

Introduction to JAK: ideology, structure and saving's and loan's system

www.jak.se



Miguel Ganzo, miguel.ganzo@jak.se

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Three pictures of JAK

JAK's ideology

Savings and loans system

JAK's structure



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JAK Members Bank

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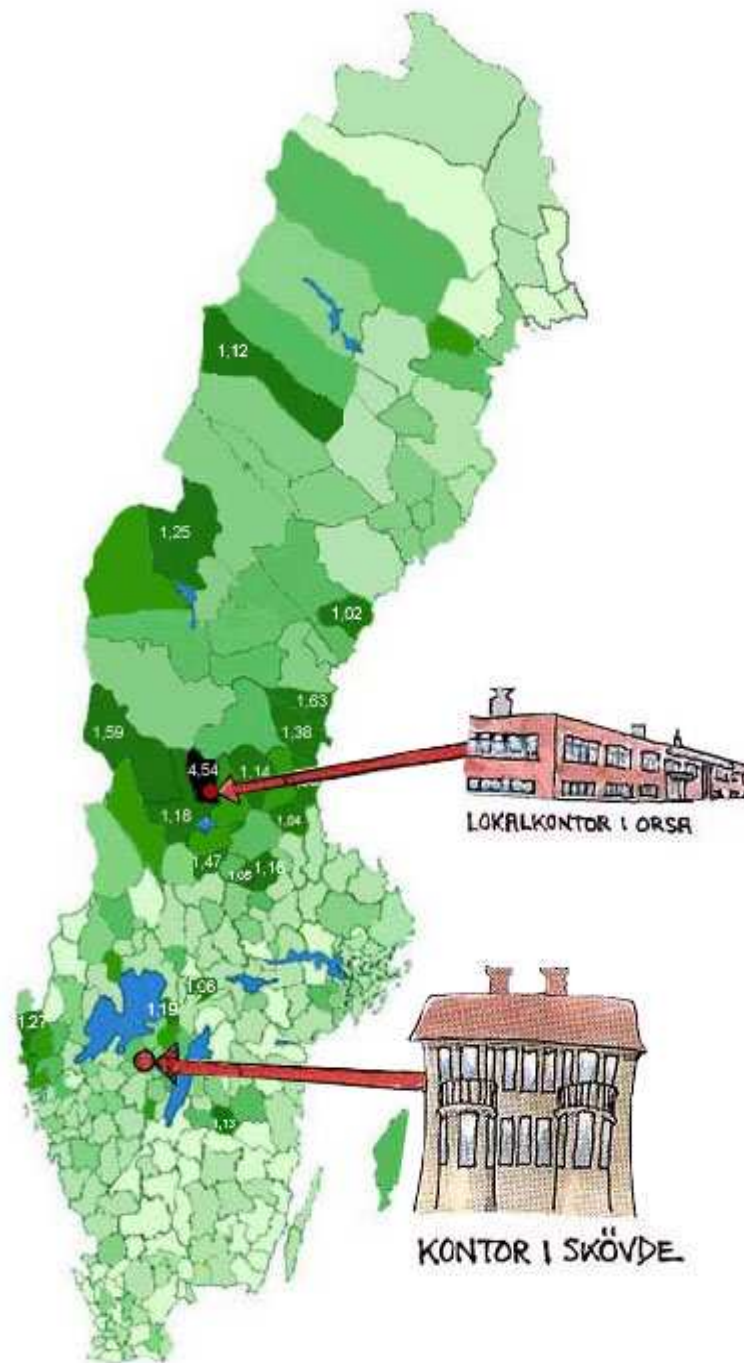
36 500 Members

650 active members

29 Local groups

2 offices

32 employees



RÄTTVIS EKONOMI

JAK Medlemsbank
är medlemsägd...

