



Maksym Kyrchaniv
D.Sc. (History), Associate Professor,
Voronezh State University
1 Universitetskaia Str., Voronezh, 394000, Russia,
maksymkyrchanoff@gmail.com

Local currencies: economic anthropology, regional performativism and modernization of identity

Abstract. Introduction. The author analyses theoretical problems of economic regionalisation in the context of local currencies. Economic anthropology and intersected fields of contemporary economic theory develop as a set of interdisciplinary post-modern and post-institutionalist methods and approaches which are widely and

actively used for the analysis of economic processes in traditional and transitional societies. *The purpose* of this article is to analyse the characteristics, trends and systemic features of local currencies. *Results.* The author analyzed the main directions of economic and political use of local currencies. It is presumed that various forms and local versions of currencies historically arise in the post-nationalising and globalising world as a reaction of regions which try to save their identities. Anthropological roots and backgrounds of local emissions actualise hidden symbolic senses of paper money as visualised forms of identity. The analysis of localised and regionalised economic realities has advanced the role of formal and informal institutions and communities in course of regionalisation. The interpretation of the results is presented in the article. Analysis of different theoretical approaches in local currencies studies can significantly broaden the range of interpretations of localised economic processes. The synthesis of approaches proposed in economic anthropology, nationalism studies, identity economics and other post-modern theories, including the performativist turn, will help to conduct more productive theoretical studies of contemporary localised economies in context of formal and informal institutions. *Conclusions.* Economic anthropology, identity economics and other relevant interdisciplinary approaches are promising directions in modern economic thought. It provides scholars with a wide range of tools, practices and strategies that can be effective in the analysis of economic fragmentation and regionalisation processes. These interdisciplinary methods actualise the potential of economic anthropology in studies of local currencies in the context of monetisation of regionalised forms of national identity.

Keywords: Economic Theory; Economic Anthropology; Identities Economics; Local Currencies; Regionalisation; Economic Performativism

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Кирчанів М. В.

доктор історичних наук, доцент, Воронежський державний університет, Воронеж, Російська Федерація

Локальні валюти: економічна антропологія, регіональний перформативізм і монетизація ідентичності

Анотація. Статтю присвячено питанням теоретичного вивчення локальних валют. Регіональні валюти стали одним із наслідків регіоналізації економіки, зростання та розвитку регіональних альтернативних ідентичностей. Аналізуються різні теоретичні підходи до вивчення локальних валют. Автор аналізує локальні валюти в контексті сучасних міждисциплінарних підходів, включаючи економічну антропологію, концепцію уявних спільнот і винайдення традицій, перформативістський поворот.

Ключові слова: локальні валюти; регіональна ідентичність; монетизація ідентичності; винайдені традиції; економічний перформативізм.

Кирчанов М. В.

доктор исторических наук, доцент, Воронежский государственный университет, Воронеж, Российская Федерация

Локальные валюты: экономическая антропология, региональный перформативизм и монетизация идентичности

Аннотация. Статья посвящена вопросам теоретического изучения локальных валют. Региональные валюты стали одним из последствий регионализации экономики, роста и развития региональных альтернативных идентичностей. Анализируются различные теоретические подходы к изучению локальных валют. Автор анализирует локальные валюты в контексте современных междисциплинарных подходов, включая экономическую антропологию, концепции воображаемых сообществ и изобретения традиций, перформативистский поворот.

Ключевые слова: локальные валюты; региональная идентичность; монетизация идентичности; изобретенные традиции; экономический перформативизм.

1. Introduction

The nation-state represented by central banks and other institutions with the dominant participation of the State are among the only legitimate institutions that have authority and legalised rights to issue banknotes in the contemporary world. The political and economic dynamics of the 20th and the early 21st centuries helped to advance the role of institutions that openly and decisively questioned the monopoly of the State related to money creation. Despite the rise in regionalism, the State continues to be the only legitimate actor in the contemporary world which has a right to print banknotes as a dominant form of national currency. The State consistently ensures the preservation of its monopoly and firmly rejects and suppresses any attempts of non-state bodies or regional communities to initiate their own regional and sometimes local emissions. The contemporary state is still very active in the economic and the political spheres. Nevertheless, some regions and local communities in the 20th and at the beginning of the 21st centuries attempted to issue their own currencies without the central authorities' involvement.

