Eberhard Licht
The simple economy
This is how we can work together
to free the economy
from the pressure to grow.

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This is how we can work together to free the economy from the pressure to grow

New edition, October 2026

"It is not the most accurate theories that find practical application, but the simplest ones."

Konrad Zuse (inventor of the computer)

The ideas in this book have also been worked out in scientific form:

Scientific report: simple.economy.nu/cybernetic-real-time-allocation

Theses: simple.economy.nu/theses-direct-allocation

Imprint

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1. Foreword

Gingerbread in September

The gingerbread arrived on the twenty-third of September. Two boxes, plus a crate of speculoos, Christmas stollen wrapped in cling film and a parcel of decorations: red bows, golden stars, a cardboard Father Christmas who waved with one arm when you stood him up.

Anna was standing on a small ladder in the shop window, attaching the stars to a string. It was twenty-two degrees outside. On the pavement opposite, people in shorts were sitting outside the ice-cream parlour.

"Mrs Hofmann," said a voice behind her. Mr Albers was standing in the shop doorway, with his two rye rolls in a bag, looking up at the cardboard Father Christmas. "Is it that time of year again?"

"Don't ask."

"I'm just asking. I haven't even brought the garden furniture inside yet."

Anna climbed down from the ladder. "The wholesaler's representative was here last week. He said that if you don't start in October, you've already lost out. People buy their gingerbread wherever they see it first." She nodded towards the window, across the street, where the orange sign of the chain bakery was lit up. "They've been on the shelves over there for two weeks."

Mr Albers shook his head, wished her a good day and left.

* * *

In the afternoon, Mira popped round to pick up a loaf of bread. She stopped in front of the shop window and looked at the waving Father Christmas with an expression Anna knew all too well.

"Mum. It's September."

"I know."

"You do realise that this is exactly what we were talking about the other day? They want to get people in the mood to shop as early as autumn, so that in December they'll buy as much stuff as possible that they don't need. And by January, it's all in the bin."

"I know, Mira."

"So why are you going along with it?"

Anna put down the star she'd been holding. "Because I make a third of my annual turnover in December. If the Christmas trade goes badly, I won't be able to pay the wages in February. Then I'll have to tell Mrs Kern she can only come in half-days. And Mrs Kern has two children."

Mira fell silent.

"I'm not doing this because I want people to buy stuff they don't need," said Anna more quietly. "I'm doing this because I've got no choice. Just like those people over there have no choice. And neither does the wholesaler."

* * *

Once Mira had left, Anna climbed the ladder once more to hang up the last star. She thought of the Christmases of her childhood at the mill. The plate of biscuits her grandmother had baked. The jumper that Walter's sister had knitted for her, which was far too big. The presents that hadn't been bought but made, and the joy that had more to do with people than with things.

Back then, presents had been a gesture. Today, they were a sales target.

She tied the string securely and climbed down. The cardboard Father Christmas waved. Out on the street, a man in shorts walked past and laughed when he saw him.

* * *

Christmas in September

Every year, a few weeks before Christmas, the most important time of the year for retail begins. Many shops make a large proportion of their turnover in the final weeks of the year. They use this to plan their investments, their wages and their future. And for many people, buying presents has long since become a reward for a year of hard work.

From the perspective of an individual business, this makes perfect sense. Anna doesn't decorate her shop window in September because she wants to tempt people into buying, but because she has to pay her staff's wages in February. Yet from the perspective of the economy as a whole – and of the planet on which it operates – this reveals something fundamental: in our economy, selling is not a choice, but a necessity. If sales are insufficient, companies run into difficulties, investment dries up and jobs are lost. The pressure to grow is not the result of ill will on the part of individuals. It is built into the very foundations of our economic system.

At the same time, we know that unlimited growth is not possible on a finite planet. Even staunch supporters of the market economy are increasingly recognising this conflict. Previous attempts at a solution – more energy-efficient technology, renewable energy, the hope of decoupling growth from resource consumption – have achieved a great deal, but have not solved the fundamental problem. And when people buy less or use their possessions for longer, the economy reacts not with relief, but with crisis.

What the market has achieved

This book is not a critique of the market economy. On the contrary: it begins with a tribute.

In times of genuine scarcity, the market was the most effective tool humanity had at its disposal. It organised labour, disseminated knowledge and rewarded invention. It managed scarcity better than any planning authority. And over two centuries, it lifted a large proportion of humanity out of a poverty that we can scarcely imagine today.

The paradox of abundance

This is precisely where the greatest paradox of our time lies. The market was so successful that it created a world of potential abundance. Today's production capacity would be sufficient for every person to have what they need for a dignified life.

Yet we still manage this wealth using the tools of scarcity: money, prices and wage labour. And these tools force us to artificially limit abundance. Production focuses not primarily on what people need, but on what can be sold. Things are replaced before they are worn out. The follow-on costs to the environment and society do not feature in any calculations.

At the same time, something unprecedented has changed in recent decades. Digital connectivity, automated logistics and artificial intelligence are making it possible for the first time to map demand, production capacities and supply chains in real time and to coordinate them directly with one another – without the detour via price.

The questions addressed in this book

This raises questions that this book seeks to answer:

Can the direct coordination of demand and production replace control via prices and money?

What might an economy look like that frees companies from the pressure to grow and allows them simply to produce good products for people?

Under what conditions would the owners of businesses, raw materials and property be prepared to make them available to the general public?

And then there are the questions everyone asks straight away: Would people stop working if they were provided for free of charge? Would shops be cleared out if there were no longer any till counters? Would nature be exploited even more ruthlessly if there were no price to limit consumption?

The answers may seem surprising at first glance. However, they are based on a simple observation: people already organise a large part of their lives without buying or selling. Within families, amongst friends, in the neighbourhood and through voluntary work, people look after one another without issuing invoices. This book asks whether the principle of care – which has underpinned our private lives for millennia – can also be applied to the economy as a whole.

What this book does not propose

To avoid any misunderstanding, let us state right at the outset what this book does not propose.

It does not propose a planned economy. There is no planning office and no authority that determines what is produced.

It does not propose expropriation. Nothing is taken away from anyone. Entrepreneurs continue to run their businesses.

It does not propose a revolution. The path described in this book is based on a collective, voluntary decision that is democratically safeguarded.

Nor does it advocate self-denial. It describes a world in which people would presumably consume less without feeling that they have to go without anything.

Who this book is written for

This book is aimed at two groups of people who rarely speak to one another.

It is aimed at those who view growth critically and are seeking ways to preserve the livelihoods of future generations. It offers them a path that does not depend on the goodwill of each individual and does not deprive anyone of their livelihood.

And it is aimed at those who are convinced of the merits of the market economy and rightly defend its achievements. Their strongest arguments – from Adam Smith to Friedrich August von Hayek – are taken seriously and discussed in detail in this book.

Both groups have more in common than they realise. Both want people to be able to live well. Both know that the economy exists to provide for people. And both sense that the current path cannot continue indefinitely as it is.

How this book is structured

The book is divided into five parts. Part I describes the current situation: what the market has achieved, the limits it faces, and why we nevertheless cannot escape it. Part II develops the idea of an economy that is directly geared towards meeting needs. Part III describes how a transition might succeed and what objections stand in its way. Part IV shows how work, property, care and the state might change as a result. Part V looks at the world as a whole.