JAK
Membersbank
is owned by the
members

As a member
are you owner,
and then you
can save and
loan money

SAMARBETE

Som medlem
är du
sparare,
låntagare
och ägare

All the members
are owners of
the bank in the
same proportion
(one member,
one vote)



Alla medlemmar är lika stora
ägare till banken



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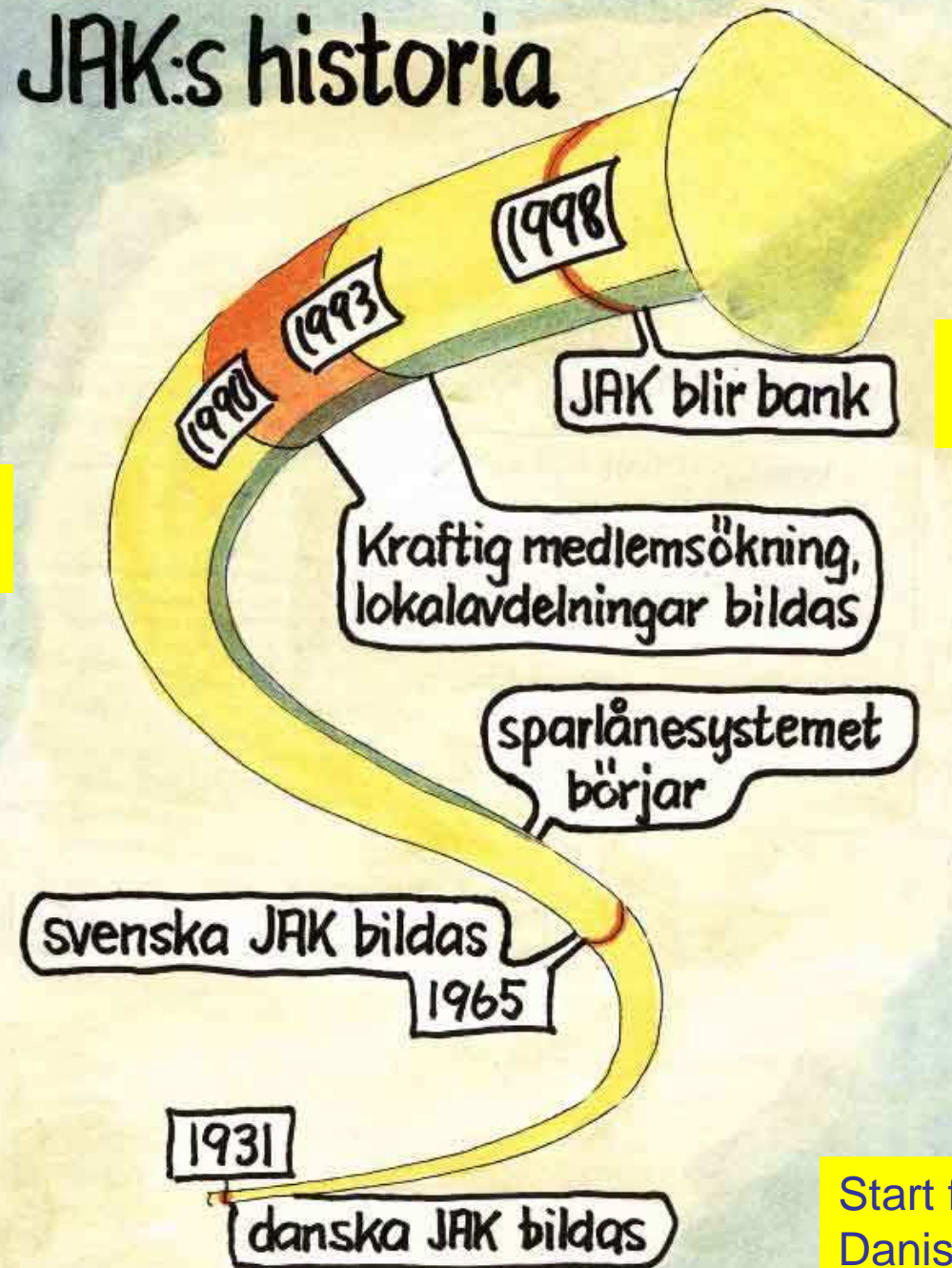
JAK's history

