

# ARIANE REYNS

## **“IMPROVED TERRITORIAL RESILIENCE THROUGH CREDIT DEVELOPMENT AT THE ORGANIZATIONAL LEVEL: THE CASE OF THE SARDEX”**

This paper explores the concept of resilience in the face of economic crises and examines the potential of mutual credit systems (MCSs) to enhance the resilience of smaller businesses and the territories in which they operate. Economic recessions, such as the 2008 financial crisis and the COVID-19 pandemic, have highlighted the necessity of effective policies to bolster resilience against shocks, with small businesses being particularly vulnerable due to their significance in local economies and limited access to traditional bank credit. To address this, MCSs - alternative currency systems that circulate within a specific region or community - have been introduced as innovative tools to support local, smaller firms by facilitating exchanges without bearing interest and as such promote territorial resilience. The paper presents an analysis of the impact of MCSs, specifically the Sardex, on enterprise and employment numbers, highlighting the heterogeneous effects based on different factors. The findings suggest that MCSs can - in some cases - benefit smaller businesses by supporting their survival and self-employed individuals during crises, thus enabling them to withstand external shocks. Larger businesses may also experience advantages, particularly in the recovery phase, by retaining their workforce.