Each chapter begins with a short scene. It tells the story of a family: of Anna, a master baker with four employees; of her brother Jonas, a financial controller at a car parts supplier and a staunch supporter of the market economy; of Anna's daughter Mira, who is a student, is involved in the climate movement and is impatiently awaiting change; and of Walter, the father, who used to run a mill and remembers a time when people still knew what they were working for. This family is fictional. But what they experience is what many people are going through today.

Each scene is followed by an informative section that explores the topic in depth and is backed up by sources. At the end of each chapter, a short section summarises the key points.

A gesture

At the end of this book lies the hope for a world in which the presents we give each other at Christmas are no longer an economic necessity – but once again what they should always have been: a human gesture.

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Part I – The Starting Point

2. What the market has achieved

The mill by the weir

The mill was still standing. The waterwheel had been rusted solid for thirty years, and moss was growing on the roof, but the walls were still standing. Walter stopped at the riverbank and leaned on his walking stick.

"This is where my grandfather used to open up every morning at five," he said. "Summer and winter alike."

Mira had come with him because Anna had asked her to. The doctor had told him he should walk more. She'd actually intended to read for her term paper: a critique of growth, planetary boundaries, a pile of essays that all said more or less the same thing. That things cannot go on like this.

"How much did he earn, then?" she asked.

Walter laughed. "Earned? At the start, he didn't see any money at all. The farmers brought their grain, and he kept a portion of it as a milling fee. It was called the 'Metze'. One bushel in sixteen, roughly. They got the rest back as flour."

"And what if the flour was poor quality?"

"Then the next morning, Baker Huber would be standing at the door. And by Sunday, the whole village would know about it." He pointed to the house across the bridge. "That's where Huber lived. My grandfather ground his flour, and Huber baked our bread. Neither was doing the other a favour. Everyone just wanted to get by. But that's precisely why everyone had to do a good job."

* * *

They sat down on the bench by the weir. Walter told how his father had taken over the mill after the war, at a time when flour was only available on ration cards.

"My mother often spoke of the summer of '48," he said. "That's when the new mark came in, and from one day to the next the shop windows were full. People stood in front of them and wept. Before that, everything was rationed, and yet there was nothing. Afterwards, everything cost money, but you could buy it."

"But that wasn't just down to the market," said Mira. "There was also the Marshall Plan and …"

"Of course." Walter nodded. "But I can tell you one thing, child: without the market, we wouldn't have had our first tractor in the fifties. No washing machine for my mother, who used to stand at the washboard every Monday with sore hands. And I'd never have gone to Italy." He smiled. "Nineteen sixty. Rimini. On a motorbike."

Mira knew the story. She'd never interrupted him.

* * *

"So why has the mill stopped turning, then?" she asked after a while.

Walter stared at the waterwheel for a long time.

"By the end of the eighties, the big mills by the motorway were supplying flour at half the price. By lorry, straight to the industrial bakeries. I carried on for another ten years, then it just wasn't viable any more." He shrugged. "There was nothing unfair about it. They were simply better. Or at least cheaper."

"Isn't that the same thing?"

"It used to be," said Walter. "Back then, cheaper usually meant better. Less work for the same loaf of bread – that was progress. It made us all richer." He tapped the bench with his walking stick. "These days, I'm not so sure anymore."

"What do you mean?"

"Your mum bakes bread that's better than anything we've ever had round here. And yet every year she has to ask herself whether she can still afford it." He struggled to his feet. "The market lifted us out of poverty, Mira. You must never forget that. I just wonder whether it knows when it's done."

On the way back, neither of them said a word. But Mira thought about the fact that in her pile of essays, there wasn't a single sentence that sounded quite like her grandfather's.

* * *

The baker's sentence

> *"It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard for their own interest. We appeal not to their humanity but to their self-love."*
>
> Adam Smith, The Wealth of Nations (1776)

It is arguably the most famous quotation in economics. With these two sentences, the Scottish moral philosopher Adam Smith described what Walter's grandfather and the baker Huber experienced every day: neither was doing the other a favour, and that is precisely why both had to do a good job (Smith, 2023).

Smith is often interpreted as having declared selfishness to be a virtue. That is not the case. He speaks of 'self-love' – the understandable desire to provide for oneself and one's own family. Seventeen years before *The Wealth of Nations*, he had written an entire book on compassion, *The Theory of Moral Sentiments* (Smith, 1759). For Smith, human beings were creatures who empathise with others and wish to be respected by them. The market was not meant to replace these qualities, but to provide a framework for them.

His observation was simple and compelling: if every person looks after themselves by producing something useful for others, then prosperity arises without anyone having to plan for it. Later, the image of the 'invisible hand' came to be used to describe this. Smith himself uses the expression only once in *The Wealth of Nations*, and in a more specific context. Yet the image has caught on because it captures a truth.

Why the baker was once useful

The world Smith had in mind was manageable. The baker lived in the same town as his customers. He had to satisfy a genuine, everyday need in order to make a living: he had to bake bread that was filling and tasted good. His self-interest and the benefit to the community largely pointed in the same direction. Profit was not an end in itself, but the result of fulfilling a supply function. This is the image of the honourable merchant that continues to guide many entrepreneurs to this day.

However, one should not romanticise that era. Even in the 18th century, bread was adulterated, prices were fixed by agreement, and competitors were kept out by guild regulations. In many towns, the authorities set the price of bread because they did not trust the bakers. Smith himself was a fierce critic of merchants. He warned that people in the same trade rarely came together without eventually reaching an agreement that went against the public interest. He distrusted monopolies and the close ties between trade and the state.

That is precisely why his idea is so powerful. Smith was no dreamer. He recognised the weaknesses of people and markets – and yet still concluded that the free exchange between many small suppliers provided people with better provisions than any other system he knew of.

What the market has achieved

History has proved him right to an astonishing degree. Around 1800, the vast majority of humanity lived in a state of poverty that we can scarcely imagine today. Most people worked in the fields, and a single poor harvest could trigger a famine. Almost one in two children died before reaching the age of five.

Today, only a small proportion of the world's population lives in extreme poverty. Life expectancy has more than doubled. Washing machines, antibiotics, electric lighting, railways and computers – none of these were mandated by a central authority, but emerged from competition amongst many inventors, entrepreneurs and workers who wanted to offer something better or cheaper.

In Germany, this experience has a name: the 'economic miracle'. When the new currency was introduced in June 1948 and Ludwig Erhard simultaneously abolished most price controls, shop windows filled up almost overnight. Erhard combined the market with social balance and called his programme 'Prosperity for All' (Erhard, 1957). For Walter's

generation, this was no mere theory. It was the first tractor, the first washing machine, the first trip to Italy.

The comparison also speaks in favour of the market. The planned economies of the 20th century attempted to control supply from above. They failed not only because of a lack of freedom, but also because their authorities simply did not know what was needed where. There were shoes in the wrong sizes and too few spare parts, whilst elsewhere warehouses were overflowing. The market solved this problem better than any centralised administration.

Price as a signalling system

The Austrian economist Friedrich August von Hayek explained why the market was so superior in this regard in a famous essay in 1945 (Hayek, 1945). For him, the market's true strength lay not in competition per se, but in prices.

Hayek's starting point was a modest insight: the knowledge an economy needs is spread across millions of minds. The farmer knows how his harvest is faring. The miller knows how much grain he has left. The baker knows what his customers will buy tomorrow. No authority in the world could gather all this knowledge in time.