Sharp increase in the number of members.
Starting with local groups

Start for the Swedish JAK



JAK:s historia



JAK became formally a bank

The beginning of the savings and loans system

Start for the Danish JAK

JAK's ideology



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Land

Labour

Capital

Classic economy:
management of
Land, Labour and
Capital

**Neoclassic
economy:**
management only
with money

Jord

Arbete

Kapital

KLASSISK EKONOMI:

Hushållning med jord, arbete
och kapital

NEOKLASSISK EKONOMI:
(den vanliga synen på ekonomi idag)

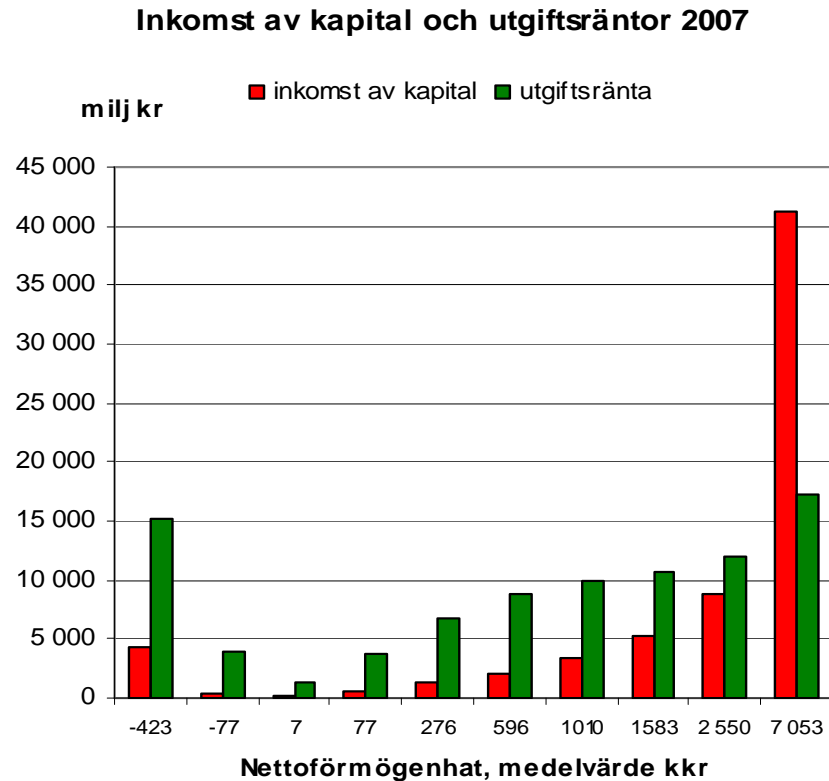
Hushållning bara med pengar





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Interest paid and profits received by Swedish population during 2007

