewhere or perhaps not at all. In addition, the fifty percent would be a huge boost for local retailers because "the stores in Ardmore can't do big discounts like malls on black Friday." While the first round of Downtown Dollars lasted May-September, the second round began on November 1, 2010 and lasted through December 24. The second round of Dollars allowed stores in Ardmore to be more competitive with major chain and big box stores at a crucial point in the shopping season.

Some merchants were initially hesitant to participate in the program, however, and were skeptical of the Ardmore Initiative's motivation for distributing discounted cash. While they may have been unresponsive to Vilardo's individual solicitation, they were willing to listen to their neighbors, friends, and fellow business owners, and, once they listened, many readily joined the program. Of the business owners who were surveyed, 44% responded that they decided to participate in the program because friends, community members, or other business owners encouraged them, demonstrating the importance of capitalizing on relationships when building a community-wide program.

Mistakes are Made and Lessons Learned: Round One

Each person I spoke to about Downtown Dollars was quick to discuss the initial launch of the program and his or her opinions as to what went wrong and how the distribution of Dollars could have been better executed. The initial round of Dollars was an experiment, and, like any experiment, things were bound to go wrong. Ironically the things that did not work out smoothly seemed to lead to community cohesion more than the things that went according to plan.

The initial distribution of Dollars was inequitable because people interested in purchasing Dollars were instructed to form a line outside of the Ardmore Initiative's office at 10am on a Friday, a significant time commitment in the middle of the workday. Each person was allowed to purchase up to $200 in Dollars in denominations of $10 and $20, for a total of $10,000. Thus consumers could purchase $5,000 while the Ardmore Initiative put up the matching $5,000, which meant that 50 people could participate in the program if each participant purchased the maximum. Though people stood line for an extended amount of time, the Dollars sold out in a total of four minutes.

The people waiting in line who did not receive Dollars grew incensed and demanded that more Dollars be released. Accordingly, the creators of Downtown Dollars recognized that the $200 maximum was much too high. As Jil Rappaport, a staff member at the Ardmore Initiative and the project manager for Downtown Dollars explained, the things that went wrong on day one of the experiment were fixed as soon as possible. After realizing people were eager to purchase the maximum number of Dollars allowed, the limit was brought down to $100 a person. The Ardmore Initiative also injected another $2,500, bringing the total Dollars in circulation to $15,000, to allow more people to participate in the program and keep it as fair as possible.

Ultimately, however, the flaws in the program decreased its effectiveness by limiting the number of people who could participate over the summer, a problem that would be solved to an extent in round two. When all of the numbers were finalized, 106 people purchased a total of $15,000 dollars, of which $12,960 were redeemed in round one. These dollars were used in purchases totaling $20,280; thus an additional $7,320 was injected into the pockets of local businesses owners through transactions in which Downtown Dollars were exchanged over the course of four months.

Community Banks- Putting the Community First: Round Two

To sustain the program, make the distribution more fair, and make the program grow, the Ardmore Initiative recognized the fact that they would need increased resources and money from somewhere other than their own budget to continue the Downtown Dollars program. To make the distribution more equitable, people interested in participating in the second round of Downtown Dollars signed up online to be entered into a computerized lottery. The limit of each Downtown Dollars purchase was $100 per person in round two, though multiple members of a family could enter and each receive the maximum allotment.

The Ardmore Initiative reached out to local banks to help create the second round of Downtown Dollars, begun on November 1. Four community banks, St. Edmond's Federal Savings Bank, Beneficial Bank, Bryn Mawr Trust, and Firstrust, all signed on to give $2,500 to the program, totaling a contribution of $10,000. The Ardmore Initiative contributed an additional $7,500 bringing the total to $17,500. This $17,500 was matched by the participants' $17,500 to create $35,000 in Downtown Dollars for the November-December experiment.

Banks are an integral part of the community fabric and a fundamental piece of building a successful business district. These banks have the ability to turn the community around and make local business successful, keeping themselves solvent simultaneously. John Durso explained that Downtown Dollars are a great way for the banks to show their faith in and support for the community.

