

## Palmas social money, old instruments, new solutions: A sociological analysis of money

### La moneda social Palmas, viejos instrumentos, nuevas soluciones: Un análisis sociológico del dinero

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**Received:** April 1, 2020

**Accepted:** June 30, 2020

#### Background

The studies on Social Currencies and Community Banks, such as Palmas, continue to be a recurring object of interest in human sciences. There is a tendency to debate about local money to its potential as a tool for transformation and social innovation, being a technology capable of solving socio-economic problems, as well as promoting greater cultural and political participation within the communities where they are installed (Bataglin, Kruglianskas, & Delatorre, 2016; Leitão, & Diniz, 2015), or its symbolic dimension (Fare, Freitas, & Meyer, 2015), which would end up impacting social and environmental aspects, when used under a sustainable and territorial logic (Corrons, 2017). However, there is a lack of research that problematizes the relationship between social currencies and theories in the social sciences about money, the object of discussion in this study. The intention of this research is to contribute to the debate on the qualitative meanings of currencies, as economic sociology and anthropology have been proposing, through the real experience of the circulation of local money, imbued within the framework of the practices of the Social and Solidarity Economy, in a community within one of the most vulnerable states Brazil.

#### Aims

The aim is to answer the question: Are locally circulating social currencies an example of 'special monies'? For this purpose, a case study is developed about the social currency Palmas, in the Community Banco Palmas de Fortaleza, Ceará, Brazil, to show that local and community currencies are an interesting evidence of extra-economics dimensions of money. The research problem revolves around the conceptualization of the qualitative meanings of currency - discussed based on the distinction between two characterizations related to money: "all purpose money" and "special monies", postulated by Karl Polanyi (1980) and recovered most recently by Viviana Zelizer (2010, 2011).

#### Method & Procedures

This research is of qualitative nature. A multi methodological path was chosen: initiated by review of the literature existing in academic data base. Subsequently, an ethnographic immersion of eleven weeks of field work (July-October 2015) was carried out in the Conjunto Palmeiras. Also there were moments destined to direct observation of events, fairs, workshops, dynamics, and, finally, semi structured interviews were carried out on users of the currency, officials of the Banco Palmas and merchants who incorporated this financial product into their businesses. The data analysis contemplated its organization, classification, transcription and second-reading of the material collected (interviews audios, photos, videos, field notes, notebook activities). This material was grouped into major topics, which relevance was measured through a criterion of systematic occurrence, until reaching the final product of the investigation.

#### Results & discussion

As a result, it was found that the Palmas social currency fit with the characterization of the special monies proposed by Zelizer: i) have relevance to the social environment to which this currency is linked; such condition is expressed through the different uses and meanings this money is given, and ii) demonstrate qualitative aspects, *i.e.*, have a social character.

The qualitative nature of Palmas can be verified from the presence of three main and not exclusively economic dimensions: a) sociality and trust: b) currency and meanings, and c) currency and territory.

### Conclusion

As an effective social technology, Palmas was fundamental for the transformation of the economic reality of its users and, therefore, its community. It was established as a real tool for social transformation and overcoming economic vulnerability due to its ability to establish and strengthen aspects such as sociability, reliability and territoriality within its scope of action. Similar results can be perceived in the works done by Fare and co-authors (2015), and Corrons (2017). From this case study, a critique of the traditional financial system and its inability to adapt to the economic circumstances of peripheral localities is derived, which are not always inserted in the same operating logic according to the demands of a global economic model, as pointed out Verduga (2018) or counter-hegemonic, as Carvalho (2017) points out. It is argued that social currencies have the potential to be a rescue tool for the financial autonomy of small societies, especially those that are economically marginalized. That is why it is necessary to seek the conquest not only of financial management that includes people and their community from the economic reality they experience, but also to demand that economic actions are always linked to the social needs of their stakeholders. The goal is to demonstrate how communities affected by poverty manage to organize themselves autonomously in order to overcome their vulnerable conditions through new economic practices or through the appropriation of traditional economic instruments and strategies, but in an adapted way.

**Keywords:** economic sociology, social and solidarity economy, social currencies, social development

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**How to cite this article:** Magalhães de Aguiar Oliveira, B. (2020). La moneda social Palmas, viejos instrumentos, nuevas soluciones: Un análisis sociológico del dinero. *Psicoperspectivas*, 19(2). <https://dx.doi.org/10.5027/psicoperspectivas-vol20-issue2-fulltext-1929>



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