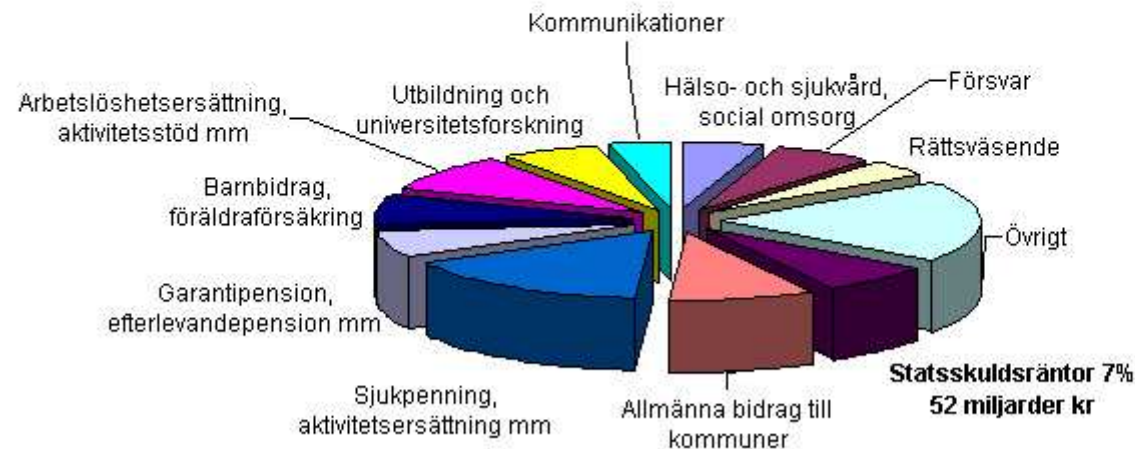


Without
interest
everything
becomes
cheaper



Expenses of the Swedish State 2004

Statens utgifter 2004 totalt 749 miljarder kr



Interest-free (what do we mean with this)

”Normal” bank

JAK Members bank

Administrative costs

Administrative costs

Interest to the savers

-

Profits to the owners

-

Losses

Losses



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JAK's savings and loans system



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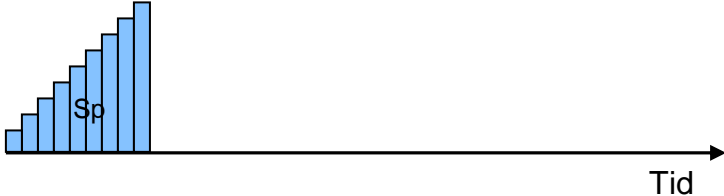
Saving Points (Sp)

