Wherever I go and ask people what is missing from their lives, the most common answer (if they are not impoverished or seriously ill) is "community." What happened to community, and why don’t we have it any more? There are many reasons – the layout of suburbia, the disappearance of public space, the automobile and the television, the high mobility of people and jobs – and, if you trace the "why" a few levels down, they all implicate the money system.

More directly posed: community is nearly impossible in a highly monetized society like our own. That is because community is woven from gifts, which is ultimately why poor people often have stronger communities than rich people. If you are financially independent, then you really don’t depend on your neighbors – or indeed on any specific person – for anything. You can just pay someone to do it, or pay someone else to do it.

In former times, people depended for all of life’s necessities and pleasures on people they knew personally. If you alienated the local blacksmith, brewer, or doctor, there was no replacement. Your quality of life would be much lower. If you alienated your neighbors then you might not have help if you sprained your ankle during harvest season, or if your barn burnt down. Community was not an add-on to life, it was a way of life. Today, with only slight exaggeration, we could say we don’t need anyone. I don’t need the farmer who grew my food – I can pay someone else to do it. I don’t need the mechanic who fixed my car. I don’t need the trucker who brought my shoes to the store. I don’t need any of the people who produced any of the things I use. I need someone to do their jobs, but not the unique individual people. They are replaceable and, by the same token, so am I.

That is one reason for the universally recognized superficiality of most social gatherings. How authentic can it be, when the unconscious knowledge, "I don’t need you," lurks under the surface? When we get together to consume – food, drink, or entertainment – do we really draw on the gifts of anyone present? Anyone can consume. Intimacy comes from co-creation, not co-consumption, as anyone in a band can tell you, and it is different from liking or disliking someone. But in a monetized society, our creativity happens in specialized domains, for money.
To forge community then, we must do more than simply get people together. While that is a start, soon we get tired of just talking, and we want to do something, to create something. It is a very tepid community indeed, when the only need being met is the need to air opinions and feel that we are right, that we get it, and isn’t it too bad that other people don’t... hey, I know! Let’s collect each other's email addresses and start a listserv!

Community is woven from gifts. Unlike today’s market system, whose built-in scarcity compels competition in which more for me is less for you, in a gift economy the opposite holds. Because people in gift culture pass on their surplus rather than accumulating it, your good fortune is my good fortune: more for you is more for me. Wealth circulates, gravitating toward the greatest need. In a gift community, people know that their gifts will eventually come back to them, albeit often in a new form. Such a community might be called a "circle of the gift."

Fortunately, the monetization of life has reached its peak in our time, and is beginning a long and permanent receding (of which economic "recession" is an aspect). Both out of desire and necessity, we are poised at a critical moment of opportunity to reclaim gift culture, and therefore to build true community. The reclamation is part of a larger shift of human consciousness, a larger reunion with nature, earth, each other, and lost parts of ourselves. Our alienation from gift culture is an aberration and our independence an illusion. We are not actually independent or "financially secure" – we are just as dependent as before, only on strangers and impersonal institutions, and, as we are likely to soon discover, these institutions are quite fragile.

Given the circular nature of gift flow, I was excited to learn that one of the most promising social inventions that I've come across for building community is called the Gift Circle. Developed by Alpha Lo, co-author of The Open Collaboration Encyclopedia, and his friends in Marin County, California, it exemplifies the dynamics of gift systems and illuminates the broad ramifications that gift economies portend for our economy, psychology, and civilization.

The ideal number of participants in a gift circle is 10-20. Everyone sits in a circle, and takes turns saying one or two needs they have. In the last circle I facilitated, some of the needs shared were: "a ride to the airport next week," "someone to help remove a fence," "used lumber to build a garden," "a ladder to clean my gutter," "a bike," and "office furniture for a community center." As each person shares, others in the circle can break in to offer to meet the stated need, or with suggestions of how to meet it.

When everyone has had their turn, we go around the circle again, each person stating something he or she would like to give. Some examples last week were "Graphic design skills," "the use of my power tools," "contacts in local government to get things done," and "a bike," but it could be anything: time, skills, material things; the gift of something outright, or the gift of the use of something (borrowing). Again, as each person shares, anyone can speak up and say, "I'd like that," or "I know someone who could use one of those."

During both these rounds, it is useful to have someone write everything down and send the notes out the next day to everyone via email, or on a web page, blog, etc. Otherwise it is quite easy to forget who needs and offers what. Also, I suggest writing down, on the
spot, the name and phone number of someone who wants to give or receive something to/from you. It is essential to follow up, or the gift circle will end up feeding cynicism rather than community.

Finally, the circle can do a third round in which people express gratitude for the things they received since the last meeting. This round is extremely important because in community, the witnessing of others’ generosity inspires generosity in those who witness it. It confirms that this group is giving to each other, that gifts are recognized, and that my own gifts will be recognized, appreciated, and reciprocated as well.

It is just that simple: needs, gifts, and gratitude. But the effects can be profound.

First, gift circles (and any gift economy, in fact) can reduce our dependence on the traditional market. If people give us things we need, then we needn’t buy them. I won’t need to take a taxi to the airport tomorrow, and Rachel won’t have to buy lumber for her garden. The less we use money, the less time we need to spend earning it, and the more time we have to contribute to the gift economy, and then receive from it. It is a virtuous circle.

Secondly, a gift circle reduces our production of waste. It is ridiculous to pump oil, mine metal, manufacture a table and ship it across the ocean when half the people in town have old tables in their basements. It is ridiculous as well for each household on my block to own a lawnmower, which they use two hours a month, a leaf blower they use twice a year, power tools they use for an occasional project, and so on. If we shared these things, we would suffer no loss of quality of life. Our material lives would be just as rich, yet would require less money and less waste.