2. Brief Literature Review

Issues related to regional emissions with regard to economic and political prospects and dimensions are among problems which have not been studied in Russian and foreign economic and political academic traditions. Most of the available publications are presented by few articles and reviews of a descriptive character. Generally, these texts are focused on eventual aspects and moments in the history, as well as on the actual state of local and regional currencies. The works by G. Seyfang (2000; 2001) [46; 47], L. Schuster (2012a; 2012b) [41; 42], D. Sanchez (2016) [38], B. Lietaer and G. Hallsmith (2005) [26], W. D. Lastrapes and G. Selgin (2014) [24], M. Naqvi and J. Southgate (2013) [29] are the first attempts to understand this phenomenon. Their works also have much in common in the attempts to popularise the experience of local currencies and their economic sense is greatly monopolised by journalists [6; 9; 15] who help to popularise this problem. The works by other authors, including J. Rogers (2013) [36; 37], M. Kennedy (2012) [22], B. Lietaer (2005) [26], P. North (2010) [30]

and L. Bindewald (2013) [7] form a corpus of texts which contain theoretical and methodological studies of regional and local currencies. The problems of interconnections of regional monetary systems with the development and transformation of national identities are practically unstudied in academic literature. The problems of the history and current state of regional currencies are among those aspects of modern economy which have not been studied actively by Russian economists and political scientists despite considerable international experience and some actual attempts of Russian economic actors to print and use local currencies. The general situation, when these attempts were marginalised and criminalised, appears not to help to rise academic interest in local emissions.

3. The purpose of the present article is to conduct an analysis of non-state attempts of emissions in the context of theoretical and methodological approaches proposed in economic anthropology and identity economics as the main trends in the modern interdisciplinary economic theory. The article has the following objectives: to analyse the genesis and preconditions of regional emissions; to study the relevant experience in Europe, America, Russia and other regions; to analyse a relationship between regional and local currencies with the development of nationalism and regionalism in the context of eventual actualisation and monetisation of regional and local forms of identity.

Methodology. This article is methodologically and theoretically based on the achievements of economic anthropology and identity economics [2]. Economic anthropology and identity economics belong to the interdisciplinary theoretical approaches that actualise achievements of anthropology and political sciences in the context of studies of economic institutions, processes and relationships. Economic anthropology is actively applied for studies of traditional economies and economic transformations. The identity economics has a wider scope of application in economic studies. Economic anthropology and identity economics belong to the modernist approaches which are close to inventionism as the particular case of modernism. The inventionist paradigm was proposed in the first half of the 1980s by B. Anderson (1982) [3], E. Hobsbawm and T. Ranger (1983) [50]. Inventionists perceived political and economic institutions as imagined or invented. They also proposed that the intellectuals fill and empower political and economic relations in process of imagination and invention with special pseudo-sacred and symbolic meanings and senses. A. Greif (1993; 1994; 2006) [16-18] believes that various forms of economic activity form various strategies of social behaviour and encourage the emergence and institutionalisation of different cultural and political identities. American economist Mancur Olson (1932-1998) [31-33] believed that identity promotes collective actions, increases motivation of various economic agents and inspires them to play a more active role in affairs of the community they formally belonged to. These methodological approaches are applicable for the studies of regional emissions and local currencies in the context of the development and transformation of identities and their monetization also. Local and regional currencies in these methodological contexts can be analysed as forms of symbolic exchange and attempts to monetise and marketise different identities.

4. Results

Formulating a hypothesis. Having analysed the features of modern history and the dynamics of regional and local currencies the author presumes that it is necessary to formulate some provisions and statements of the hypothetical nature which form the core of the hypothesis of this paper. The main hypothesis of this paper is the following: both regional and local currencies are expressions of neo-feudalisation and formal anti-market de-economisation of modern economies in the context of, on the one hand, actualization of economy as the economy of symbolic political and social identities and invented traditions and, on the other hand, the gradual understanding and awareness of new dimensions of economy as the economy of imagined communities and the tragedy of the commons.