1 crown x 1 month = 1 Sp



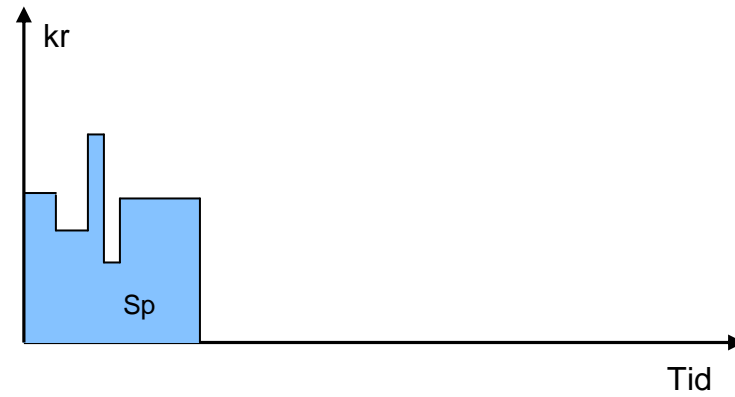
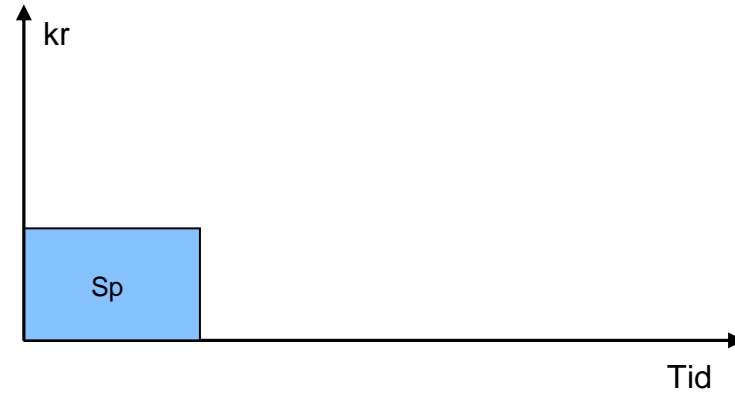
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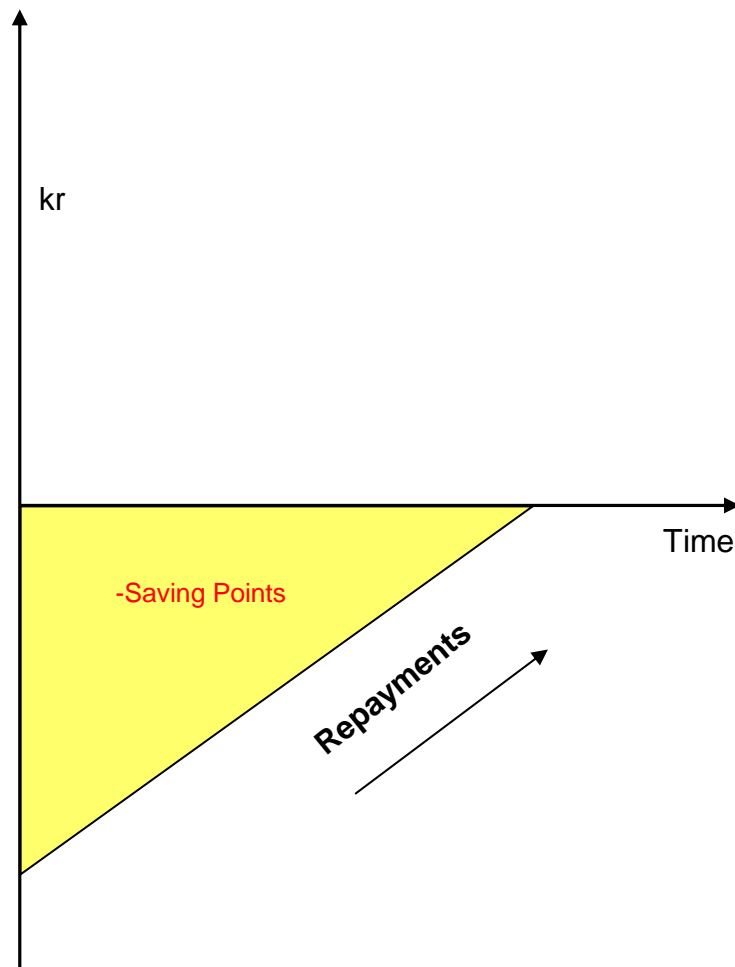
Regular savings



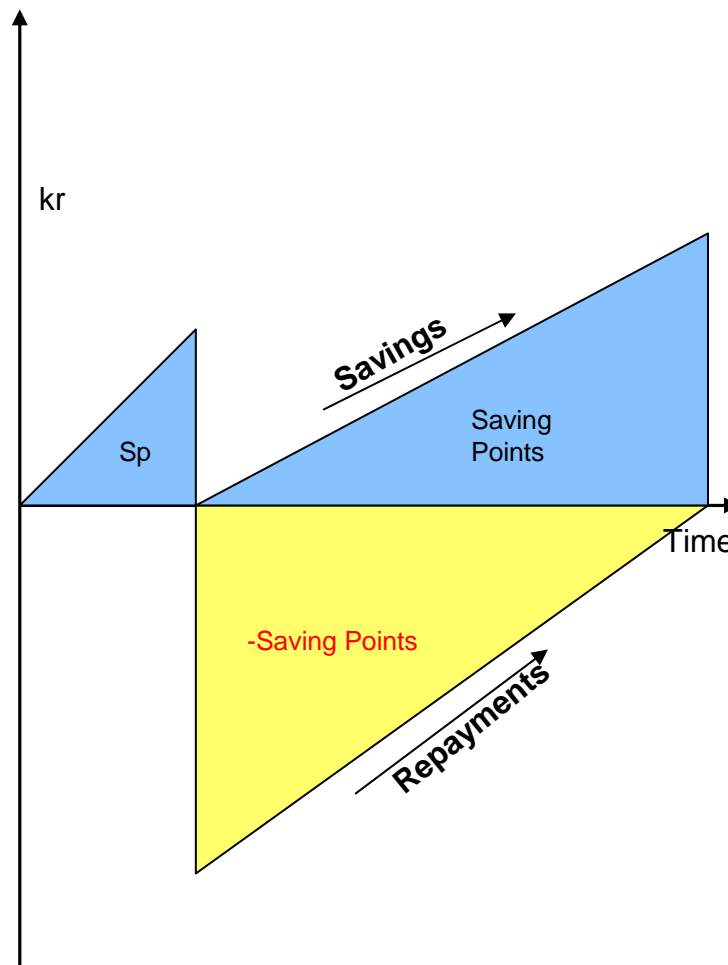
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Other kinds of savings...





