

Funny Money

by Barry Koren



Foreward

I wrote the following statement almost thirty years ago when I was working on the South Side of Chicago at a social service agency. I was searching for a way to reverse the huge losses of housing that were going on in the community. We had no money to buy or rehab the abandoned houses or to issue loans residents.

The idea of the GREAT Notes came in a flash at a meeting I was in with a group of residents. These folks were among the handful of middle class people who lived in this impoverished area. They lived in beautiful large, old, elegant houses that were greatly in need of repair.

At that meeting was a young man who had just graduated from a highly respected architectural school that was located just outside of the neighborhood. He couldn't find a job and they needed architectural work done but didn't have the funds to hire him. Hmmm. The only thing that stopped them from helping one another was the lack of US dollar bills.

The idea that flashed seemed simple. Use play money to seal the deal that was needed.

Just below is the description I had used back then to inspire people about the powerful possibilities I saw. Seemed to me that the United States had done something similar when it issued paper called US Savings Bonds during World War II. They asked people to make a tangible commitment to support the country in its time of need by buying those bonds. The bond sales raised money the country needed for the war effort.

On the South Side, we, too, needed people to commit to support the community by accepting 1 Great Dollar as having the same value as \$1. However, despite all of my efforts, I could not convince my boss at the agency to allow me to move forward with the issuing of GREAT Notes.

– Barry Koren, 8/9/2012

G.R.E.A.T. COMMUNITY COALITION (Grandboulevard Residents Encouraging Action Together)

G.R.E.A.T. Notes

by Barry Koren, November 23, 1983

In one hand I am holding a U.S. dollar bill. In the other I am holding a dollar from the Parker Brothers' game, "Monopoly". People use the U.S. dollar to trade goods and services with one another. They use the other to play a social game; this game is mostly used for entertainment and actual goods and services do not change hands.

Now let me introduce the G.R.E.A.T. dollar. This dollar has some characteristics of both the U.S. dollar and the play dollar. Just like the U.S. dollar, it is used to trade actual goods and services. Just like the play dollar it is printed by a private concern and trade will occur only among those who commit themselves to using this dollar.

The G.R.E.A.T. dollar is being established by the G.R.E.A.T. Coalition. G.R.E.A.T (Grandboulevard Residents Encouraging Action Together) is a community coalition in the most economically impoverished area of Chicago. The purpose of the coalition is to bring about more economic and social development to our community.

We ask those who share this goal with us to join us and commit themselves to trade using G.R.E.A.T. dollars as well as U.S. dollars as a medium of exchange. An independent school that sets up a system like this could ask for a similar commitment from their community.

Three vital points

There are three simple but vital points that make the G.R.E.A.T. notes system work. The first is that people are asked to sign a letter of commitment. This letter commits the signer, say Tom Jackson, to accepting G.R.E.A.T. dollars at the same value as U.S. Dollars. One G.R.E.A.T. dollar equals one U.S. dollar. Thus, Tom commits himself to accept G.R.E.A.T. dollars for services and goods as if he were being paid in U.S. currency. (A draft of this Letter of Commitment is attached and labeled as Exhibit A.)

A second vital point is that G.R.E.A.T. spends its notes under the constraints of a budget. In other words, if in one year G.R.E.A.T. meets the objective of getting a commitment from people to provide \$108,000 worth of goods and services in exchange for notes from G.R.E.A.T., then G.R.E.A.T. limits the notes it "pays" out to (1/12 of the full amount) in any one month.

In fact, this budget is formulated by the Business Committee and approved by G.R.E.A.T. All expenditures made by G.R.E.A.T. must be signed by the Chairman or the Executive Director and the Treasurer.

The third vital point is that G.R.E.A.T. provides directories (The G.R.E.A.T. Yellow Pages) to those that commit themselves to accepting G.R.E.A.T. notes. The directory will be similar to the Telephone Yellow Pages and lists all individuals and organizations who will accept G.R.E.A.T. notes for payment for services and goods. G.R.E.A.T. Community Coalition will not be held liable for any goods or services exchanged through use of G.R.E.A.T. notes.

Incentives

There are two simple incentives for an independent school to set up a trade association such as the one described here — more students bringing in more tuition income and the availability to the school of more goods and services. Here's an example: Tom agrees to provide architectural services to the school in exchange for 100 G.R.E.A.T. dollars (G.\$100.00). The school gets specialized services it could not otherwise be able to pay for. Tom spends his G.R.E.A.T. dollars in Jesse's meat market. When Jesse wants to send his child to an independent school, he will have an incentive to send him to your school because he has G.R.E.A.T. dollars and your school will accept them as if they were U.S. dollars. Hence, you add Jesse's child to your student roster and additional G.R.E.A.T. dollars to your income.