Ted Peters, President and CEO of Bryn Mawr Trust as well as a member of the board of directors of the Federal Reserve of Philadelphia, agrees with the need for community banks to show their commitment to the success of local business. In a phone interview, Mr. Peters stated his belief that community banks should play a supportive role in a local currency program because if businesses in the town do well, the banks in turn do well. Mr. Peters further emphasized the importance of maintaining a vibrant community through a high-quality merchant base. The local businesses in Ardmore, Mr. Peters contended, are doing fine because people have been drawn to the convenience of shopping locally instead of driving out to malls and bigger stores, which has created a trend of shopping locally. Mr. Peters' social motive for endorsing Downtown Dollars is based on his belief that an assortment of business "makes the town" and keeps consumers shopping in the community.

Merchant Perceptions of Downtown Dollars and the Community

Though the program did not begin as smoothly as planned, Downtown Dollars arguably made an economic impact on local businesses while making the business community more cohesive. Dollars were not redeemed at every participating business; some businesses had one or two customers spend Dollars in their establishment, while a handful of businesses seemed to attract a large portion of the money. Much of this disparity can ultimately be tied to merchants' own enthusiasm for the program and individual efforts made to attract Dollars at specific locations.

Many of the businesses I surveyed in which $250 or more Dollars were redeemed took the initiative to market the program to their customers to attract Dollars to their business. The types of businesses that received a large portion of the money ranged from retail outlets to beauty salons to restaurants; the amount spent did not appear to be contingent on the type of business. Posters and signage were the most common marketing tools used, while others put information on their website and flyers around their stores. One of the most effective means of marketing the Dollars was merchants' own word-of-mouth; merchants spoke to customers about the program and encouraged them to learn more and purchase the Dollars. Sherry Tillman, owner of the gift store Past*Present*Future on Lancaster Avenue, recalled speaking with customers who had not previously heard of the program and who became excited to participate after she explained it.

Though it is difficult to measure the amount of camaraderie built from the use of a community currency over a four-month period, a clear majority of merchants who filled out the questionnaire responded that conversations began when Downtown Dollars were used in a transaction. The fact that Dollars were used as a conversation tool demonstrates how merchants were able to relate to their customers as members of their community. Often this conversation was about the program itself and people's opinions of it. Participants in the program recalled speaking with merchants about the nightmare of waiting in line to purchase the Dollars, while merchants shared their enthusiasm for the program with customers.

Perhaps the most telling result of the Downtown Dollars program stems from the fact that two-thirds of merchants responded that Downtown Dollars increase their pride in doing business in Ardmore. This result is evidence that merchants not only recognize the uniqueness of their situation but also enjoy being part of a small town community. Despite the hardships they face as independent business owners in a difficult economy, these merchants felt proud of their community for coming together and appreciated Ardmore Initiative's support in ensuring they succeed. Sherry Tillman said it best when she responded, "I live in Ardmore and I have my business here and I'm really proud of Ardmore. I think Ardmore is kind of like the little engine that could. It keeps chugging along despite a downturn in the economy, which has affected every town. There are empty stores everywhere, it's not just in Ardmore."

Participant Perceptions of Downtown Dollars and the Community

Arguably, Dollars' most important impact on consumers was its ability to drive business to Ardmore and make shoppers reconsider where to shop. Of the four program participants I spoke to, only one could not recall a time when she planned to shop outside of Ardmore but reconsidered her decision based on the fact that she had Dollars to spend, because her first inclination is to shop in Ardmore. Each of the other three women easily recalled a time when she was planning to shop elsewhere but changed her mind because she had Downtown Dollars to spend. Elaine Rosenberg was planning to go to Staples to buy office supplies, but decided to shop at Mapes instead and buy her supplies from an independent store. Terri Olson was planning to get a facial at a salon in the nearby town of Wayne, but switched her appointment to a salon in Ardmore. For Susan Winters, the consideration of where to spend her Downtown Dollars played a role in where she chose to purchase baby items for her grandson. She chose a store in Ardmore that was pricier than where she would ordinarily shop, and mentioned she would not have gone there without Dollars. The ability to make consumers reevaluate where they chose to spend their money, and drive more customers to shop in Ardmore, is one of the most powerful effects Dollars had on the community.