Debt: 1 kr x 1 month = - 1Sp



Basic Rule: Every member who takes a loan has to reach a minimum balance of 0 Sp before any bound savings can be repaid

The cost of the loans

Every **loan** generates a **fee** worked out as a fixed charge for borrowing each Krona for each day it is borrowed.

An example: For a loan of 10.000 Euro taken over 10 years the fee would be:

$$10000 \times 10 \times 1,3\% = 10000 \times 10 \times 0,013 = 1300 \text{ Euro}$$

So 1300 Euro is the cost of the loan (which is paid back during the 10 years)



JAK's sources of income (2008)

Membership fees	19 %
Loan fees	73 %
Interests	8 %

JAK's incomes 2008 **2,581,611 EUR**

JAK's expenses 2008 **2,590,872 EUR**



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Where does JAK have the money?

Var har JAK pengarna?

Savings of the members

medlemmar sparar

insatser
+ eventuellt
överskott

New shares +
Profits
(eventually)

Loans to the members

utlåning

likvida
medel

Cash (in other
banks) +
Treasury bills

medlemmar

plusgiro
bank
statsskuldväxlar



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JAK's capital reserves

Member's shares: 22 Euro per member (first year membership fee)

JAK's equity deposit: When a loan is taken the member has to provide the bank with an amount equal to 6% of the loan, to be held by JAK as an Equity Deposit. This money is legally owned by the bank and forms its reserves thereby meeting its regulatory reserve requirement.