The price, according to Hayek, solves this problem in an ingenious way. It consolidates all this scattered information into a single figure. Hayek chose tin as an example: if tin becomes scarce anywhere in the world, be it because a mine closes or because a new use for it has been discovered, then its price rises. And thousands of people who use tin start to use it more sparingly – without knowing why it has become scarce. Nor do they need to know. The price has told them so.

Hayek compared the price system to a telecommunications network that relays messages about scarcity and demand over great distances and between people who never meet. In 1974, he was awarded the Nobel Prize in Economic Sciences for this work.

To this day, this argument remains the strongest in favour of the market, and this book takes it seriously. Anyone who proposes an economy without prices must have an answer as to how the information currently embedded in prices can reach people by other means. We shall return to this in Chapter 7.

The paradox of success

The market was therefore not a mistake. For over two centuries, it was the most effective tool humanity had for organising labour, disseminating knowledge and overcoming scarcity.

Yet it is precisely in its success that a question arises, one Walter posed at the weir: does the market even know when it has had enough?

It was created for a world of scarcity. In such a world, every extra loaf of bread, every extra pair of shoes, every extra machine was a gain. Producing more meant living better.

Today, however, the rich countries produce far more than their inhabitants need for a good life – and yet the economy must continue to grow every year to ensure that jobs, pensions and national budgets remain secure.

This marks a fundamental shift. In Smith's day, the baker's self-interest almost automatically led to the welfare of his customers. Today, this link is fraying in more and more areas. This is not because people have become worse. It is because the conditions under which the market was once so beneficial have changed.

The next chapter shows the extent of this change and the limits to which it is subject.

Key points in brief

- Adam Smith was right for his time: those who look after themselves by benefiting others create prosperity for all. He meant self-love, not selfishness, and he was a fierce critic of monopolies and collusion.
- Over the course of two centuries, the market has lifted humanity out of mass poverty. In Germany, this is epitomised by the 'economic miracle' with its promise of 'prosperity for all'.
- Friedrich August von Hayek demonstrated why the market was superior to any planning authority: prices pool scattered knowledge and pass it on to everyone. Any alternative must address this argument.
- The market was created for a world of scarcity. In a world of potential abundance, the question arises as to whether it still fulfils the same function.

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3. The limits to growth

Two curves

It was Anna's birthday, and as she did every year, she had resolved not to work that Sunday. As every year, she managed to stick to it until coffee time.

Mira had propped her tablet against the sugar bowl. On the screen, a curve rose, jagged as a saw blade, but climbing unwaveringly upwards.

"Mauna Loa," she said. "Hawaii. They've been measuring the CO_2 levels in the air there since 1958. A new record every year. And it's not slowing down, Uncle Jonas. It's speeding up."

Jonas helped himself to a second slice of apple cake. "I'm not denying that at all."

"But?"

"But I've got a graph too." He pulled out his mobile and swiped through a spreadsheet. "That's our factory. Orders received over the last two years. Three hundred and twenty people have been on short-time working since March. These aren't just numbers, Mira. That's Rainer from the hardening shop, whose daughter's just built a house. That's Gül from logistics with her three children."

"And that's why we're supposed to keep building cars until …"

"That's why I'm saying that growth isn't just an ideology you can switch off. If the economy doesn't grow, people lose their jobs. And the ones who lose them aren't the ones talking about degrowth in your seminars."

Mira blushed. "That's unfair."

"Yes," said Jonas more calmly. "It is. I'm sorry."

* * *

Walter had been listening in silence the whole time. Now he set his cup down.

"You're both right," he said. "That's the worst part."

Anna got up to make some more coffee and stopped at the sideboard, where there was a pile of paper. She'd actually tucked it away under the bread basket so she wouldn't have to see it today.

"Do you want to know where your two graphs end up?" she asked, holding up the pile. "Here."

Jonas looked up from his mobile. "What's that?"

"The supplier questionnaire from the Hotel am Markt. They're part of a chain, and the chain now has to submit a sustainability report. So they want me to tell them what the carbon footprint of a sesame roll is. Where my flour comes from, where my miller's flour

comes from, and whether child labour is ruled out on the farmer's fields. Forty-six pages." She flicked through them. "And on page three it says they assess suppliers on price and sustainability. Equally weighted."

"That's exactly what you want, Mira," said Jonas. "Climate protection."

"I want less CO_2 to be released into the air," said Mira. "Not for Mum to be filling in forms on Sundays."

"And I want my people to have work," said Jonas. "Not for my sister's bakery to be swamped with paperwork."

Anna put the pile back under the bread basket.

"You see," she said. "You both want something sensible. And to me, both of them amount to work that doesn't make a single loaf of bread any better."

* * *

Later, when Mira had already left and Jonas was putting on his jacket in the hall, he paused once more in the kitchen doorway.

"Do you know what really annoys me about Mira?" he said quietly.

"That she's right?"

"That I've got no answer." He zipped up his jacket. "I know this growth can't go on forever. Everyone at our factory knows that. But I also know what happens when it stops. It's like riding a bike. If you stop, you fall over."

Anna nodded. Mira's tablet was still lying on the sideboard. The graph glowed in the dark.

* * *

Two graphs, both of which are correct

Mira and Jonas are arguing about two graphs. One shows the carbon dioxide levels in the air; the other, the order intake of an automotive supplier. Both graphs are genuine, and both illustrate a serious problem. The tricky thing is that they're linked: under current conditions, if one is to fall, so too will the other.

This chapter describes three limits that our economy is currently coming up against: the limit of the atmosphere, the limit of an increasingly unequal distribution of wealth, and a limit that you only notice when you run a business yourself – the exhaustion of small and medium-sized enterprises. But first, we need to understand why Jonas is right when he says that you cannot simply switch off growth.

Why the economy must grow

There is debate amongst economists as to whether one should speak of a genuine 'compulsion to grow'. What is undisputed, however, is what happens in practice when the economy does not grow. There are essentially four reasons for this.

The first is technological progress itself. Year after year, we can produce the same amount with less labour. That is actually good news. But if the economy does not grow, it needs fewer people. Anyone who loses their job loses their income – because in our system, one's livelihood is almost always tied to gainful employment.

The second reason is loans. Companies finance machinery, buildings and development projects with loans, which they must repay with interest. In the long run, this is only possible if their revenue increases. A bank adviser who asks about the increase in turnover is not doing so out of malice.

The third reason is investors' expectations. Anyone who invests their money in shares, funds or life insurance policies – and that includes millions of ordinary savers – expects a return. That return has to be generated from somewhere.

The fourth reason is public finances. Taxes, pensions, health insurance and unemployment benefit depend on wages and turnover. If the economy shrinks, revenue falls at precisely the time when more people need support.

That is why our economy does not react to stagnation with calm, but with crisis. When people buy less because they want to protect the environment, it is the right thing to do ecologically – yet it still triggers short-time working. Governments respond with economic stimulus packages, which are often financed on credit. Jonas's comparison with a bicycle hits the nail on the head: if you stop, you fall over.

The atmosphere's limit

Since 1958, a station on the Mauna Loa volcano in Hawaii has been measuring the carbon dioxide content of the air. Before the start of industrialisation, it stood at around 280 parts per million. Today it is over 420 – higher than at any time in human history. Over the last fifty years, it has risen by an average of around 2 parts per million per year. In the last five years, the rate of increase has accelerated to around 2.7 (NOAA Global Monitoring Laboratory, 2026).

