

MINUTO – TIME VOUCHERS A NEW MEANS OF PAYMENT SELF-ISSUED AND FOR ALL REGIONS

The Minuto Concept

The use of new means of payment needs a revision of our relationship to the topic of money. Increasingly, people are recognizing that conventional money systems (Fiat money with fractional reserve banking and central issuance) are at the root of recurring economic and social problems.

Today, with a worldwide financial market, these problems occur on a global scale. However, they have been building up for quite some time, and have led to an understanding that fundamentally new solutions would be needed. A whole host of different models have been developed.

One of the most successful concepts in Europe, so far, has been the introduction of regional currencies called 'Regios', which function parallel to the Euro, installed to support the regional economy and enhance the creation of social networks. Regios are being centrally issued, controlled and administered. In this respect, they resemble the traditional money creation by central banks. One of the main reasons for stagnation in the present regional currencies is the administration effort: The unpaid organizers, who took on the responsibility to make the system work, get burned out and therefore discontinue their work.

A new model does not need any administration effort: The concept 'Minuto Time Voucher', called *Minuto*, is based on the possibility that everybody can issue his or her own means of payment. *Minutos*, which are used similarly to cash, are a truly decentralized means of payment.

Usually people work and get paid for it after that. But where does the money really come from? Interestingly, money is being created through debt. The centrally managed public debt of the conventional system has grown to reach astronomic numbers. In contrast to that *Minuto* Vouchers are local self-made vouchers with a limited thus accountable promise to perform a certain service.

The name *Minutos* is based on the minutes of high quality work that are being used as units of payment for the exchange of goods and services. One hour of quality work is worth 60 *Minutos*. Since one hour of quality work in Germany costs – on average – about 30 Euros, the present "exchange rate" is 60 *Minutos* = 30 Euros (August 2010).

Since *Minutos* can be considered to be totally inflation free, as an hour is an hour today, tomorrow and in a hundred years from now, the prices for goods and services in *Minutos* will not have to be adjusted, for instance, if the conventional currency should go into hyperinflation. In a case like that, what needs to be adjusted is the equivalent in conventional money. *Minutos* (as the more stable means of payment) would be the equivalent of a higher amount of (more worthless) Euros.

When introducing the *Minuto*, a group of people needs to meet. In the beginning someone has to organize this. Later this responsibility can be shared and taken over by others. Resources and needs - as well as other items regarding the practical implementation of the concept - are discussed publicly in these *Minuto* meetings. If *Minutos* are being used beyond the region, they will have to come back, eventually, to their place of origin as long as they are still valid. Every *Minuto* voucher shows the name and address of the person who issued it, its value, date of issue, the abbreviation of the state, the postal code of the issuer - and its period of validity (Year end of issuing plus 5 years). In addition, two underwriters (a female and a male) go proxy for each *Minuto* voucher with their rubber stamp and signature. Its

acceptance is naturally highest in the region, in which it is created. However, anybody anywhere is allowed to accept and use the *Minutos* issued in other regions. Especially the providers of goods from primary production profit from these gatherings and from using *Minutos*: agriculture, horticulture, crafts and social services.

Frequently asked Questions and Answers

1. Can you only buy with *Minutos* from the issuer of the voucher?

Do people take their bank notes back to the central bank? Very few. Similarly, the *Minuto* voucher can be passed on as a means of payment many hundred times from one person to the next, before it will end up with its issuer. Everyone has the freedom to accept or reject it. But the issuer has the responsibility to redeem it within the time span it is valid.

2. Is it necessary, that the issuer writes all his offers on the self created vouchers?

It is recommended that the issuer uses a stamp, which shows his/her profession. If possible a personal website would be fine. To show the profession on the stamp is like an advertisement. While the voucher is circling, people read it. If the stamp does not show the profession, we recommend to write at least 3 of your offers on the rear side of the vouchers. This helps to get a high acceptance rate for the *Minutos*.

3. Are the underwriters also obliged to redeem the *Minutos*?

Normally the answer is: No. Only if the issuer cannot fulfil his or her obligation do the underwriters need to step in, for example if the issuer is unable to work or disabled, moves without leaving an address or dies and there are no heirs who can be called upon to honour the promise. A compensation for the service of the underwriter is that their name and address become widely known in the community that accepts the *Minuto*.

