Giving and Receiving
in the Nonmonetary Economy:
TIME BANKS

by Anna Afshar
Federal Reserve
Bank of Boston

A 2001 article by Sue Halpern in *Mother Jones* magazine tells the story of an Ivory Coast immigrant who assimilated faster than others because of his involvement in a form of exchange called *time banking*.

By night, Issouf Coulibaly worked as a machine operator in a Portland, Maine, rotor factory. By day, he swept the floor of the Portland Ballet, did babysitting, or translated correspondence into French. The work was voluntary, but it was not volunteer work. Coulibaly was a member of East End Time Bank, a collection of about 700 people in Portland from all walks of life who exchange hours of labor.

The bank connects Portland residents with one another and with services. In exchange for his hours, Coulibaly bought a computer, saw his first ballet, and took driving lessons. He also built friendships through the time bank and decided to stay in Maine rather than join fellow Ivorians in Philadelphia.

Time banking is big in New England. Of the 65 time banks across the country, 11 are in Massachusetts, Maine, and New Hampshire. And the New England Time Banks network, headquartered in Portland, is the clearinghouse for the national network of time banks, Time Banks USA (http://www.timedollar.org).

What Is Time Banking and How Does It Work?

Time banking is an economic and social exchange. Its currency is time, and the unit of measure, the hour. Time bank members contribute hours of labor—gardening, tax preparation, wallpapering, medical services, and more—in return for *Time Dollars*, which they can then redeem for services from other members. According to Time Banks USA, the exchanges provide concrete economic benefits for communities and the organizations sponsoring them. They also help build the social networks that all communities need.

Time banking was founded in 1987 by Edgar S. Cahn, a former civil rights litigator, who believed that all community residents—senior citizens, young people, professionals, the disabled, immigrants, and others—are important in implementing change for the better.

Cahn maintains that the social welfare system defines certain people as recipients, neglecting the strengths, resources, and talents that they have to offer. In his book *No More Throw Away People*, Cahn coined the phrase *co-production* to describe the process by which individuals work with professionals and social service agencies to produce benefits for their community. The use of Time Dollars is one way to promote co-production. When an individual "spends" the currency for a service from another member, the recipient then has an obligation to contribute to someone else.

There are two main types of time bank structure. The first and most popular structure is *neighbor to neighbor*. Neighbor-to-neighbor time banks involve individuals in a defined neighborhood. East End Time Bank is an example. It began in Munjoy Hill in 1996, when long-time residents were aging or leaving and immigrants were moving in. It was so successful at bridging cultures and providing benefits that additional communities signed on.

The second structure is *specialized*. Specialized time banks either limit membership—say, to members of a health-maintenance organization (HMO) or to

students in a school district—or else choose a limited scope of activities, such as tutoring.

An innovative example of a specialized time bank is the Time Dollar Youth Court in Washington, D.C. It cooperates with the juvenile justice system to handle youthful offenders, who appear before a jury of peers and receive sentences of community service, life-skills training, and mandatory jury duty in Youth Court. The intervention makes young people part of the solution while tapping community organizations for youth support services.

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What Are the Benefits?

Time banks can provide individuals with services that they might not otherwise access and can make up for gaps in social services. Seventy medical practitioners at East End Time Bank, for example, provide services to members, many of whom have no health insurance. Although providers of professional services may receive less in return than they would in a monetary transaction, most participate because they want to contribute to their community.
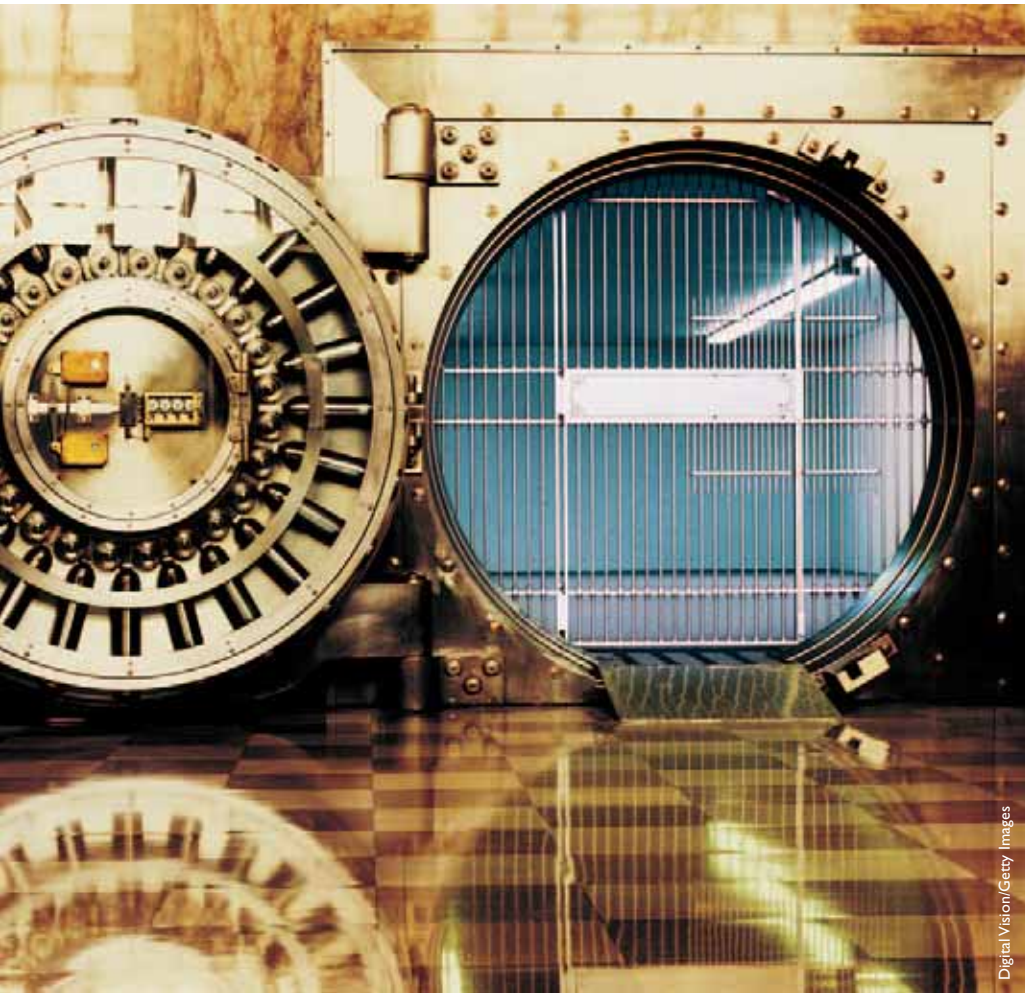
Time banks recognize and promote the value of work in the nonmonetary economy. Participants have been known to use Time Dollars to finance midwife services, a wedding, or a bequest. The Internal Revenue Service's rules for time banking, unlike its rules for the barter system, consider Time Dollars tax-exempt.