It is undisputed in the scientific community that human activity is the main cause of this warming. The Intergovernmental Panel on Climate Change and the World Meteorological Organisation have been confirming this for decades. The year 2024 was the first calendar year in which the global average temperature was more than 1.5 degrees above pre-industrial levels.

The cause is well known: the global economy still relies on coal, oil and gas for around 80 per cent of its energy (Kearney, 2025). And the International Monetary Fund forecasts

further growth in global economic output for the coming years (International Monetary Fund, 2026).

Can't we have both – growth and climate protection? The hope for this is called 'decoupling', and it is not unfounded. Germany has almost halved its greenhouse gas emissions since 1990, whilst economic output has grown. Solar panels and wind turbines have become so cheap that nobody would have predicted this twenty years ago. That is a real achievement, and one that is also down to the market.

But an honest assessment must take two things into account. Part of the reduction in Europe is due to energy-intensive production being relocated to other countries – yet we still buy those goods. And globally, emissions continue to rise. Decoupling is happening, but it is happening too slowly. Every percentage point of growth must first be offset by efficiency gains before any savings remain at all. It is like walking down an escalator that is moving upwards.

As early as 1972, the Club of Rome warned of this trend in its report 'The Limits to Growth' (Meadows, Meadows, & Behrens, 1972). Over fifty years later, the basic trend has changed little.

Who owns the wealth

The second limit is less visible, but no less serious. The World Inequality Report has documented for years that wealth is becoming increasingly concentrated (World Inequality Report, 2026). The richest ten per cent of the world's population own around three-quarters of global wealth. The poorer half of humanity collectively owns less than five per cent.

It is easy to think of billionaires in this context. Yet a large proportion of the middle class in industrialised countries already belongs to the world's richest ten per cent: engineers, doctors, master craftsmen and teachers who own their own homes. Anyone reading this book is, in all likelihood, among them. It is therefore not a question of pointing the finger at others.

There are also significant differences within regions. In Europe, the top ten per cent receive around 37 per cent of all income, whilst in parts of the Middle East the figure exceeds 60 per cent (Sabautzki, 2025).

In a market economy, a certain degree of inequality is intentional. Higher incomes are meant to reward education, achievement and a willingness to take risks. However, as concentration increases, a second problem arises that would also have concerned Adam Smith: the economy is driven by purchasing power. Where there is plenty of money, production takes place – second homes, luxury holidays, sports cars. Where there is little money, needs remain unmet, even if they are urgent. And large fortunes, for their part, must be invested and generate a return. This intensifies the pressure for further growth.

The bureaucracy paradox

The third limit is evident on Anna's kitchen sideboard, in the form of forty-six pages of paper.

The backbone of the European economy is not the large corporations, but small and medium-sized enterprises. They account for 99.8 per cent of all businesses in the European Union, employ almost two-thirds of all workers and generate more than half of the value added (European Commission, 2025). It is precisely these businesses that are complaining the loudest today. In surveys, around two-thirds of them cite bureaucracy as their greatest burden.

This bureaucracy is neither a coincidence nor a form of harassment. It is the state's attempt to fill a gap in the market. The price of a product says nothing about how much CO_2 was emitted during its manufacture or whether children were made to work anywhere in the supply chain. So the legislator is obliging companies to provide proof: through the Supply Chain Act (Lieferkettengesetz, 2023), the obligation to report on sustainability ((EU) 2022/2464, 2022) and the EU Taxonomy ((EU) 2020/852, 2020).

The intention is good. However, these rules were written with large corporations in mind. The corporations pass on these obligations to their suppliers – and these are mostly small businesses like Anna's bakery. What was intended as a tool for the big players thus becomes the heaviest burden for the small ones (Bollen, 2025). The EU has now begun to relax some of these obligations. This reduces the burden on businesses – but also the protection that the rules were intended to provide.

This is the bureaucracy paradox: the more seriously we take the climate and human rights, the more paperwork there is. And the more paperwork there is, the louder the calls to scrap the rules again. Mira and Jonas both want something sensible. For Anna, both amount to work that doesn't make the bread any better.

Three limits, one pattern

At first glance, climate change, inequality and bureaucracy seem to have little to do with one another. Yet they follow the same pattern. In all three cases, an economy dependent on growth is attempting to achieve goals that are difficult to reconcile with growth. And in all three cases, the consequences are remedied after the event: through climate agreements, redistribution and reporting requirements.

These remedial measures are necessary, and they have achieved a great deal. But they merely tackle the symptoms. As long as the driving force – the pressure to sell more every year – remains the same, they will be playing catch-up with ever-increasing effort.

This raises the obvious question: if so many people recognise the problem – climate scientists, business leaders, politicians, ordinary citizens – why is nobody doing anything about it? The answer is surprisingly simple, and it has nothing to do with greed or stupidity. It is the subject of the next chapter.

Key points in brief

- Our economy must grow to ensure that jobs, loans, pensions and national budgets remain stable. Anyone who stops falls over.
- The CO_2 content of the air is rising faster than ever before. We are succeeding to some extent in decoupling growth from emissions, but the pace is too slow globally.
- Wealth is becoming increasingly concentrated – and production follows purchasing power, not the most urgent needs.
- The measures the state is taking to resolve these problems are, of all things, hitting small and medium-sized enterprises the hardest. All three limits follow the same pattern.

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4. Why we're stuck

The baking trays

The sales representative had laid out the baking trays on the workbench like a jeweller displays his rings. Black steel, three millimetres thick, the edges folded by hand. "These will outlast you," he said. "And your daughter too."

Anna ran her thumb along the edge. Behind her on the shelf stood the aluminium trays, which had warped after two years. Their coating eventually flaked off in small grey flakes, and nobody wanted to know exactly where they ended up. A new black steel tray cost three hundred and forty euros; an aluminium one, thirty-eight.

"I'll be in touch," she said.

* * *

That evening, she sat in the small office behind the bakery and did some calculations. For a year, Mira had been pointing out to her just how much plastic was being sold over the counter: the bags with the see-through windows, the cling film around the bread rolls, the cups for takeaway coffee. If Anna bought the trays and switched to paper bags at the same time, the price of a kilo of bread would rise by about forty cents.

Forty cents. Most customers wouldn't notice. Some would.

Through the window, she looked across to the corner opposite, where Brandl's butcher's had been until last autumn. Now the orange sign of a chain bakery shone there. The dough pieces arrived frozen from a factory three hundred kilometres away and were baked in the shop. A bread roll cost twenty-nine cents there. At Anna's, it cost fifty-five.

* * *

The next morning, she was sitting opposite Mr Kessler from the savings bank. He'd been looking after her for twelve years; the loan for the deck oven still had four years to run.

"Mrs Hofmann, I'll be honest," he said, turning the screen slightly towards her. "Your figures are sound. But they've been stagnant for three years. When we discuss the follow-up financing in the spring, the credit department will ask where the growth is supposed to come from."

"I bake bread," said Anna. "People aren't going to eat more bread just because I'd like them to."

"A second branch, perhaps? A café area? Corporate catering?" He slid a brochure across the table towards her. He meant well; she knew that. He also had targets to meet.

She thought of the baking trays and said nothing about them.

* * *

Sevgi met her that evening in the shared courtyard, where both shops kept their rubbish bins. Sevgi ran the chain bakery opposite. She was just dragging two bulging blue bags over to the bin.

“All from today?” asked Anna.

“All from today.” Sevgi wiped her hands on her apron. “Head office wants the counter to look full until seven. A full counter sells better, they say. And they’re right, of course.”