In economic terms, a gift circle reduces gross domestic product, defined as the sum total of all goods and services exchanged for money. By getting a gift ride from someone instead of paying a taxi, I am reducing GDP by $20. When my friend drops off her son at my house instead of paying for day care, GDP falls by another $30. The same is true when someone borrows a bike from another person’s basement instead of buying a new one. (Of course, GDP won’t fall if the money saved is then spent on something else. Standard economics, drawing on a deep assumption about the infinite upward elasticity of human wants, assumes this is nearly always the case. A critique of this deeply flawed assumption is beyond the scope of the present essay.)

Standard economic discourse views shrinking GDP as a big problem. When the economy doesn’t grow, capital investment and employment shrink, reducing consumer demand and causing further drops in investment and employment. For the last seventy years, the solution to such crises has been (1) to lower interest rates to spur lending so that businesses have access to funds for capital investment and consumers have money to spend and create demand; (2) to increase government spending to replace stalled growth in consumer demand. These are known, respectively, as monetary stimulus and fiscal stimulus. In both cases, the goal is to "stimulate" the economy, to get it growing again. Government policy in the present economic crisis has been the same. Liberals and conservatives may disagree on the amount and type of stimulus required, but rarely does anyone – not Barack Obama, not even the most liberal member of Congress – question the desirability of growing the economy. That is because, in the current debt-based, interest-bearing money system, the absence of growth leads to rapid concentration of
wealth and economic depression.

Today, however, on the fringes of political and environmental movements, the recognition is growing that society and the planet can no longer sustain further growth. For growth—which in GDP terms means the expansion in the realm of monetized goods and services—ultimately comes from the conversion of nature into commodities and the conversion of social relationships into professional services. Consider again the social gathering I described. Why don’t we need each other? It is because all the gift relationships upon which we once depended are now paid services. They have been converted into service work which the market converts into cash. What is there left to convert? Whether fossil fuels, topsoil, aquifers, the atmosphere’s capacity to absorb waste; whether it is food, clothing, shelter, medicine, music, or our collective cultural bequest of stories and ideas, nearly all have become commodities. Unless we can find yet new realms of nature to convert into good, unless we can find even more functions of human life to commoditize, our days of economic growth are numbered. What room for growth remains—for example in today’s anemic economic recovery—comes only at an increasing cost to nature and society.

From this perspective, a third consequence of the gift circle and other forms of gift economy becomes apparent. Not only does gift-based circulation subtract from GDP, it also hastens the demise of the present economic system. Any bit of nature or human relationship that we preserve or reclaim from the commodity world is one bit less that is available to sell, or to use as the basis for new interest-bearing loans. Without constant creation of new debt, existing debt cannot be repaid. Lending opportunities only occur in a context of economic growth, in which the marginal return on capital investment exceeds the interest rate. To simplify: no growth, less lending; less lending, more transfer of assets to creditors; more transfer of assets, more concentration of wealth; more concentration of wealth, less consumer spending; less consumer spending, less growth. This is the vicious circle described by economists going back to Karl Marx. It has been deferred for two centuries by the ceaseless opening up, through technology and colonization, of new realms of nature and relationship to the market. Today, not only are these realms nearly exhausted, but a shift of conscious motivates growing efforts to reclaim them for the commons and for the gift. Today, we direct huge efforts toward protecting the forests, whereas the most brilliant minds of two generations ago devoted themselves to their more efficient clearcutting. Similarly, so many of us today seek to limit pollution not expand production, to protect the waters not increase the fish catch, to preserve the wetlands—not build larger housing developments. These efforts, while not always successful, put a brake on economic growth beyond the natural limit the environment poses. From the gift perspective, what is happening is that we no longer seek merely to take from the planet, but to give back as well. This corresponds to the coming of age of humanity, transitioning from a mother-child relationship to earth, to a co-creative partnership in which giving and receiving find balance.

The same transition to the gift is underway in the social realm. Many of us no longer aspire to financial independence, the state in which we have so much money we needn’t depend on anyone for anything. Today, increasingly, we yearn instead for community. We don’t want to live in a commodity world, where everything we have exists for the primary goal of profit. We want things created for love and beauty, things that connect us more deeply to the people around us. We desire to be interdependent, not independent. The gift circle, and the many new forms of gift economy that are
emerging on the Internet, are ways of reclaiming human relationships from the market. Whether natural or social, the reclamation of the gift-based commonwealth not only hastens the collapse of a growth-dependent money system, it also mitigates its severity. At the present moment, the market faces a crisis, merely one of a multiplicity of crises (ecological, social) that are converging upon us. Through the turbulent time that is upon us, the survival of humanity, and our capacity to build a new kind of civilization embodying a new relationship to earth and a new, more connected, human identity, depends on these scraps of the commonwealth that we are able to preserve or reclaim. Although we have done grievous damage to earth, vast wealth still remains. There is still richness in the soil, water, cultures and biomes of this planet. The longer we persist under the status quo, the less of that richness will remain and the more calamitous the transition will be.

On a less tangible level, any gifts we give contribute to another kind of commonwealth—a reservoir of gratitude that will see us through times of turmoil, when the conventions and stories that hold civic society together fall apart. Gifts inspire gratitude and generosity is infectious. Increasingly, I read and hear stories of generosity, selflessness, even magnanimity that take my breath away. When I witness generosity, I want to be generous too. In the coming times, we will need the generosity, the selflessness, and the magnanimity of many people. If everyone seeks merely their own survival, then there is no hope for a new kind of civilization. We need each others' gifts as we need each others' generosity to invite us into the realm of the gift ourselves. In contrast to the age of money where we can pay for anything and need no gifts, soon it will be abundantly clear: we need each other.