

Complementary currencies in Hungary

a review by Zoltán Ákos Kovács, Budapest

It was in the early 1990s when the idea of LETS became more known in Hungary, although it is rumoured that there were some former LETS kind of initiatives (such as in the second half of the 1970s a kind of bank in the Cultural Centre at Almási Square in Budapest, and another one in 1993 in the Family Assistance Centre in the 13th District of Budapest. There were some groups from the eco-village movement which came together and organised a meeting at Drávafok in February 1993 to discuss the ways and possibilities of introducing LETS in Hungary. However, despite the initial enthusiasm, no viable LETS were organised until 1996, most likely because of lack of the critical mass of people needed for efficient operation.

The first still existing and also the biggest LETS (Talentum) was formed in 1996 and was inspired as well as encouraged by LETS initiative of South Tirol, Austria, which was led then by Bernhard Oberrauch. The idea was also supported by a conference organised by HIFA at Máriabesenyő. Talentum is still operating in Budapest, the capital of Hungary, with more than 130 members. Their slogan is the following: “In Talentum the talents become value! Come together in order that quality of our life does not to depend on money.” The members of Talentum meet in every second months, and most of the deals are made also during the meetings, furthermore there are club meetings as well, organised for the members so that they become more acquainted with each other.

In 1999 LETS got a fresh impetus and several new LETS were created in the countryside. It was assisted by a two year project (1999/2000) of the Association of the Non-Profit Human Services Providers, that was also financed by the British Council. That time a user manual of LETS was also published in Hungarian language, with several best practice recommendations.

In 1999 several LETS came into existence, among others the Zöld Forint Kör (Green Forint Circle) at Gödöllő, a city close to Budapest, as well as LETS in Szolnok, Miskolc (Óra Kör), Tiszaluc and Győr. Some people from Talentum became separated and formed a new LETS in the 12th District of Budapest, named Krajcár (it was a Hungarian coin in the Middle Ages).

These Hungarian LETS operate in almost the same way. For instance, the Óra Kör in Miskolc (a big city in Eastern part of Hungary suffering from deindustrialisation and high unemployment) has a clearing system where they register individual accounts. The unit of this supplementary currency is based on time, i.e. how many minutes were spent for producing the product or service offered. There are points registered also in checks. Every month the administration centre sends a brochure to the members with all the necessary information.

The LETS in Szolnok (a city in Central-Eastern part of Hungary) had more than 300 active members with a turnover equivalent to more than 4 hundred million forints in 2002. This LETS operates under the auspices of the Civil Regional Association. It maintains a so-called Charity Shop, most of the deals are made there. The building of the shop is leased from the Self-Government of Szolnok City. In recent years most of the deals have been in goods rather than services. The unit of the supplementary currency is Green Forint Point, registered on individual accounts by applying a special computer program called Körmölő.

One of the latest LETS was set up at Nagykanizsa (at South-West Hungary) in 2002, with a name “Sárec Kör” (Community Self-Supplying System). Sárec is the name of the

complementary currency which was issued also as coins of ceramics in 1, 2 and 3 units. One of the aim of introducing SÁREC was to mobilise local resources both of human and material kind. They have a clearing system and issue a newspaper every month with a list of members as well as goods and services offered and requested. They also organise meetings every month, and between meetings there is a management group consisting of three people, responsible for administration. As a recommendation, one hour work costs 60 Sárec, however the type of the work (i.e. intellectual or physical) as well as other special circumstances may be taken into account. Membership fee is 60 Sárec for half a year.

(Note: LETS initiative in Galgahévíz was presented at the conference by Géza Varga.)