4. What limits the validity of the *Minuto*?

Every voucher has an inscribed validity. The period of validity from the end of the year of issue is at most 5 years. According to his/her needs, the issuer has to honour the promise - and then may create new *Minutos*. Thus, every person contributes individually to the amount of *Minutos* in circulation and to their backing.

5. Can the issuer use a voucher a second time after redemption?

If the voucher is still valid for longer than 3 years the issuer can use the voucher a second time or more. If the validity is shorter than 3 years the issuer has to destroy the voucher after redemption. Due to this rule, members of the *Minuto* network will hardly ever hold a voucher shortly before expiration date.

6. Does one have to create *Minutos* in order to participate?

To create *Minutos* is just as voluntary as to accept them in payment for ones own goods or services. For some people, it may first be easier to accept *Minutos* and to spend them again. After they have gained trust in the process they will most likely also begin to issue their own. Before starting to issue *Minutos*, generally, it is useful if people make a list of what they have to offer and to determine the respective prices in *Minutos*.

7. Is there a minimum age before you can issue *Minutos*?

Some teenagers may be more capable in certain areas – like the use of the computer - than grown-ups. Should they want to issue their own *Minutos* (over and above accepting and paying with the *Minutos* of other issuers), they need two adult underwriters, who are legally of age.

8. How many *Minutos* should be issued per person?

In order to pay small amounts one needs to create enough vouchers of the 1 and 5 *Minuto* denominations. Thus, it is useful if every person issues 10 sheets of *Minuto* vouchers. Every sheet represents 231 *Minutos*. Ten sheets represent 2310 *Minutos* or 38,5 hours of quality work. This is equivalent to the normal working hours of one week.

9. Can I buy everything with *Minutos*?

Minutos are complementing the traditional currencies (Euro, Pound, Dollar, Yen, etc.). Many items will be available only by paying with these currencies for quite some time to come; for instance, petrol, heating oil, telephone bills, electricity, gas, new cars, etc. But the more people participate in the minuto-network, the more choices will be available.

10. Who are the main target groups for the *Minuto* time vouchers?

They are meant for everyone, but especially for people who like to support the economic activities in their region, have many abilities but have lost their job, feel that an active life beyond their retirement age is possible, want to reduce the traditional money in neighbourhood exchanges and for those who are happy to implement creative ideas. Experience shows that – in the beginning - the *Minutos* works best between friends and friends of the friends. In other words: *Minutos* work in social networks between people who trust each other.

11. How do you handle the payment of taxes on transactions in *Minutos*?

The *Minuto* is designed to be used between friends and to optimize neighbourhood exchanges. These are usually not taxed. If you run a business you can also use *Minutos*. Income from commercial transactions in *Minutos* follows the same rules as income from conventional currencies, and needs to be paid in the conventional currency. The recommended exchange rate for your bookkeeping in Europe is: 60 *Minutos* = 30 Euros (Aug. 2010). In some communities fees and taxes can already be paid in complementary currencies.

12. Does it make sense to save *Minuto* time vouchers?

Short-term savings over some weeks or months can make sense in order to pay for a costly item you want to buy with *Minutos*. Long-term savings do not make sense as every single voucher has a time limit of a few years only.

13. What do you mean by quality work?

In a society based on the division of labour and high performance, hours of work can be a fairly meaningless measure. In order to have a yardstick, we decided to take the average between a highly specialized and an unspecialized hourly payment (60 *Minutos* are equal 30 Euros). However, the payment for an offer in *Minutos* will always depend on the value it has for the buyer of a good or a service. The proper prices will be found over the course of time. Thus the basic rule should be that *all deals are a matter of negotiation*.

14. Who prints the *Minutos* and which paper should be used?

Everybody can print their own *Minutos* from the original form on the website. Normal copying paper is suitable (80 to max. 120 grams, as the vouchers will often be folded). The colour of the paper is a matter of choice. But it should be a light colour as the rubber stamp and signature have to be readable.

15. Why is a rubber stamp and the signature necessary?

These are the traditional means of signing a contract and thereby, give the *Minuto* credibility.

16. Why are there black dots on the original voucher sheet?

When you cut the sheet through these dots, every voucher has a half dot on its upper edge. These half circles are in different positions for each denomination from 1 at the immediate left hand-side to 120 at the far right hand-side. If you have a bundle of *Minutos*, you can easily distinguish them to find the appropriate denomination.

17. How do I know that I can issue *Minutos*?

The *Minuto* is a social network project. Therefore, members meet in their region regularly. For beginners, it is useful to participate in these meetings to get to know the other participants, to become familiar with the details of issuing and using *Minutos*.