When asked whether using Downtown Dollars made them proud to shop in Ardmore, participants readily expressed their belief in the importance of shopping locally and supporting local business. Traci said she wants local businesses to thrive and "would much rather spend money locally." Susan also noted that she prefers to shop locally, and, even though she was unsure of who fronted the money for the Dollars program, expressed her opinion that it was respectful to the merchants and showed community support.

Though Dollars' economic benefit is apparent, the underlying ideal of helping the community and sustaining local business came through when participants were probed. While over three-quarters of survey respondents indicated feeling that they were saving money was more important to them than feeling as though they were doing something good for the community, the fact they feel proud to live and shop in Ardmore and want to help the community cannot be overlooked. As with other scrip programs throughout history, the program "illuminates the willingness of ordinary citizens to take action" (Elvins 2005: 223). Programs such as the Chiemgauer, a community currency in Germany, further the benefits of scrip by contributing a small percentage of the exchange rate to local nonprofit organizations. In this way, the less fortunate in the community benefit from the circulation of the local currency (Gelleri 2009).

Ted Peters, however, attributed the success of the Dollars program to its economic incentives. "Economic incentives work," he explained: people do not do things solely to be considered good citizens, people act in accordance with their economic interests. While citizens may be encouraged to participate in the local economy for a period of time as a result of a scrip program, history corroborates Peters' sentiment; the failure of scrip to overcome the challenge of changing people's attitudes toward the economy ultimately leads to its demise (Elvins 2005).

Future and Sustainability of Downtown Dollars

Whether Downtown Dollars will continue after round two or ever transition into a fully circulating currency remains to be seen. As a result of the interviews conducted with the creators and promoters of the program, it appears unlikely that the transition to fully circulating currency will occur because of community attitudes toward the program and the strategy used for implementing the currency. Although John Durso said he would eventually like it if, when people went to the bank to withdraw money they were asked whether they would like their money in USD or Downtown Dollars, the likelihood of this scenario becoming a reality is slim.

Unlike other communities using complementary currency, all of which began their programs with the idea that the bills would remain in circulation from the beginning, Ardmore decided to take the process one step at a time. As John explained, "We're not just jumping in…the deep end of the pool. We're getting people warmed up to the concept of trapping their money." Ardmore decided to introduce the currency slowly into the community to warm consumers and businesses up to the idea of using a local currency in conjunction with national money. In order for the switch to occur from scrip that is exchanged one time to perpetually circulating currency, consumers would need to adjust to the concept that they will not continue to receive a fifty-percent discount on all purchases. The current incentive for using Downtown Dollars lies in the initial purchase of $10 DD for $5 USD; if the money were to become fully circulating currency the incentive would need to transition from economic benefit to the community's desire to support local business. Thus the social incentive would have to take precedence over the economic benefits.

To make the money sustainable over time, community members would need to become habituated to using an alternative currency. Maggie Baker, the economic psychologist consultant, pointed to a reality in which people use a local currency initially because of its novelty, but once the excitement declines it is difficult to keep people in the habit of using an alternative currency in the course of their daily transactions. Getting the community fully committed to using Dollars is a crucial first step to sustaining the program.

It is also difficult to determine whether the program can be sustained over time if community banks back the money used for the initial incentive. It is likely that banks will not be willing to continue to donate lump sums of money to a community currency once the economy regains its strength. Ted Peters argued that the currency is more of a gimmick and is not sustainable in its current form. At most, he hypothesized, a program like Downtown Dollars could take place two to three times a year but would not remain a year-round phenomenon.