Developing the hypothesis. Such provisions have a hypothetical character. They are extremely controversial and the author presumes that there is a need to actualise and develop them.

The relationships between local currencies and neo-feudalisation processes have already been actualised in some texts of

the author. The author considers that neo-feudalisation of modern economies has contributed to transformation of glocalisation and fragmentation of national economies, as well as to the development of them as localised and fragmented forms of economic activity mainstreaming central political qualities. Along with this, the author is far from supporting apocalyptic scenarios of total neo-feudalisation with the destruction of historically formed relations in the context of atomisation of political landscapes. The author presumes that the ideas of imminent second coming of federal fragmentation are too and extremely exaggerated.

The factors of formal anti-market de-economisation of contemporary economies are no less important in the modern world than national economies in the global context. The author presumes that actual forms of identity economics exist in times of crisis, which expresses itself in the disappointment in the modern economic system. Many people in the world do not believe in the economy of nation-states which implies wars and prefers to annex territories of the neighbouring states. Many intellectuals are also full of scepticism concerning the international economy of transnational corporations and banks that do not generate confidence among the citizens of countries that still continue to save attributes of nation-states. The crisis of faith in the realised economic model promotes alternative and peaceful protest economic activities. Thus, local and regional currencies can be analysed in the context of new economic policies of identities and forms of economic behaviour.

The modern economy transforms into a symbolic economy of political and social identities and invented traditions. The attempts of local and regional groups and communities to use their own currencies actualise new levels and dimensions of modern economy which are actively ignored by supporters of the orthodox economic theory, which serves the political interests of economic and political elites. The local and regional currencies, on the one hand, can be understood as a starting point in the long way of monetisation and economisation of regional and national identities in the globalised world. On the other hand, the local currencies transform the identity into the identity of goods. Everything from drugs and weapons to porn and means of female hygiene is successfully sold in today's global economy. Consequently, why can we not try to sell the identity which can become attractive for representatives of other groups?

The new dimensions of the economy of imagined communities and the tragedy of the commons have become more relevant in the 21st century when local groups and communities have not been able to compete with any nation-state, nor the projects of economic and political globalization. Regional and local communities and their identities have become victims of the policy of integration in integrated, post-national and post-contemporary Europe. The local communities in modern Russia were victimised by unification and centralisation policies based on suppression and destruction of regional and national projects that could become an alternative to a monoculture economy which is extremely popular among representatives of the Russian political class. The attempts to develop a local currency have actualised the tragedy of commons in Russia's historical, political and economic contexts. Local currencies in Russia did not become a form of separatism; they only actualised desires, aspirations and efforts of local groups to withstand the crisis, because they were brought as a symbolic and ritual sacrifice victims on the altar of global economy and attempts by the government to participate in the process.

From liberalism to symbolical identities of currencies. The proponents of free emissions actively use predominantly economic arguments to defend their theories and attempts to legitimise local and regional currencies. However, supporters of free emission theoretically and methodologically dependent on the ideas proposed by August von Hayek in his book «Private Money» in 1976 [19]. The ideas of the supporters of private emission and free non-state banking in the 1990s and the 2000s faced with new political values which had arisen as a result of the processes of regionalisation and glocalisation of different political and economic spaces. The arguments of the supporters of local and regional emissions are based on harsh criticism of the interference of the government in the economy. These ideas bring them closer to the representatives of classical liberalism, but this proximity is too conditional, and it is not characterised by systemic nature.

Economic initiatives of those who support local emissions were inspired by the political progress of regionalism, the rise of separatism and localised forms of nationalism. The criticism of the central or national banks from the part of such supporters and theoreticians is of ideological and political nature and is dressed by them in formal clothes of liberalism. American economist George Selgin (2015a; 2015b; 2016) [43; 44; 45] is among those intellectuals who are famous by a very critical attitude to the role and importance of institutions such as central banks and centralised actors in national economy. George Selgin presumes that central banks do not play a role of stabilising actors. Central banks are viewed by him as extremely harmful institutions which assist to destabilisation because they prefer to centralise and ignore liberal values. The central bank in any national economy is compared by George Selgin with a lion in the house: of course you can train the lion and formally it can follow the dog's behaviour, but the lion will never turn into a dog. On the one hand, George Selgin believes that the central bank is an excessive economic institute which minimises and suppresses various activities of other economic actors. On the other hand, he insists that the economy where the central bank is absent or weak is more stable than the economies with strong central banks.