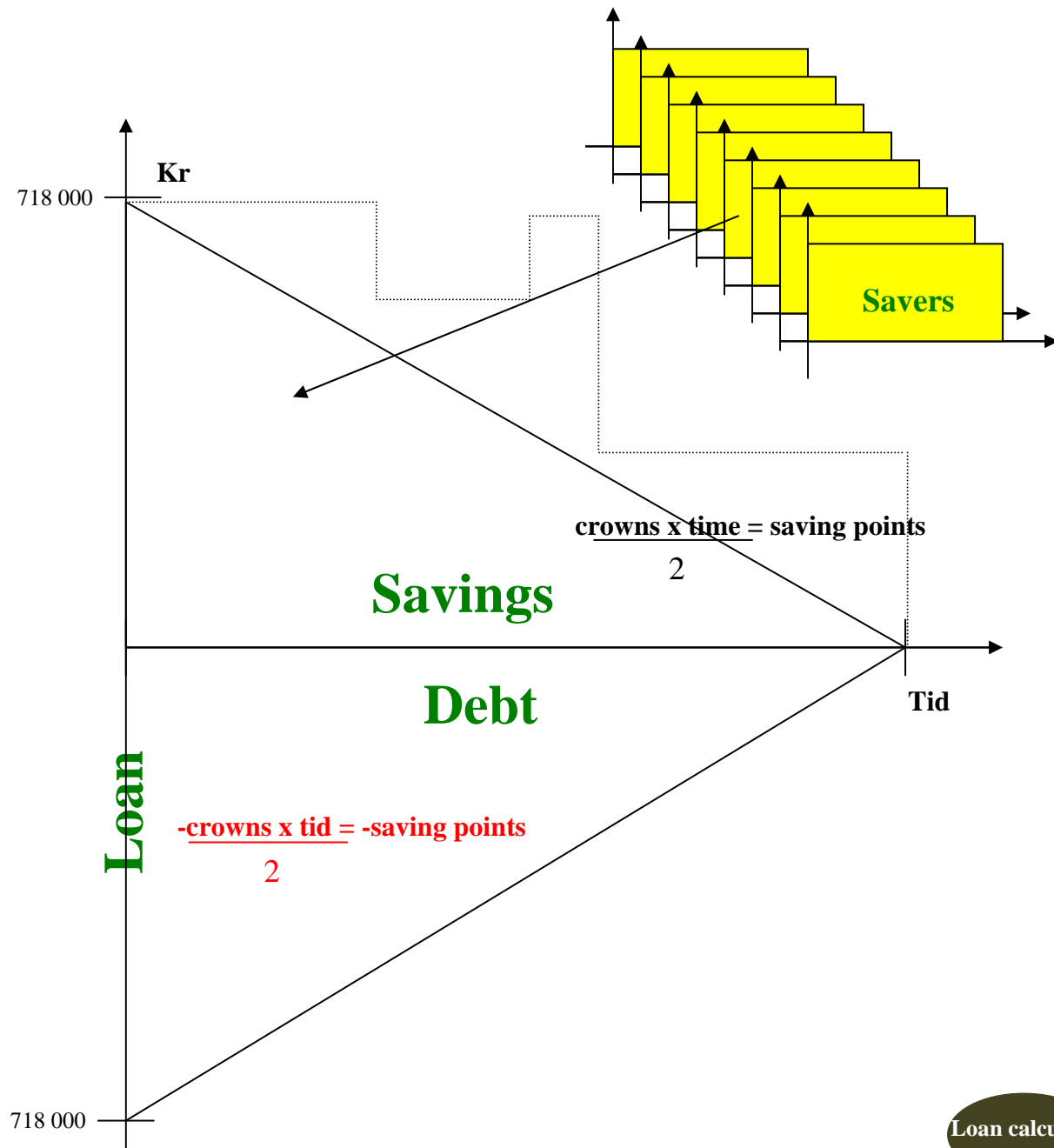


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Support savings



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JAK's structure



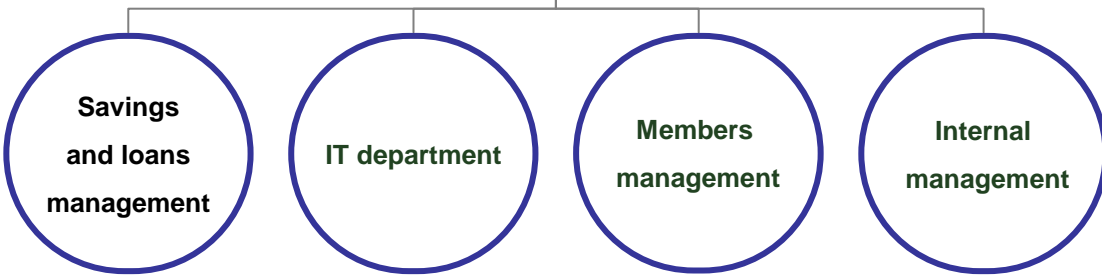
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JAK Medlemsbank
yearly assembly



