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No cash? No problem, BBN offers a solution

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OF GOLF AND TRADE EXCHANGES

IT WAS amidst the country's worst economic and financial recession. Halted projects dotted the landscape to serve as stark reminders that everyone was simply out of money.

In Penang, Mr Lim Kean Beng, who had been a property developer for 15 years, did not have much to do. So he spent his days monitoring the stock market (a depressing proceeding) and playing golf.

It was around that time, when Prime Minister Datuk Seri Dr Mahathir Mohamad, seeing the lack of activity in the once vibrant economy, suggested that since there was no money to be exchanged, why not barter for goods.

Barter, Lim noted, is a very ancient tool which people used in the days of yore to exchange products and services without cash. This form of trade petered off as there were too many restrictions involved.

For instance, Sam, who had cotton may have wanted to trade with Jeff, who had spice, but Jeff in turn may have wanted wheat instead. And anyway, how much cotton would you pay for spice and vice versa? And this was why currency was invented.

"One of my partners immediately came up with a paper to do barter in this country," Lim said.

For research, they did what any sensible person of the time would have done - they surfed the Internet.

"We found it was a huge global business and wondered why there was nothing in Malaysia. So we set up the Barter Business Network (BBN) February 1999," he said.