Regional emissions, the active use of local paper money or the development of e-commerce based on regional currencies significantly expands and transforms the classical schemes of traditional political economy that incorporates three elements «product - money - product». Money lost its sacred character because it was politicised. The appearance and active use of local currencies in the context of economic anthropology extends this scheme and transforms it into the following form: «product/service - national currency/local or regional currency as a commodity - identity». Analysing the advantages and benefits of regional emission and arguing with supporters of active state involvement, theorists of free local banking insist that economic functions and features of modern currencies are radically different from the similar functions and features of the currencies of the 19th and 20th centuries, when currencies were backed by gold. Modern national currencies are not tied to gold and have a qualitatively different bases, backgrounds and foundations. The stability of currencies in the modern globalised world is based on collective representations, views and beliefs in power and importance of the state, they belong to. The identity of the nation-state and its symbolic resources is also determined by a number of factors that enable and ensure stability of national currencies. German economist Heiko Schrader (1999) presumes that «there are certain cultural practices and rates of consumption. The customs and norms of our society seem apparent to us just because we are familiar with them» [40]. Money institutionalised in the form of the national currency is among such social and economic institutions. The local and regional currencies also belong to these institutions, differing only by their low degree of evidence for potential consumers. Regional and local forms of identity in this context are almost no different from national political projects.

Therefore, it is logical to assume that a developed and politically institutionalised regional or even local identity can empower the local currency with necessary legitimacy. The collective beliefs or disbeliefs in regional and local currencies in this context have a lot in common with membership in a social group, or belonging to a nation. A feeling of belonging or politically institutionalised belongingness to a nation in the post-modern globalized world is a form of almost daily and regular plebiscite when members of nation as an imagined community exert their confidence or distrusts to the nation they formally belong to. Therefore, regional and local currencies can be compared with regular economic plebiscite and expressions of confidence to the region as an imagined community and a collectively invented tradition which is localised and limited by certain territorial limitations or administrative boundaries. Electronic payment systems are actively used by some English towns where local currencies are in use. These economic activities also contribute to the crisis of traditional collective representations about money, their roles in the exchange system. It is widely known that the political elites tend to position the national currency as a sacred and symbolic form and dimension of the national identity and sovereignty. Local and regional currencies have localised features in the con-

text of their use. Local currencies are not used for conspicuous consumption because they are applicable for daily purchases. In this context, a local currency was originally devised to stimulate regionalised domestic consumption. In this situation, it may evolve into a symbolic or cultural capital of the region.

The cultural capital includes all material, symbolic and cultural goals and institutionalised resources which are used as a means of symbolic power. Analysing local currencies, the author presumes that it is possible to use cultural theories of goods for their analysis. Regional emissions greatly reduce territorial scope of the regional paper money, limiting it by administrative borders of the particular community. Regional boundaries and limitations of the use of local currencies contribute to the actualisation of their cultural components. Local currencies also actualise the context of imagined or imaginary regional identity. The practice of consumption or non-consumption can stimulate a sense of belongingness to a particular group, and it simultaneously will exclude the localised group as a community from other groups which are also the same but represent other imagined communities. The local currencies actualise collective sentiments of this particular plan.

Therefore, local and regional currencies are widely used for the construction of social and political realities. These imagined realities endowed representatives of communities with various cultural and symbolic meanings that promote monetisation of identity, its transformation into a collective product. The nation-state has monopolised the use of these symbolic instruments and mechanisms: it generates, develops and promotes its own positive image. Regional emissions in the case of the dominance of the nation-state have become attempts to create and develop the regional cultural capital. This cultural capital actualises the desire of regions to use their own local currencies, develops regional forms of identity in them and finally monetises the local identity. Regional emissions and local currencies as their unexpected and inevitable results undermine the monopoly of the nation-state in the development of money as a form of political and economic identity with its sacred and symbolic dimensions. The supporters and theoreticians of regional emissions actually facilitate the disintegration of the sacred dimension of national currencies because they try to attribute sacred qualities and functions to their regional currencies.

