

## **New Report: Digital Complementary Currency Drives Revitalization of Brazilian City**

*Report and visualization offer first look at the impact of Maricá's mumbuca, one of the most widely traded local currencies in the world*

### *Press Release*

New York, NY — June 27, 2023 — A [new report and interactive visualization](#) from the Jain Family Institute explore the impact of the mumbuca, one of the world's most widely exchanged complementary currencies and a central component of the economic revitalization of Maricá, a Brazilian city of some 200,000 residents located an hour outside of Rio de Janeiro.

The report, authored by economic researcher Andrea Gama, is entitled “We Take Mumbucas: Charting the Complementary Currency that’s Transforming a Brazilian City.” Available in both English and Portuguese, the piece is accompanied by an interactive visualization by JFI’s Francis Tseng, which draws on records of all transactions conducted in the currency between 2018 and August 2020 in order to chart the evolution of the increasingly interconnected mumbuca ecosystem.

Complementary currencies are mediums of exchange that operate alongside national currencies. They are usually local in scale and have a specific purpose. Maricá’s mumbuca was introduced in 2013 as part of the city’s Solidarity Economy Program, which also included a community bank and cash transfer program. By disbursing welfare in the form of the mumbuca, which can only be spent in Maricá, the city sought to stimulate local growth and prevent the outflow of municipal resources. Since then, the program has taken root, with 46% of issued mumbucas remaining in circulation within Maricá between 2018 and August 2020. Over 25% of residents utilize the local currency, and its acceptance is widespread among local businesses. The mumbuca has played a central role in the municipal government’s welfare agenda, including a guaranteed income program and a pandemic response initiative.

On Friday, June 30 from 1-2:30pm ET, JFI will host a discussion of the new report, featuring author Andrea Gama as well as Julian Jonker, Assistant Professor of Legal Studies & Business Ethics at the Wharton School of the University of Pennsylvania, and Emmanoel Boff, Professor of Economics, Federal Fluminense University. Registration is available at [bit.ly/3NLSO52](https://bit.ly/3NLSO52).

“The mumbuca experience of a local digital currency together with a cash transfer program, being one of the first of its kind, introduces many questions about this model’s potential in local development policies, and this report intends to shine a light on that,” said author Andrea Gama. “While there is a debate around the mechanisms through which local currencies connect members of a community and strengthen the local economy, the graphic tool in the report transforms this abstract concept into a visible element of the narrative.”

“Maricá’s complementary currency is one of the most exciting and ambitious local development initiatives anywhere,” said Paul Katz, VP in JFI’s Social Wealth initiative. “We are thrilled to support research around this exciting program, and hope it can spur debate about innovative strategies for inclusive economic growth, in Brazil and far beyond.”

The report was produced under the auspices of the [Maricá Basic Income Evaluation](#), a joint effort between JFI and Brazil’s Universidade Federal Fluminense, and was made possible thanks to data and research support from Maricá’s Mumbuca Bank, as well as the Instituto Edinheiro in Fortaleza, Brazil.

#### **About the Jain Family Institute (JFI):**

JFI is a 501(c)(3) nonprofit applied research organization founded in 2014 by Bob Jain. Our mission is to address pressing social problems by identifying and building high-impact interventions that translate to real world progress. A platform for research and social entrepreneurship, JFI brings global policy from theory to practice.

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