

BARTERING IS BACK

Back in 2005, Canadian Kyle MacDonald was making a living delivering pizzas, but he dreamt of owning his own house. So, one day he set up a website and offered a red paperclip in exchange for 'something bigger and better'. One year later, and after 14 exchanges, he had swapped the paperclip for a house! First, he swapped the paperclip for a pen. After that, the trades included a snowmobile, a van, an afternoon with rock star Alice Cooper and a role in a Hollywood film. Finally, he swapped the film role for a house.

But trading or bartering one item for another is nothing new. It was how people 'shopped' before the invention of money. And today, bartering is back. The number of people who use websites such as Craigslist.org, where you can exchange one item or service for another, is increasing. Some websites, such as babysitterexchange.com, provide just one service, while other sites cover a range of items and services. People have exchanged yoga lessons and language lessons for decorating, offered dog-walking and lifts to the airport in exchange for theatre and concert tickets, and some people will offer to do your shopping, cleaning or ironing in exchange for items they need. People also offer to trade professional services such as legal advice and accountancy. Antonio Puri, an artist based in Philadelphia in the USA, was in his dentist's chair when he noticed there were no paintings on the walls. He told his dentist 'You need art. How about doing a trade?' Puri made him an offer and swapped a \$1200 painting for his dental treatment.

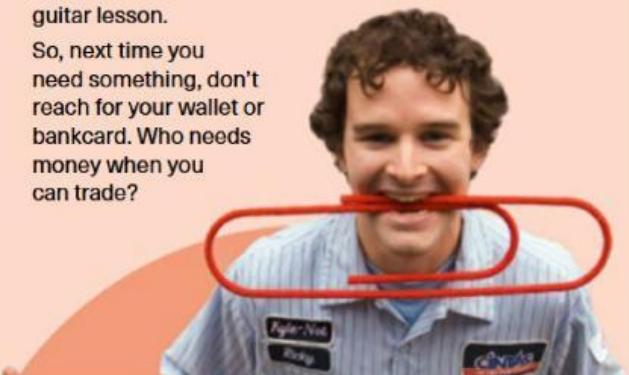
Glossary

barter (v) to exchange goods or services for other goods or services instead of using money

Time banks are another recent development. You register at your local *Time Bank*'s website and list the services you have to offer or like doing. For each hour of work you provide to another member, you earn a certain number of 'time credits'. You can then spend your 'time credits' on another service on the site that someone else enjoys doing.

Doing your research and suggesting realistic prices are the basic rules with both barter sites and time banks. It's important not to try to make a profit. At the same time, if someone does you a favour, don't give them something below its value. If you do this, the system will break down and stop working. If you are bartering, it is important to agree with the other person what is a fair exchange. So, for example, you might agree that a driving lesson is equal to two haircuts or that fixing someone's washing machine is equal to a half-hour guitar lesson.

So, next time you need something, don't reach for your wallet or bankcard. Who needs money when you can trade?



SCAN Read *Bartering is back* and complete the notes.

- 1 Kyle McDonald started a website, and after one year exchanged a _____ for a _____.
- 2 Websites such as Craigslist.org: People can exchange _____ with each other.
- 3 Antonio Puri exchanged a _____ for a _____.
- 4 Time banks: For every _____ you work, you earn _____.
- 5 Basic rule: Ask a _____ for what you are offering. Need to agree what is _____.