The nightmare of deeply centralised modern nation-states would not be so terrible if regional communities limited themselves in using of regional paper money and local business elites developed their own electronic payment systems based on regional currencies. This virtualisation of regional money will be scarifying, sacred and symbolic manslaughter of money as national currency, because virtualisation of money will be another step towards its voluntary euthanasia. The process of virtualisation of monetised identities will contribute to the further erosion of their national qualities and features especially in contemporary Europe which has had enough time to refuse from national currencies. The local and regional currencies may be perceived by society as a panacea and the last recourse in a world where national identities becomes a social stigma, stigmata and forms of collective misunderstandings in the context of multiculturalism, tolerance and universal values.

From identities to performativist turn. An analysis of local emissions and regional currencies as economic phenomena is not possible and it will be incomplete if we try to stay within the boundaries of pure and orthodox economics. The claims and general disagrees of economic theorists to their practicing colleagues is well known. French sociologist and economist Thomas Piketty (2016) [20] believes that economists continue to be engaged in complex mathematical theorems even without minimal amounts of empirical data. Other supporters of the progressive integration of economy into the related fields of social knowledge are more radical in their attempts to actualise potential of multidisciplinary, anthropological and cultural levels of economic studies. Paul DiMaggio (1994) [12], for example, believes that business processes always have an irreducible «cultural» component, while serious academic attitudes towards culture will allow to enrich our collective understanding of economic phenomena and explain them better.

Analyzing functions of money in contemporary economy American economist Viviana Zelizer (2002) [52] suggests that

cultural and symbolic roles of money are among the unexplored and unstudied problems. Russian economist Valerii Radaev (2002) presumes that «signs and symbols that are hidden in cultural products help to understand the social origin and status positions of the various economic agents and institutionalised cultural capital. The accumulation of cultural capital promotes the discrimination of individuals and groups recognised as noble or ordinary families, countrymen or strangers, and divided into «us» and «them». As a result, the possession of this capital allows entering into successful communication, embedded in relationships with friends and strangers [35]. According to Valerii Radaev, local and regional currencies of European regions actualise symbolic dimensions of money. The cultural capital of regional currencies develops in two forms: the first form is presented by printed banknotes which reinforces the perception of belongingness to various regional communities and allows their members to engage in acts of mutual economic communication; the second form is broader and it is represented by collective views and representations about regional identity.

In his comparative studies of markets and policies, American sociologist and economist Neil Fligstein (1966) [14] proposes the concept «markets as politics» which actualises various forms and levels of mutual dependencies between markets and economic dimensions and political spheres where decisions are discussed and adopted. Regional emissions contribute to actualisation of intercommunications between market and policy, stimulating economic marketisation and monetisation of the identity in the contexts of the identity being a product which is different from other symbolic and sacred meanings of identity due to the fact that the post-modern world is imagined as a world of nation-states. Analysing local money it is important to remember that money is an instrument of exchange which played its revolutionary role in history, however a significant number of multidisciplinary works on the statuses and places of money in actual economic contexts and landscapes belongs to the standardized economic theory with the necessary ritual phrases about money as a «component element of the commodity - money relations system» [4]. It is a common practice to state that economists of the 19th century presumed that invention of money had revolutionised exchange and endowed it with the qualities and characteristics of economic rationality.