Example

Let me stop here and illustrate how the exchange will work. Tom Jackson performs a service for G.R.E.A.T. and receives G.\$300 in notes from G.R.E.A.T. He is then able to go to anyone listed in the directory of subscribers and acquire his/her services or goods. He will pay for his purchase from the G.\$300 that he has received from G.R.E.A.T. However, Tom Jackson might ask, "What can I do with my G.\$300 if I decide to move to another part of the city"? My response is that Tom Jackson can do with his G.\$300 the same thing that he can do with anything else that he possesses and no longer wants. He can either spend them, give them away, or sell them. The price that he will get for selling them will be determined by the market and the parties to the transaction.

Some details

Here are some further details. All notes issued by G.R.E.A.T. will have serial numbers and the original signatures of the Chairman or Executive Director and the Treasurer. These notes will also have the raised seal of the G.R.E.A.T. Community Coalition.

G.R.E.A.T. will secure a minimum of 200 Letters of Commitment signed by January 15, 1984. Thereafter, G.R.E.A.T. will sign up a minimum of 30 new subscribers per month for the next 11 months. If these objectives are met and if subscribers on average commit to accepting 210 G.R.E.A.T. dollars (G.\$210) of notes issued by G.R.E.A.T., then G.R.E.A.T. will have secured for the year \$108,000 worth of goods and services. What this means is that G.R.E.A.T. will have the equivalent of approximately 9 staff if G.R.E.A.T. spent all of the notes to secure services.

One objective in recruiting subscribers will be that every listing in the neighborhood telephone directory be represented at least once.

An individual or organization that refuses three times to honor G.R.E.A.T. notes will have its name removed from the G.R.E.A.T. Yellow Pages for a minimum of six months; G.R.E.A.T. has the option of suing those who fail to abide by the letter of commitment that they signed.

Organizations, businesses, and people that are asked to sign a letter of commitment will be asked to describe the kinds of services and goods that they will provide under the terms of the commitment. For example, a bakery will provide baked goods in exchange for services. Another example is a social service agency that offers to provide the following services in exchange for G.R.E.A.T. notes: technical assistance, secretarial services, graphics, counseling, tutoring, and xeroxing. The level of commitment will be solicited from organizations and individuals is described in the schedule that is labeled Exhibit B.

The vision

As more people enlist in the G.R.E.A.T. Yellow Pages, and as G.R.E.A.T. spends and puts more notes into circulation, more trade amongst people in the Grand Boulevard area will probably result. Thus, the amount of work and wealth that is here should correspondingly grow. The first step to bring this about is for G.R.E.A.T. to establish a budget and incorporate as a not-for-profit corporation. The next steps will be for G.R.E.A.T. to recruit 200 subscribers to sign letters of commitment, publish and distribute the G.R.E.A.T. Yellow Pages, and print and spend its G.R.E.A.T. notes.

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EXHIBIT A
LETTER OF COMMITMENT

The undersigned supports the purpose of G.R.E.A.T. Community Coalition which is to improve the quality of life for residents in the Grand Boulevard area.

The undersigned is hereby committed to accepting notes of exchange issued by G.R.E.A.T. for a minimum of _____ dollars of goods and services. The agreement expires September 30, 1984. The undersigned will render one dollar of goods and services in return for each one-dollar note from G.R.E.A.T. (Any direct out-of-pocket expenses will be reimbursed by the note bearer in U.S. dollars.)

This agreement is valid only after the undersigned receives a directory of at least 35 subscribers.

Prime Services Offered:

Experience (Optional)

Other Services Offered:

Experience (Optional)

The above information in this letter can be published in the directory,

(Signature and Date)

(Organization, if applicable)

(Address)

(Telephone)

EXHIBIT B
SUGGESTED COMMITMENTS

Organizations

More than 50 employees	3,000 dollars of commitment
Between 10 and 50 employees ..	1,200 dollars of commitment
Less than 10 employees	600 dollars of commitment

Individuals

Board Members	1,200 dollars of commitment
Patrons	600 dollars of commitment
Benefactors	300 dollars of commitment
Subscribers	60 dollars of commitment