Time banks also may provide savings to sponsor organizations. The Sentara group of hospitals in Richmond, Virginia, for example, saw a one-year savings of $80,000 after it instituted a call-in system that paid trained volunteers in Time Dollars for assessing the condition of asthma patients, offering help when possible, and referring serious cases to the disease-management team.

Another example is Elderplan, Metropolitan Jewish Health System's Social HMO, located in Brooklyn, New York. In its Member-to-Member (M2M) program, participants help one another with errands, transportation to medical appointments, minor home repairs, language translation, social visits, and other services.

A multiyear evaluation of the M2M program released by Elderplan in 2003 showed that time banks could help HMOs deliver long-term care effectively to many elderly patients while postponing their move to nursing facilities. Although the sample size of the M2M evaluation was too small for statistically significant results, the time bank also appeared to improve members' mental health and to decrease loneliness.

Time Banks USA sees time banking as a vehicle for social change. First, the

initiative redefines the value of individuals and the work they do, with all services valued at the same rate. Second, time banking fosters reciprocity. Third, it builds social capital through relationships, trust, and support networks. Fourth, it enables a broad spectrum of people to meet. According to Auta Main, director of New England Time Banks, time banking is "a way of bringing together diverse populations of people that may not have met otherwise. We are changing the face of communities." That said, time banks are often set up to reach traditionally disadvantaged groups. The East End Time Bank's membership, for example, is 75 percent low-income, 30 percent seniors, 15 percent disabled, and 15 percent single parents.

Who Is Getting Involved?

Although East End Time Bank was the result of a group of dedicated individuals getting together, often an established local organization sponsors a time bank. United Way and the Annie E. Casey Foundation have sponsored time banks, as have municipal governments. East End Time Bank is currently working to extend its reach through a partnership with Catholic Charities. Catholic Charities will make use of its community knowledge to identify immigrants and refugees when they move into a neighborhood, and it will invite them to join the East End network.

Time banking is expanding at a steady pace. In the Gulf Coast region, the first time bank set up in response to a natural disaster will help victims of Hurricane Katrina. There are currently 300 banks in 21 countries, including 65 in the United States. The United Kingdom is investigating formally incorporating time banks into its national health system.

Recent examples of New England time banking include both government and social service initiatives:

• The mayor of Somerville, Massachusetts, Joseph Curtatone, has put his weight behind a city program that promotes mutual assistance among seniors and is coordinated by the city's Council on Aging. Several city agencies

will participate, and nearby Cambridge College has already conducted a training course for staff.

• The Brazilian Immigration Center, the largest Brazilian social service agency in the region, is working with New England Time Banks network to establish a time bank in Allston, Massachusetts, for the local Portuguese-speaking community.

• In Lynn, Massachusetts, three social service agencies have pooled funds to create an experimental model to help families of mentally retarded children connect with and help one another.

Starting a Time Bank

Key elements in starting a time bank are dedicated individuals, assessment of the potential, and some start-up capital. The capital is for launching a database for tracking hours, providing training, paying the annual membership fee to the national time-bank network (which provides access to regional meetings, national conferences, and advanced training), and paying a coordinator.

A coordinator, even if only part-time, is needed for the first three years to enlist community partners, recruit and engage members, and coordinate and track the service exchanges. After a while, as members learn the system and contribute time to running the time bank, it can become self-managing.

Anna Afshar *is a senior research associate at the Federal Reserve Bank of Boston.*

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