“What if you just bake less from six o’clock onwards?”

Sevgi laughed, but not unkindly. “Then my turnover would be lower than Hanau’s. Hanau bakes at full capacity right until closing time. And whoever’s at the bottom of the rankings won’t be branch manager next year.” She shrugged. “By the way, my head office has a boss too. Half of it’s owned by a pension fund in Canada. It has to pay retired teachers their pensions.”

They stood side by side in silence for a while.

“Do you know what’s funny?” said Sevgi. “None of them want me to throw bread away. Certainly not the teachers in Canada.”

* * *

Late in the evening, Jonas rang, as he did almost every Thursday. Anna told him about the baking trays, about Mr Kessler and about Sevgi’s blue bags.

“You can buy the baking trays,” said Jonas. “You could also switch to paper. Then you’ll be the most decent baker in town.” He paused. “For about three years.”

“Thanks for the encouragement.”

“I don’t mean any harm, Anna. It’s exactly the same for us. We could build gearboxes that last thirty years. Our engineers would know how. But the car manufacturer’s procurement department would drop us because the competition is twelve per cent cheaper – and because the car gets scrapped after ten years anyway. Whoever’s the first to pull out is out of the running.”

“And what if everyone pulls out at the same time?”

Jonas was silent for so long that she thought the line had gone dead.

“If everyone did it at the same time,” he said at last, “then there’d be no problem. Then it would actually be better for everyone. But that won’t happen. That’s the problem.”

* * *

Anna switched off the light in the bakery. In the darkness, the leaflet featuring the black steel trays still glinted on the table.

It wasn't Sevgi's fault. It wasn't Mr Kessler's fault, nor the teachers in Canada, nor the customers who had to watch every forty cents. Nor was it her fault. Each of them had done exactly what made sense. And together, that had resulted in something none of them wanted.

She put the leaflet in the drawer. Not in the bin. In the drawer.

* * *

What Anna went through has a name

Nobody in Anna's story did anything wrong. The bank adviser is looking out for the security of the loan, the branch manager for her performance rating, the pension fund for the teachers' pensions, the customers for their household budget – and Anna for the survival of her bakery. Everyone acts rationally. And yet, in the end, the result is something none of them wants: bread in the bin, plastic on the counter, baking trays that are bent out of shape after two years.

Science came up with a name for this situation over seventy years ago. It's called the prisoner's dilemma.

Game theory, a branch of mathematics and economics, examines how people make decisions when the outcome depends not only on themselves but also on what others do. Its best-known thought experiment goes like this:

Two suspects are arrested following a burglary and interrogated separately. The police have very little evidence. Each is offered the same deal: whoever confesses and incriminates the other goes free, whilst the other must serve ten years in prison. If both remain silent, the evidence is only enough for a one-year sentence. If both confess, both receive five years.

What do the two do? For each individual, it makes sense to confess – regardless of what the other does. If the other remains silent, you go free. If the other confesses, you still get five years instead of ten. So both confess and serve five years. Had they both remained silent, it would have been just one year.

That is the crux of the dilemma: everyone makes a rational decision for themselves, and collectively they all end up in a situation that is worse than it needs to be. Not because those involved are stupid or malicious, but because no one can be sure that the others will go along with it.

An equilibrium from which no one can escape on their own

The mathematician John Nash, whose life was later portrayed in the film *A Beautiful Mind*, described in 1950 why such situations are so remarkably stable (Nash, 1950). A 'Nash equilibrium' is a state in which no one stands to gain by being the only one to change their behaviour. As long as everyone else carries on as before, carrying on is also the best choice for me.

It is important to note that an equilibrium is not the same as a favourable state. It can be very stable and, at the same time, very costly. The two suspects found themselves in such an equilibrium – five years, even though one year would have been possible.

And there is usually more than one equilibrium. If the two had been able to make a firm promise beforehand to remain silent, and if each had trusted the other, then that silence would also have been stable. The difference between a bad equilibrium and a good one therefore does not lie in the character of those involved. It lies in whether they can coordinate their actions.

The dilemma in our economy

Applied to our economy, it looks like this:

Anna could buy reusable baking trays, do without plastic and sell bread that doesn't end up in the bin. If all bakeries did that, there'd be no problem – none would be more expensive than the others. If she does it on her own, her bread becomes more expensive, some of her customers will go elsewhere, and the bank will ask about growth in the spring. So she sticks to the old ways. Not out of indifference, but because going it alone would jeopardise her bakery.

The same applies to the chain bakery opposite, to Jonas's gearbox factory and to almost every business. Anyone who is the only one to forego growth, adopt more sustainable production methods or refrain from aggressive advertising loses market share to those who do not.

It also applies to nations. A country that is the only one to introduce strict environmental regulations or high corporate taxes risks seeing businesses relocate to other countries. That is why climate protection agreements often turn out to be weaker than science deems necessary. No head of government wants to be the first to impose a disadvantage on their economy.

And it applies to each and every one of us. Anyone who wants to work fewer hours to have more time for their family or voluntary work loses income and often the prospect of a decent pension too. Anyone who buys less to protect the environment is doing the right thing – but, if many people do so, they contribute to falling turnover and thus to job insecurity.

The whole system is thus locked into a balance that consumes a great deal of energy and raw materials. This energy goes not only towards meeting people's needs, but also, to a large extent, into the race itself: into parallel product developments, into advertising, into packaging, into goods that are replaced sooner than necessary. Every individual would gladly have less of it. But no one can stop on their own.

Economists have long been familiar with this mechanism, known, amongst other things, as the 'tragedy of the commons' (Hardin, 1968): every shepherd who puts one more cow

on the communal pasture gains a small advantage; if everyone does so, the pasture is soon destroyed. Today, the Earth is our communal pasture.

The tragedy of the entrepreneur

In Chapter 2, we saw that in Adam Smith's day, the baker's self-interest and the welfare of his customers largely pointed in the same direction. Those who baked good bread had customers; those who baked poor bread lost them.

This alignment has now become fragile in many areas. This is not because entrepreneurs have become greedier than Smith's baker. Anyone who talks to owners of small and medium-sized businesses usually hears something different: they want to produce good products, retain their staff and take responsibility for their region. Many of them see the pressure to grow not as an incentive, but as a burden.

The reason lies in the rules of the game. Today, a business must do more than simply cover its costs and provide for its employees' livelihoods. It must service loans, generate investment returns and – the larger it is – meet expected returns. Consequently, a second question creeps in between the question 'Do people need this?' and the decision to produce something: 'Can it be sold at a profit?'

Most of the time, the answers to both questions coincide, and then the market achieves remarkable things. But there are two areas where they diverge:

Firstly, there are things that are urgently needed but are not financially viable. A medicine for a tropical disease can save thousands of lives. Because those affected have little purchasing power, it is often not developed. The same applies to many areas of care, which are under constant cost pressure, even though their value is undisputed.

Secondly, there are things that sell well but contribute little to a good life: clothes that are worn out after just a few washes, electronics that cannot be repaired, toys that end up in the bin after Christmas. Or gearboxes that are worn out after about ten years – not because the engineers couldn't do better, but because they are designed for the lifespan of a car that is due to be replaced anyway. A gearbox that lasts thirty years would cost the manufacturer follow-up orders. To ensure they are bought, advertising is needed to awaken new desires.