It is logical to assume that local currencies play the same role in context of regional identities: we can perceive markets as cultures because the markets, as American sociologist Mitchell Abolafia (1998) [1] suggests, «assume their own special set of mutual understandings» that shape and form regional identities, and local currencies belong to the numerous mechanisms that transform the ritual and sacred elements of identity in the others which are motivated in categories of economic and market rationality. Regional emissions give new economic weapons into the hands of radical nationalists, which they did not have before. Regional currencies promote institutionalisation of local identities and their transformations into new national identities. The appearance and active use of local currencies have revolutionised regional identities and put them in line with the national ones. American economist Viviana Zelizer (2002) suggests that «money is not a culturally neutral or socially anonymous» [52]. National currencies of nation-states actualise national identity in general, thus regional currencies cannot be neutral in this context. Therefore, the qualities of neutrality and anonymity are organically alien to the money which emerges as a result of local emissions. On the contrary, local emissions facilitate processes of visualisation and imaginalisation of different regional identities. They provided them with privileges of using their own currency. These emissions contribute to the actualisation of new performative functions [10; 23; 39; 49] and dimensions of regional identities and provided them with imagined qualities of money.

Local currencies and performativism. The use of local and regional money from the perspective of modern macroeconomics is an act of despair which breaks with the logic of economic rationality and contains almost no sense. This opinion is too spread among the supporters of etatism which are inclined to believe that only the state can be a major and dominant economic actor. The scientific analysis of practices in the framework of social and economic realities born in the depths of modern

and postmodern world in the second half of the 20th century provides scholars who are able to break with the traditions of orthodox normal science with a wide range of interdisciplinary approaches, including achievements of performativist turn.

The idea of Russian critic Nail Farhatdinov that «emphasis on the performative nature of sociality in the social sciences become common place» [13] would become an unpleasant discovery for a great part of representatives of the Russian economic academic community who preferred not to notice the progress and achievements of interdisciplinary synthesis, including performativist approaches. This neglect will also be particularly unpleasant and regrettable in the context of the numerous attempts of Western economists (Melinda Cooper and Martijn Konings, 2016 [11]) who describe money as a cultural product with regard to different dimensions of performativity. It is noteworthy that this methodology in the Western economic theory proved that the use of performativist approach become universal and contemporary performativist perceptions of economic realities range from classical Marxism to new institutionalism. Also, local currencies can be analysed in the context of performativist turn as new forms, dimensions and representation of local communities in the global political contexts and also as new attempts to actualise or revitalise regional identities.

Commenting on the current regional transformations, Russian regionalist Vadim Shtepa (2013) presumes that «the new era of geographical discoveries will be different from the previous similar era of the 15th and the 16th centuries... it will not be an extensive expansion of known spaces, but it will be an intensive deepening of their meanings» [48]. The local currencies inspired a rise in regional identities and actualised alternative identities. They, in turn, gave way to politically and economically inspired and motivated protests of the silent majorities in megacities of internal and external edges, margins and peripheral spaces which they were hitherto unknown. Regional currencies have an eventual character. Also, they have a lot in common with a festival [21]: there exists a vast variety of festive rituals and strategies of symbolic behaviour. Regional currencies were invented and actualised as forms of political performativism because they represented various moments in history and presented different regional and local forms of identity.

Regional banknotes actualise local festivals as regional invented traditions and commemorate figures of local history who have symbolical and even sacred meanings for local communities, however they are practically unknown in the context of the nation-state as the main form of contemporary political organisation and imagination of geographical landscapes. Therefore, performativist turn actualises a wide range of formal and informal roles, explicit and implicit social and cultural values, dimensions and levels of performativity in economy, politics, culture and secularised forms of religious experience. The performativist turn also proves that values of ritual and ceremonial dimensions of life, including economic instruments of communication and interaction, have more adaptive potential than supporters and followers of the earlier theories of economic thought presumed. Doris Bachmann-Medick (2013) [5] believes that humans living in the media-oriented space in a society with a great number of visual stimuli, symbols and images, are obliged and doomed to invent a new analytical optics and provide economic mechanisms and relations with new senses and meanings.

This new collective optics allow us to revise and evaluate the role of images and other types of political, economic, cultural and social representations and perceptions. The globalised symbols of contemporary world including nation-states, transnational corporations, localised and consumerised brands, such as undying nationalism, regionalism, and separatism provide scholars with evidences which are necessary in order to understand the role of regional and local currencies. The latter should be taken into account in the analysis of cross-cultural interactions which radically transformed economy from a system based on traditional stereotypes about universality and inevitability of market rationality to an economy of monetary determined cultural and symbolic rituals and interactions.

