First of all, we want to congratulate you on tackling this very important topic that has received little attention in our field so far. We were extremely pleased to read a concise article setting such an exciting agenda for future studies!

Doing research on cryptocurrencies and local & complementary currencies (LCC) ourselves, we have also noticed interesting parallels between both movements. Alternative currencies are clearly an attempt to address the shortcomings of financial intermediation. For instance, Rovnick (2015) noted in the Financial Times that a 1.5% increase in fees for an employee saving £2,000 per year toward her pension would decrease the annual pension she would receive when retired from £23,000 to £14,000\(^1\). How value is shared through the investment chain is not only a financial problem; it is also a societal one.

While both cryptocurrencies and LCC started as citizens’ initiatives, they also differ in several important respects. First, the two originate from radically different social movements with partly incompatible agendas (i.e. the so-called “cypherpunks” for cryptocurrencies vs. anti-globalization activists for local currencies), they promote radically different values (e.g. protecting individuals’ privacy vs. protecting local businesses), and they rely on radically different technologies (e.g. decentralized cryptographic hashing at the global level vs. centralized bookkeeping at the community level).

Second, their relationships to space and their conception of the individuals are extremely different. LCC favor circular economy within a specific territory. Although some of them use dematerialized forms of payment, they denounce the loss of human contact favored by globalization and the virtual relationships that have followed. In sharp contrast, cryptocurrency advocates often praise globalization and the technological revolution.

Third, with cryptocurrencies, there are in fact incentives to accumulate the currency, which makes them not so “weak” -- to re-use the paper’s wording. In several respects, cryptocurrencies generalize principles of free market capitalism, even on a larger scale. So the idea that they offer “an alternative to market-based capitalism” may not be the whole story. Rather, cryptocurrencies have the ability to consolidate the originally heterogeneous, segregated national capitalist markets. By contrast, LCC supplement the national market locally. It would be reasonable to say that while cryptocurrencies enhance market efficiency through technology, LCC attends to increasing market stability through social means\(^2\). And while it is indisputably true that cryptocurrencies are not “backed by nation states”, it is much less clear whether it is also the case for local currencies, given that they are typically pegged 1-to-1 to national fiat currencies.

Your essay provides a great starting point to surveying the “alternative currencies” landscape. We hope that scholars will engage in a lot of healthy discussions around this new research agenda, which will certainly occupy a central spot in organization & management journals going forward.

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\(^2\) http://www.complementarycurrency.org/helpdesk/benefits.html