18. Is there a database with all the members and their offers?

To join a *Minuto* group the new member has to fill in a form with contact details and skills or products offered. This form will then be copied and shared with the other members of the group. Instead of a central database every member builds their own “yellow pages” with their favourite exchange partners.

19. Is it possible for shops to participate?

Yes, this is possible. A sign near the entrance – showing the respective postal code for the area of acceptance– indicates that the owner is willing to honour *Minutos* as a means of payment. However, shop owners will only sustain using *Minutos* if some of their suppliers also accept *Minutos*.

20. Is it possible to transfer *Minutos* electronically? Are there Giro accounts for *Minutos*?

Each *Minuto* voucher is a unique document. Legally, it is a ‘personal certificate of commitment’ in the English-speaking world also called ‘IOU’. To use the computer may eliminate knowing the person who is responsible for the redemption of the voucher as well as enhancing social networks. Instead of developing an *e-Minuto* we recommend to use other complementary currencies in addition to the *Minuto* that provide this possibility.

21. The *Minuto* game

For a better understanding about how to create and to redeem *Minutos* we recommend to play the *Minuto* game. It is very simple: Just invite a group of 4 to 15 people. Let all people fill the forms for their offers. Let everyone read his offers for the group. Hand out the voucher forms. Let about 2/3 of the people create “game-*Minutos*” (without stamp, date and signature, just the forename). The other 1/3 of the members do not create *Minutos*. This helps to understand that not every member has to create *Minutos* to be a member. Similarly the underwriters in the game do not use a stamp. Just the forename is usually enough. Hand out a bundle of small blank papers to everybody, and when people begin to exchange for every item they sell and get *Minutos* they write a note about the item on one of the blank papers and give it to their customer. After a while everybody should have some of these papers in his hands with notes about the things he/she has “bought”. In the closing session everybody reports about their experiences. On interest using *Minutos* in real life, just collect the filled forms with the offers to talk about further steps.

22. How can I find the underwriters?

The easiest way is to make it two-way with four people (2 man, 2 women). So everybody gets a male and a female surety and stands surety for two others. If you have bigger groups (for example in the game) you can make big circles (group size divisible by 4, same amount man and women, always 2 man and two women standing side by side). Trust makes the decision.

23. Is everybody allowed to download the data about the *Minuto* onto their own computer? – and later publish it on their own website?

Yes, because the *Minuto* should be created in as many places as possible. *Minutos* are issued only in a decentralized way. The central website (www.minuto-zeitgutscheine.de) that contains the data only serves as contact for newcomers, for changes or updates of the text and the forms and for answering further questions. If you want to develop the *Minuto* system please respect the Copyleft Licence and send a notice to the administrator of the *Minuto* website.

24. What are the drawbacks?

- Other than the centralised belief system *Minuto* is all about assuming responsibility yourself locally. Nowadays many people may find such behaviour highly unfamiliar. Therefore, to find new *Minuto*-service providers one needs patience and compassion.
- Realising just how limited the spectrum of local services and goods really is can be quite frightening as almost everything is supplied from faraway places.
- It is a good idea to have two separate sections in your purse: one for your own *Minuto* vouchers and one for those from other issuers.
- The possibility of creating such local currency yourself is very unusual and can easily trigger excessive amounts of excitement. Much more important than the vouchers however are the goods and services behind them. This is an aspect which cannot be stressed enough.

Forms that can be downloaded from the Website

- *Minuto* time vouchers form in the following denominations 1 – 5 – 15 – 30 – 60 – 120
- Form to fill in your offers, skills, products
- *Minuto* posters for shop entrances

Disclaimer

The author reserves the right not to be responsible for the topicality, correctness, completeness or quality of the information provided. Liability claims regarding damage caused by the use of any information provided, including any kind of information, which is incomplete or incorrect, will therefore be rejected. All offers are not binding and without obligation.

International use

The *Minuto* Concept was created in and for Germany at first. If you live in another country, you need to check the legal and tax situation. Consult a lawyer and a tax advisor before you start to go public.

Version

Minuto Time Vouchers, text version 2.0, october 2010

Websites

www.minuto-zeitgutscheine.de
www.konstantin-kirsch.de/category/geld
www.monnetta.org
www.margritkennedy.de
www.complementarycurrency.org

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www.minuto-zeitgutscheine.de/spende.html