5. Conclusions

Preliminary political conclusions. Regional and local currencies in Europe and Russia present alternative forms of national

or regional identities, which are alternative because, as a rule, they are not recognised by central political authorities who consistently deny and reject them. The modern nation-state of the post-national world is inherited from the 19th century, and it is not relevant to the development of regional identities because the local version of identity is poorly compatible with the post-national identities projects of the modern globalised world. The regional and local currencies actualize this context levels and other dimensions in development of identity. If a formal national state believes that the national identity exists and it is sufficient, then regional and local communities are more interested in preservation of local forms of identity that contain elements of national identities which lost their value in the course of globalisation.

The process of globalisation stimulates the development of new forms of collective identities which develop mostly as consumer identities and transnational corporations with influence groups among the main supporters and theoreticians of identity transformation in the context of its erosion of national components. On the contrary, regional identity actualises the local dimensions, and theories of regional emissions help to transform an identity into an object of political economy. Such a process became virtually inevitable in the 2000s when European regions began the process of monetisation of national identities. Local and regional identities are not products for mass production or for mass consumption. These two qualities are among the main characteristics of national identities' system of modern nation-states. Regional emissions, as well as attempts to use local currencies along with the national currency, contribute to monetisation local identity and actualise self-sufficiency and the ability to compete with the dominant national and ethnic identities.

The monetisation of identity turns it into one of the products and choices: a system function of the identity smoothly migrates to the service sector and a symbolic sphere of generation, imagination and invention of meanings and senses. Local printed alternative paper money actualises symbolically and ritually important images of regional communities and in this context they assist to the actualisation and monetisation of identity. Local currencies actualise symbolic levels of national and regional identities and provide them with new economically motivated meanings. On the one hand, images on paper money, which are visible to the user, gradually lose their sacred meanings and senses because they are associated with different economic activities. On the other hand, local and regional currencies transform regional identity from museum preserved forms and versions into active trading forms and dimensions of identity. Therefore, regional and local currencies can be analysed in the context of inventionist paradigm as an integral element of imaginalist approach.

The author believes that regional currencies are a special form of inventing of traditions. The invented traditions, as Eric Hobsbawm (1983) thought, were «a set of practices, normally governed by overtly or tacitly accepted rules and of a ritual or symbolic nature, which seek to inculcate certain values and norms of behaviour by repetition, which automatically implies continuity with the past. In fact, where possible, they normally attempt to establish continuity with a suitable historic past However, insofar as there is such reference to a historic past, the peculiarity of «invented» traditions is that the continuity with it is largely fictitious. In short, they are responses to novel situations which take the form of reference to old situations, or which establish their own past by quasi-obligatory repetition» [50]. It is just an illusion that money has always existed. French historian Jacques Le Goff (2010) [25] believed that money in their current form with regard to our collective understanding of their social functions emerged only during modern period of history. Money as the national currency is one of the recent inventions. Old and archaic forms of money were only primitive forms of simple exchange and money as a currency were generated by the same wave of political and social revitalisation which created national states.

Money becomes a form of exchange and, at the same time, it forms a message of a national and political identity. Local currencies in the context of socially invented modernism have developed and transformed as a collective tradition. Thus, local currencies, as well as all other invented traditions, were subjected to the historical logic of formalisation and ritualisation. The use of local currency, on the one hand, formalized it as an

agreed mutual compromise between central and regional political authorities. On the other hand, local currencies were ritualised because the consent to accept them as a form of payment was a simple expression of local identity and loyalty of the regionalised forms of identity to central ones because of the logic that accumulation dictates, inspires and empowers local entrepreneurs with a simple idea that it is more profitable to accept payments in the national currencies. Nevertheless, local entrepreneurs have actualized their economic irrationality and started to accept payments in local currencies. Such practices of application of local currencies and numerous attempts to find their special sacred meanings and senses were very stable despite the fact that the political effectiveness of the regional paper money was approximately the same as the efficiency of the stones that medieval peasants preferred to use for treatment of the plague. The symbolic and sacred role of national currencies may also be the same. This political instability and volatility of the local currencies actualises the fact that their identity is situational. It can be actualised during a period of confrontation between the centre and regions when the latter actively fight for their real and imagined political and economic rights.