An entrepreneur who defies this logic – producing durable goods, designing products to be repairable, and refraining from intrusive advertising – is acting in the very best sense of the honourable businessman. Yet they are not rewarded for this; instead, they are put at a competitive disadvantage. This is not a market failure in the usual sense. The market functions exactly as it is designed to. It rewards what sells, and not automatically what is needed.

Why good intentions alone are not enough

If the problem lies in the rules of the game, appeals to morality are of limited help. You cannot blame Anna for not putting her bakery at risk. You cannot demand that Sevgi risk

her job. Moral role models are valuable, but they do not shift the balance – they often simply pay the price themselves.

For decades, policymakers have been trying to refine the rules of the game: through CO_2 pricing, supply chain legislation, sustainability reports and support schemes. These instruments have achieved a great deal, and they deserve recognition. But they come up against two limitations. They usually apply only in individual countries or regions, thereby triggering new ways of circumventing them. And, as we saw in Chapter 3, they create a bureaucracy that hits small businesses the hardest.

The proposals put forward by the post-growth movement – shorter working hours, regional circular economies, a new understanding of prosperity – are also a step in the right direction. Many of these will be revisited in this book. The obstacle they face is the same: whoever implements them – whether as an individual, a single company or a single country – bears the disadvantages, whilst the others carry on as before.

A gradual, piecemeal exit from a prisoner's dilemma is therefore hardly possible. Whoever takes the plunge first will fall.

How to resolve a dilemma: together and simultaneously

The good news from game theory is this: a prisoner's dilemma is not a law of nature. It resolves itself as soon as the parties involved can coordinate their actions and trust that everyone will play their part. History demonstrates in a surprisingly large number of instances that this can be achieved.

On 3 September 1967 at five o'clock in the morning, the whole of Sweden switched from driving on the left to driving on the right. It would have been impossible to do this gradually – first the lorries, then the buses, then the cars. It could only be done all at once. Preparations for the change had been underway for years, and it went off surprisingly smoothly. The number of accidents actually fell in the weeks that followed, because everyone was driving with extra care.

In 1987, the nations of the world agreed under the Montreal Protocol to phase out ozone-depleting substances collectively. No single country could have achieved this on its own without harming its own industry. Because everyone acted at the same time, it was not a disadvantage to any of them. Today, the ozone layer is recovering.

On 1 January 2002, the euro was introduced as cash simultaneously in twelve countries. Over three hundred million people switched their currency within a few days. That, too, was only possible because it happened everywhere at the same time.

These examples have one thing in common: a stable but unsatisfactory equilibrium was not abandoned through pressure or moral persuasion, but through a joint, simultaneous decision. Afterwards, the new equilibrium was just as stable as the old one. No Swede drives on the left again today.

Elinor Ostrom's research on the commons, for which she was awarded the Nobel Prize in Economics in 2009, demonstrates the same principle on a smaller scale: people are perfectly capable of breaking free from the 'tragedy of the commons' if they can talk to one another, agree on clear rules and trust one another (Ostrom, 1990).

The question that remains

At the end of Anna's phone call, she asks the crucial question: 'What if everyone pulled out at the same time?' Jonas answers honestly: 'Then it would be better for everyone.' But that won't happen.

This book takes his objection seriously – whilst also asking whether it still holds true. Never before has the world been as closely interconnected as it is today. Supply chains, payment transactions and communication already operate globally in real time. Simultaneity, which used to be an insurmountable hurdle, is now primarily a matter of coordination.

The following chapters set out exactly what would need to be agreed, who could take the first step, and why small and medium-sized enterprises in particular have a special role to play in this. First, however, we must clarify a question that is far more fundamental than it sounds: what is the economy actually for?

Key points in brief

- The problem with our economy is not the greed of individuals, but a prisoner's dilemma: everyone acts rationally, and collectively they all end up in a situation that nobody wants.
- This state of affairs is stable because no one can opt out on their own without harming themselves. This applies to businesses, to states and to every individual.
- Moral appeals and national rules help, but they reach their limits as long as not everyone plays their part.
- Prisoner's dilemmas can be resolved – through a joint, simultaneous decision. History provides successful examples of this.

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Part II – The Idea

5. What the economy is really for

The calculation

It was just after midnight. The alarm would go off in three hours, but Anna was still sitting in the office behind the bakery, with the costings for the coming year in front of her. The tax adviser wanted it by Friday.

A sesame roll. Fifty-five cents.

She'd seen the figures a hundred times before, but today she read them as if they were written in a foreign language. Flour: nine cents. Sesame seeds, yeast, salt: three cents. Electricity for the oven: five cents. Wages and social security contributions: twenty-one cents. Rent, insurance, interest on the oven loan: eight cents. Taxes and duties. And at the end, a small surplus called 'profit'.

She took a pencil and wrote next to each line where the money actually went.

Next to the wages, she wrote: Svetlana, Tobias, Mrs Kern and Mehmet. Rent for their flats. Food. Tobias's son's braces.

Next to the flour she wrote: mill. And then, after a moment's thought: miller, lorry driver, farmer. Their wages too, their rent, their food.

Next to 'energy', she wrote: 'Municipal utilities'. The people at the power station, the fitters who maintain the grid.

Next to 'interest', she wrote: 'Savings bank. Mr Kessler. And the savers whose money the bank lends out. Perhaps someone saving for their pension.'

Next to 'profit', she wrote: 'me'. And then she crossed out the word and wrote more precisely: 'my rent. My health insurance. A reserve in case the oven breaks down. Something for my pension, because as a self-employed person I wouldn't have one otherwise. Mira's studies.'

She leaned back and looked at the sheet of paper.

There wasn't a single line that didn't ultimately end up with a person who depended on it for their livelihood. Not a single cent vanished into thin air. Everything a bread roll 'cost' was someone's livelihood.

* * *

She went into the kitchen to get a glass of water. In the fridge were the leftovers from the apple cake she'd baked for her birthday. She cut herself a slice and ate it standing up.

The apples were from Walter's garden. Nobody had paid for them. The tree had simply let them grow, from the soil, rain and sun. Walter had picked them; she herself had peeled them. Nobody had paid for that either.

She'd bought the flour and the butter. But even there, she thought, the money had simply moved on – to the farmer, to the dairy, to the people who worked there. At the start of every chain was a field, a cow, a tree. And they hadn't sent a bill.

Nature and labour. That was all there was to the cake.

She thought of the remark Walter had made the other day at the mill: 'Does the market know when it's finished?' And for the first time, she asked herself a question that had never occurred to her in twenty-five years as a baker:

If everything a bread roll costs serves only to ensure that the people who make it can make a living – what would a bread roll cost if their livelihoods were already secure?

She put the plate in the sink. The calculation was still lying on the desk. Tomorrow she would finish it, as she did every year. But she set aside the sheet of paper with the pencil notes. She wanted to keep that.

* * *

The question behind the calculation

One night, Anna did something that rarely happens in business administration: she didn't analyse her cost calculation by cost category, but by who the money ultimately goes to. The result was astonishingly simple. Every cent that a bread roll costs goes to the people who make a living from it.

Before we can understand what follows from this, we need to take a step back and ask a question that is so fundamental that hardly anyone asks it in everyday life: What is the economy actually for?

The purpose of an economy

There is one answer to this question that both market advocates and critics of economic growth can agree on. Adam Smith himself provided it in *The Wealth of Nations*: consumption is the sole purpose of all production. In other words: an economy exists to provide for people.