The majority of merchants, participants, and local bankers I interacted with see Downtown Dollars as little more than a response to the economic recession and have not considered its long-term possibilities. Community support stems from the realization that independent businesses have suffered in the wake of rising costs and a bad economy, but little thought has been given to the potential of a local currency system to reinvigorate the area and build a more cohesive community. Those who see the long-term potential for the currency to sustain historic Ardmore realize that their efforts to create and maintain a fully functioning currency will be futile without the full support of merchants, bankers, and community members. The initial hesitancy to begin Downtown Dollars as circulating currency may have done more than create a slow start to the dispersion of the currency; it is likely that the system of distribution to which participants have grown accustomed will prevent Downtown Dollars from ever becoming more than a fifty-percent off coupon.

CONCLUSION

Downtown Dollars, while established for similar reasons as other local currencies, differ dramatically from other fully functioning currencies in fundamental ways. The fact that Downtown Dollars were created in direct response to the current economic crisis and that they were created as one-time use scrip, as opposed to fully circulating currency, sets them apart from the standard, well-researched community currencies in America and abroad.

The money spent at local businesses in Ardmore through the Downtown Dollars program, similar to the currency schemes reviewed by Greco, Meeker-Lowry, and Seyfang, contributes to the overall wellbeing and accumulation of wealth in the community. As explained throughout the literature, independent, locally owned businesses are likely to inject their revenue back into the community and build wealth in the town. The business owners I interviewed also live near Ardmore. Sherry, the owner of Past*Present*Future smiled when she told me that, after moving her business to Ardmore from Philadelphia after twenty years, she now lives close enough to walk to work. The merchants also do their personal shopping in the community; thus, if Dollars were to become circulating currency, the Dollars brought into locally owned stores would be injected back into the community, benefitting both the store owner who made the initial revenue and the people who receive the Dollars in subsequent transactions. Furthermore, like the arguments outlined by Meeker-Lowry, Shuman, Seyfang, and Witt, the wealth accumulated in the community allows it to adequately plan for the future and ensure the welfare of its residents.

Participants in the Downtown Dollars program had similar feelings to participants in other researched local currency systems, and responded that using a local currency made them feel they were an integral part of the community and made transactions feel more personal. Instead of feeling alienated by a global economy in which transactions remain impersonal, Glover and Witt point to the opportunity for local currency to "respond to the alienation we experience in an expanding global economy." Though Downtown Dollars did not have the reach to impact all community members, they did contribute to creating a consciousness among community members about a culture of shopping locally and supporting the community.

Consistent with the results of Ithaca HOURS outlined by Jacob et al, Downtown Dollars attracted customers to local businesses they may not have previously visited. Participants in Downtown Dollars, just as those in Ithaca HOURS, consciously tried to shop at stores that accepted the local currency. This consciousness drove participants to shop in Ardmore when they otherwise would have shopped elsewhere. Participants developed an acute awareness of the association between using a local currency and supporting local business.

Though it was initially economic benefits that accounted for individuals' participation in the program, those who participated in Downtown Dollars ultimately proved their commitments to larger social outcomes. The fact that respondents indicated that receiving a monetary gain was primarily more important than the ideology behind the currency was accounted for by Peters' explanation that people are always motivated to act in their best interest economically. By incentivizing shopping in local businesses, however, the Ardmore Initiative succeeded in building social capital through the conversations held between customers and merchants and building cultural capital by increasing merchants' and participants' pride in shopping and doing business in the community.

Though Downtown Dollars have not reached the level of circulation associated with functioning local currencies across the country and globe, they were an attempt to create a culture among residents of supporting the community and local business, while putting money in the pockets of business owners. In these goals, Downtown Dollars succeeded, both through increasing the pride of business owners who have stores in Ardmore, and among participants who shopped in Ardmore when they otherwise may not have and spent more than they ordinarily would. While Downtown Dollars was an experiment, it proves the potential for communities to infuse their currency with their values. By making its money align with its ethics, Downtown Dollars can facilitate relationships, keep wealth local, and invigorate the community with a sense of place and pride.

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