A decent exchange

Introduction

Karl Marx thought, about a century-and-a-half ago, that society moved from primitive communism, through various forms and structures of inequality, to communism proper. Economic systems moved forward, resolving their contradictions and creating new ones. Turns out he was, at best, only half right.

Back to the earlier Economic system amidst COVID-19

Mediums of exchange with fictional value — money, in all its forms and abstractions — are premised on a leap of faith.

People accept the “promise to pay the bearer” from a distant authority, and lives, communities, economies and civilisations are built on this trust.

But when the system isn’t enough, and the margins swell enough to flood the entire system, a different, more relatable form of exchange comes into place.

In Fiji, and many other Pacific Island nations, COVID-19 has forced a return to the barter system.

In epidemiological terms, the region has been relatively less affected by the pandemic: At the end of April, only six Pacific countries and territories between them have reported 260 cases and seven deaths.

Yet, over 10 per cent of Fiji’s population — 1,00,000 people — are active on a Facebook group called “Barter for a Better Fiji”. Similar groups have cropped up in Tonga, Samoa and Vanuatu.

The tourism sector in the region is devastated, and people are out of work.

Yet, in the absence of money, many are sustaining themselves through work, and the dignity of social exchanges that engenders.

What is a Barter System?

A barter system is an old method of exchange. This system has been used for centuries and long before money was invented. People exchanged services and goods for other services and goods in return. Today, bartering has made a comeback using techniques that are more sophisticated to aid in trading; for instance, the Internet. In ancient times, this system involved people in the same area, however today bartering is global. The value of bartering items can be negotiated with the other party. Bartering doesn't involve money which is one of the advantages. You can buy items by exchanging an item you have but no longer want or need. Generally,
trading in this manner is done through Online auctions and swap markets.

How the barter system can work in 21st century?

Labour — whether you’re a carpenter, teacher or accountant — can be exchanged for meat, food and other commodities.

Professional photography lessons are being exchanged for food.

The idea behind this network of exchanges is simple: An economic crisis need not descend to a humanitarian one.

Thinking of what each member of society can offer, and negotiating the value of that good/service might not lead to a Utopian ideal of equality.

But as the world struggles to treat people with decency amid a pandemic, it is at least a more moral equilibrium.