This means far more than mere survival. A dignified life includes food and housing, clothing and health, but also education, mobility, culture and care when needed. And because nature is the foundation of all production, there is one more thing: provision must be organised in such a way that it remains possible tomorrow – for our children and grandchildren.

Even in the world of economic textbooks, profit is not an end in itself. It is an incentive, a means of organising provision as effectively as possible. Things only become difficult when the means takes on a life of its own – when production is no longer determined by need, but must instead invent new needs so that it can continue. This was discussed in Chapters 3 and 4.

Whether an economy is a good one should therefore be judged by two questions: Are people well provided for? And are the natural foundations of life preserved? Gross Domestic Product does not answer either of these questions.

Two ingredients: nature and labour

To see how provision actually comes about, an everyday example is helpful: an apple pie.

At first glance, it is a product involving many cost centres – ingredients, an oven, electricity, labour. But if you reduce it to what it really consists of, exactly two things remain: nature and labour.

The apples, the flour and the butter are made from natural materials: soil, water, minerals and sunlight. Planting, harvesting, milling, milking, transporting and baking are human activities. There is no third ingredient.

Nor is the oven an exception. It consists of metal, glass and plastic – in other words, natural materials – and the labour of the engineers, steelworkers and fitters who built it. Even the knowledge of how to design an oven is the condensed labour of many generations. And the organising, planning and risk-taking carried out by entrepreneurs is also labour – often highly demanding labour at that.

Thus, the entire global economy can be traced back to a simple relationship: people shape nature through their labour. Money, prices and balance sheets do not add a single atom to the cake. They are the framework within which we determine who is entitled to what share of the cake.

This is not to belittle money and prices. As Hayek has shown, they achieve remarkable things in terms of coordination. But it helps to see them for what they are: a tool of society, not an inherent property of things.

What costs actually are

If a cake consists solely of nature and labour, where do its costs come from?

Nature does not issue invoices. No apple tree demands money for its fruit, no sun for its light, no ore deposit for having come into being millions of years ago. A price only arises when people take possession of a resource and demand money for access to it.

The English philosopher John Locke described how this happens in the 17th century. Nature, according to Locke, originally belongs to everyone. It is only by combining one's labour with it – by picking the apple or ploughing the field – that a person makes it their property (Locke, 2008). Locke's observation is accurate: it is human labour that turns natural materials into useful things.

And what about labour? Nor does it cost money simply because labour in itself must cost something. It costs money because the people who work need to make a living from it. Anna's pencil notes show this: behind every cost item lies people's livelihoods – those of employees, farmers, fitters, savers and Anna herself.

This means that costs are not a natural constant like gravity. They are the result of a social order in which every person must pay for their access to food, housing and basic necessities with money – and must therefore demand this money from others.

What remains nonetheless

At this point, any economist would rightly object: this does not solve the problem of scarcity. And she would be right.

What is meant here is not the money, but the effort: the working hours, the materials and the energy that go into something – and what we forgo when we choose one thing over another. Economists refer to this as opportunity costs. An hour that Anna spends on the supplier questionnaire is an hour she cannot spend in the bakery. A tonne of carbon fibre used in the body of a sports car is not available for the blades of a wind turbine. A forest that is cleared no longer sequesters CO_2.

This effort does not disappear when prices disappear. Working hours remain limited. Raw materials remain limited. Nature's carrying capacity remains limited. And as we saw in Chapter 4 with the 'tragedy of the commons', a resource that belongs to no one and costs nothing is easily overused.

What this book questions, therefore, is not scarcity itself. It questions only its monetary form – the fact that every decision regarding scarce resources today is determined by income and purchasing power. How to recognise scarcity without prices and distribute it fairly is a serious question. We will answer it in detail in Chapters 7 and 9.

Profit as security

That leaves profit. Isn't it, after all, something other than a livelihood?

Anna's notes provide an honest answer here too. Her profit covers her rent, her health insurance, the reserve for the oven, her pension and her daughter's studies. It is no different for most self-employed people and family businesses. What looks from the outside like a pursuit of profit is, at its core, the understandable desire for security in an uncertain world – for oneself, for one's family and for the business, which is meant to still be in existence tomorrow. You could call profit a form of insurance against existential anxiety.

On top of that, competition itself costs money. Trade fair stands, maintaining a professional image, an attractive shop: these are not luxury expenses, but prerequisites for surviving in the market. Even superyachts and private jets, which critics like to hold up as symbols of the luxury of the super-rich, often ultimately also serve to cultivate contacts, initiate deals and hold on to market share.

However, the market economy has no built-in upper limit on wealth. Anything beyond one's own livelihood is invested, intended to yield a return, and reinvested. This gives rise to wealth that no longer has anything to do with providing for the future. This is not a

moral failure on the part of the rich. It is a characteristic of the system, which knows no stopping mechanism.

A thought experiment

This brings us to the question Anna asked herself in the kitchen at midnight. If all costs ultimately amount to a living – what would a bread roll cost if everyone's livelihood were already secure?

The answer follows from the logic of this chapter. The baker would not need to make a profit, because her livelihood and her future would be secure. Her employees would not need a wage for the same reason. Nor would the miller, the farmer or the municipal utilities. The bread roll would cost nothing – not because it would appear out of thin air, but because no one in the entire chain would need to charge any more money.

At first glance, this sounds like a sleight of hand, but on a small scale it has long been part of everyday life. Wikipedia is written by hundreds of thousands of volunteers and is available to everyone free of charge. The volunteer fire brigade puts out fires without sending a bill. And in every family, a meal is served every day for which nobody pays.

Of course, this only works if it applies to everyone at the same time. A single bakery that gave away its bread rolls would still have to pay for flour, electricity and rent, and would soon go bust. This is precisely the prisoner's dilemma from Chapter 4. What a collective way out might look like is the subject of Part III.

But first, it is worth taking a closer look at the economy that already manages without prices today – and which is larger than most people realise.

Key points in brief

- The purpose of any economy is to provide for people in harmony with nature. On this point, Adam Smith and critics of economic growth are in agreement.
- Everything that is produced consists of nature and human labour – including the work of engineers and entrepreneurs. Money does not add a single atom to the pie.
- Behind every cost item lies people's livelihoods. Costs arise because everyone must demand money to make a living.
- Scarcity and effort remain, even without prices. It is only their monetary form that is being called into question. If everyone's livelihood were secured, no one in the entire chain would need to demand money any more – provided this applied to everyone at the same time.

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6. The largest economy without prices

The napkin calculation

On Sundays at one o'clock, there was a meal at Anna's. It had been that way ever since Mira was born, and no one would have dared to question it.

Today there were beef roulades with red cabbage and dumplings. Walter had arrived as early as eleven because the tap in the kitchen had been dripping for weeks and he wanted to 'sort it out quickly'. Now he was half-crouched under the sink, and the occasional curse could be heard from the cupboard. Mira set the table. Jonas was the last to arrive, with a bottle of red wine and a bowl of dessert that his wife had made, as she was on duty at the hospital herself.

Once everyone was seated and the plates were full, Jonas raised his glass.

"Here's to the cook," he said. "And now, honestly, Anna. What do I owe you?"

Everyone laughed. But Mira, who had just placed her tablet next to her plate, took the question seriously.

"Let's work it out," she said. "How much would this meal cost in a restaurant?"

Jonas was a financial controller. He couldn't resist a challenge like that. He pulled a pen from his shirt pocket and took a paper napkin.