CEO



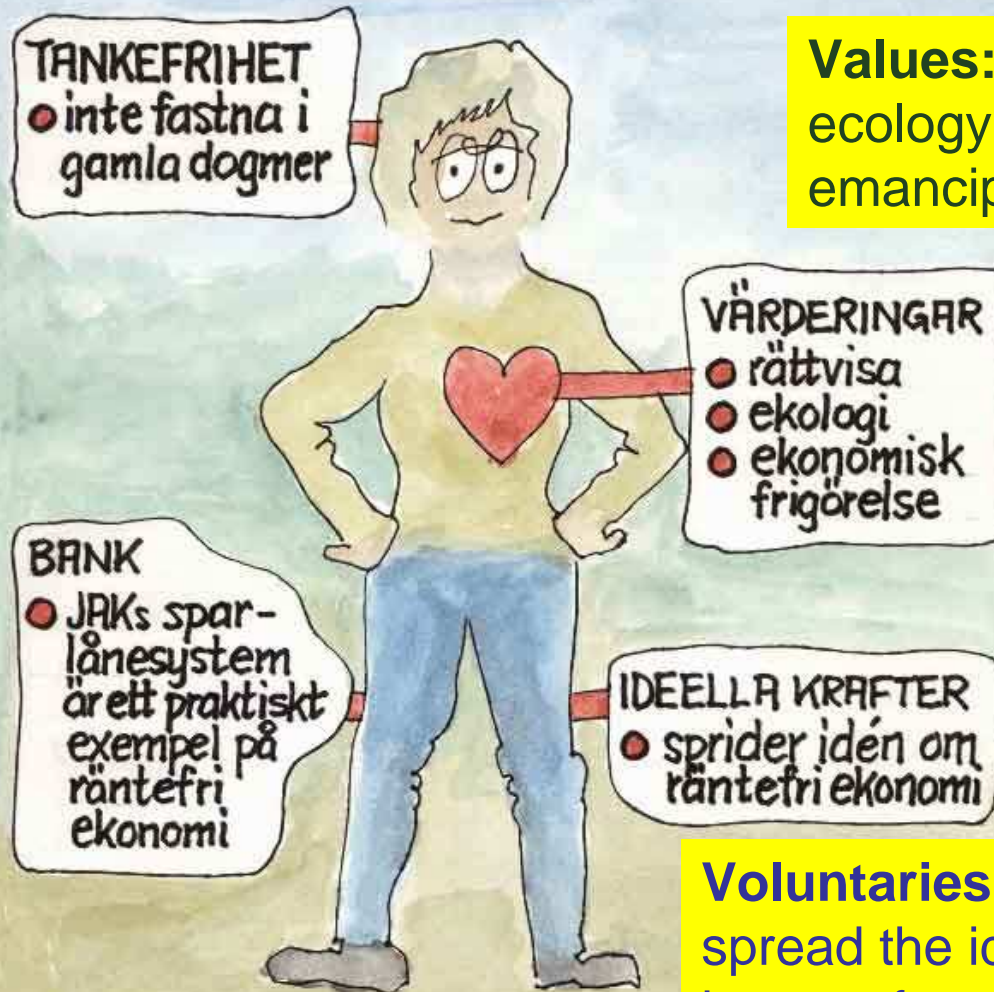
The meaning of the association JAK

Freedom of thought: not get stuck in old dogma

Bank: JAK's savings and loans system is a real example of interest-free economy



Meningen med föreningen JAK



Values: justice, ecology, "economic emancipation"

Voluntaries: who spread the idea of an interest free economy

Democracy and development in JAK

Big changes and developments in JAK are proposed democratically by the assembly.

What's going on?

- Improvements in internet banking: more services for the members.
- New layout for JAK's webpage and Grus&Guld in the internet.
- International work.
- New model for the calculation of the loan fee (to follow the laws)
- Developments in our democratic system.

International work in JAK

Spread the idea, not establishing offices abroad.

Collaborate to other interest free projects.

Based in voluntary work.

International newsletter.

JAK School(s) in English.

Collaborative translation project.

www.jak.se/int

miguel.ganzo@jak.se

Literature

JAK Book (in Swedish or Italian)

Burton, Mark, Unravelling Debt. **The Economy, Banking and the Case of JAK**, Dissertation for MSc in Holistic Science, Schumacher College, 2008.

Kennedy, Margrit, **Interest and Inflation Free Money** , Seva International, 1995.

Sylvain, Emmanuelle, **Sustainable Development and Economic Freedom** - an exploration of contrasting ideas for economic sustainability,2007