Preliminary economic conclusions. Analysing local and regional currencies, it is very important to consider their economic aspects and features. American political scientist Ian Shapiro believes that practicing economists wonder why their ideas do not explain the beginning of the crisis and do not provide scientific societies with ideas how the crisis can be overcome. The practicing economists suggest that the economy develops in an inertia model and that any national economy needs mythical heavy industry and production of tanks and wagons is more relevant for economic development. This viewpoint ignores the phenomenon of regional economic contradictions and features in the early 21st century. A local economy that has formed new alternative models and identities may become an institutional and systemic risk and threat for the obsolete and archaic collective vision of the economy in general.

The author presumes that the analysis of local and regional currencies hampered by the dominance in academic circles of economists who support purely practical and pragmatic approaches. The advocates of the multidisciplinary approach believe that problems of capitalist society, a society which Russia belongs to, were generated by the institutions of capitalism. They insist that reluctance of the orthodox economists to analyse the role of such institutions actually minimises the reliability and efficiency of orthodox theories and their practical recommendations. The supporters of radical epistemology optimistically argue that bankruptcy of orthodox theoretical approaches will be actualised and become clear and obvious in the context of deepening capitalistic contradictions and increasing economic and social problems. The radical economic analysis based on the rejection of old theories, recognition of interdisciplinary synthesis universality will contribute to the development of theoretical approaches in economic studies. Hence, theory provides economists with efficient methodological principles and approaches that will enable them to form a new mechanism helping to perceive regional and local currencies as the currencies of regionalised or localised communities because they are too different from the currencies of nation-states.

The first feature of the local currency is obvious: this form of currency is only regional, but its active economic use is localised and limited by administrative boundaries of the community. The regional currency differs from the national one because it is theoretically lacks the function of accumulation. Hypothetically, it is possible to assume that the accumulative function is possible for regional or local currencies, but these forms of rational economic motivations are too uncertain because regional currencies are weak in its competition with national currency. The features of the development of economic culture also contribute to a special status of the regional currency: it is not a form of accumulation because the locals do not accept the local currency as the real alternative to the national currency in the state they live in of collective citizenship they belong to. The local currency is intended to be primarily a mean of simple and primitive exchange. The accumulation function is characteristic predominantly of the national currency. Nevertheless, the local currency is too debatable.

Theoretically, any regional community where residents use the local currency can store their savings in the regional currency, but it is a risky decision in the context of the general uncertainty regarding the status of regional currencies. National currencies are subject to inflation. Regional currencies face with similar problems, but if the inflation rates can be unpredictable and uncontrollable, the creators of regional currencies can plan a regular reduction of values of local currencies by 2 or 4 per cent per month. The local currency in the economic context means that all forms of exchange in general or regional exchange in particular are localized in a particular region. National currencies have a reputation of currencies with a stable and strong reputation.

It is a very difficult for regional currencies to compete with national currencies, but local currencies can actualise different levels of economic loyalty. The local currency develops as an additional currency which is used along with the national currency. It is logical to assume that the local currency will be weaker than the national one, but it is a wrong logical assumption, because

in the context of competition between the two, the regional currency is geographically localised within a limited area where it can actualise its competitive advantages. The regional currency can be more successful with the maintenance of the national currency and when the central government will allow the regions to exchange the regional currency freely for the national one. The reputation of the national currency can be very controversial, ranging from scepticism to humiliating forms of mistrust from the part of its users. The local currency as a currency opposed to the national one is not burdened with the negative legacy of national forms of currency. The local currency can theoretically generate the loyalty of its future consumers. If currencies are temporary, then the regional ones depend on specific chronological periods of their development being limited by the borders of the region or local community. Therefore, local and regional currencies are known as currencies with a fixed expired date. In this context, the local currency is the currency which is regionalised, localised, eventualised and considered to be non-permanent and unstable at the same time.

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