"Five people, three courses, decent food. Let's say one hundred and fifty euros. Plus wine."

"Then there's the plumber," said Mira, nodding towards the sink. "Sunday surcharge."

"Eighty euros call-out fee, at least," said Walter from under the sink.

"Shopping, setting the table, washing up," Mira continued. "And Mum looked after Svetlana's children for two hours yesterday because she had to go to the doctor."

"And Aunt Sabine made the dessert, even though she really should have been asleep," added Anna.

Jonas wrote and did some calculations. Then he turned the napkin over.

"A good three hundred and fifty euros," he said. "For one Sunday."

"And who paid for that?" asked Anna.

There was a moment's silence at the table.

"Nobody," said Mira.

* * *

Jonas stared at the napkin for a while.

“Do you know what bothers me about this?” he said at last. “It’s not recorded anywhere. If we’d all gone to a restaurant, the Federal Statistical Office would have counted an economic output of three hundred and fifty euros. This way, it counts as zero. Even though we’re just as full. Fuller, to be honest.”

“And it tasted better,” said Walter, who had by now emerged from under the sink and was wiping his hands. The tap had stopped dripping.

He sat down and helped himself to a dumpling.

“Back at our mill,” he said, “my mother kept the books for forty years. She wrote the invoices, rang the farmers, sorted the delivery notes. On top of that, she brought up five children, tended the garden and looked after the grandparents. She never got paid. The records always said: ‘Owner Karl Hofmann.’” He smiled. “My father wouldn’t have lasted a week without her. He knew that too. But he never said so.”

Mira looked at her grandfather. She hadn’t heard this story before.

“So the economy everyone’s talking about,” said Anna slowly, “is only half the economy.”

“Perhaps the smaller half,” said Mira.

Jonas folded his napkin and tucked it into his shirt pocket.

“What are you doing with that?” asked Anna.

“I’m keeping it,” he said. “I’ll show it to our finance director tomorrow.”

* * *

The napkin calculation

Jonas’s calculation on the paper napkin isn’t exact, but it highlights something important. On an ordinary Sunday, an ordinary family provided services worth several hundred euros – cooking, repairs, childcare, washing up. Nobody paid for it, nobody wrote an invoice, and this Sunday doesn’t appear in any economic statistics.

In the last chapter, we asked what would happen if, in an economy, nobody had to ask for money anymore. At first, the answer seems like a thought experiment. Yet there is one area of our lives where exactly that has been happening for millennia – and it is larger than most people realise.

The second half of the economy

When we talk about ‘the economy’, we almost always mean the part where money changes hands: businesses, jobs, turnover, gross domestic product. But a trip to the supermarket alone doesn’t fill anyone’s stomach. The vegetables need cooking, the washing needs doing, the child needs comforting, and the grandmother needs looking after. Academics call this work ‘social reproduction’ or ‘care work’: everything that is necessary for people to live, stay healthy and be able to work again tomorrow.

It is not included in the gross domestic product because it has no price. When a chef prepares a meal in a restaurant, economic output increases. When Anna cooks the same meal for her family, it remains unchanged.

Yet this invisible economy is enormous. Time-use surveys by the United Nations, the OECD and the Federal Statistical Office all show that people spend roughly the same amount of time, or even more, on unpaid work as they do on paid work (Destatis, 2016; Rudolf, Reiche, & Knobloch, 2023). Added to this is voluntary work. In Germany, nearly 29 million people volunteer – in sports clubs, food banks, fire brigades, hospices and refugee initiatives.

What would all this work be worth if it had to be paid for? Estimates depend heavily on how the calculations are made – whether only care and childcare are counted, or whether housework and voluntary work are included as well, and whether the minimum wage is used or the rate a skilled worker would earn. The International Labour Organisation estimates that unpaid care work alone, valued at the minimum wage, accounts for around one-tenth of global economic output (ILO, 2018). If all domestic work is included and valued as paid work, estimates put the figure at 40 per cent or more. For Germany, the Federal Statistical Office has estimated the value of unpaid work at around one-third of total value added (Destatis, 2016).

However you look at it: this is not a small private niche alongside the 'real' economy. It is its very foundation.

Who provides for whom

We have a familiar picture in mind: someone goes to work, earns money and 'provides' for their family with it. The picture is not wrong. Without that income, there would be no roulades on Anna's table.

But it is incomplete. The money only gets the roulades as far as the fridge. It is the work that begins afterwards that actually puts food on the table. And conversely, no one could go to work in the morning if someone hadn't cooked, done the washing, looked after the children or brought them up as a child. Paid and unpaid work are two halves of the same provision. Neither is subordinate to the other.

Worldwide, around three-quarters of this second half is carried out by women (ILO, 2018). Walter's mother, who kept the mill's accounts for forty years without ever being listed in the company register, is not an isolated case. The feminist theorist Silvia Federici has shown that the market economy treats this work much as it does nature: as a resource that is simply there, that one relies on, but which does not appear in any balance sheet (Federici, 2020). The Australian social scientist Anitra Nelson has investigated how a system of care – which today functions only in the private sphere without money – could be extended to society as a whole (Nelson, 2022).

How this economy works

What is remarkable about the care economy is not only its scale, but its internal logic. It follows different rules to the market – and it works surprisingly well.

It produces what is needed. When Anna cooks for five people, she does not cook for ten just to generate more revenue. If the kitchen is clean, it is not cleaned again just to create work. There is no overproduction and no advertising designed to create new needs.

It repairs rather than throws things away. Walter replaces the washer on the tap rather than buying a new tap. In the family, durability is a given, because nobody profits from wear and tear.

It shares out according to need. The youngest child is served first, the ailing grandmother gets more attention, and whoever is hungry helps themselves to another dumpling. It would never occur to anyone to deny Grandad his meal just because he no longer works.

And it manages without coercion. Nobody forces Walter to repair the tap, or Sabine to make a dessert after her night shift. They do it out of affection, out of a sense of responsibility and sometimes simply out of habit. The same applies to the volunteer firefighter who turns out at night, and to the pensioner who sorts food at the food bank.

Of course, this economy is not without its problems either. Care work can be exhausting, unevenly distributed and lead to dependency. Families can be close-knit and hierarchical. This is not to romanticise the situation. But the basic principle – work that is directly tailored to need and carried out without a price tag – functions every day, in billions of households across the world.

The adaptable human being

Economics has long relied on the model of 'Homo economicus': a person who seeks, above all, their own benefit and responds to financial incentives. This is a useful model for many questions. Behavioural economics has, however, shown that in reality people often act in a fairer, more generous and more cooperative manner than this model assumes (Fehr & Gächter, 2002). Richard Thaler was awarded the 2017 Nobel Prize in Economics for such insights.

The care economy reveals something even more astonishing: we all switch between two roles on a daily basis. In the morning, we leave the house, enter the market and negotiate, calculate and compare prices. In the evening, we come home and cook for the family without drawing up an invoice. On holiday, at a barbecue with friends or when helping neighbours in the wake of a storm, we sometimes go for weeks with almost no calculations at all.

Humans are therefore neither, by nature, pure utility maximisers nor pure altruists. They behave as their environment dictates. In the marketplace they calculate; within the family they provide for others. This is not a weakness, but a remarkable ability. And it raises a question: if the environment changes, does behaviour change too?

Why this principle never grew beyond the family

If the care economy works so well, why has its principle never been applied to the economy as a whole?

The answer was provided by Friedrich August von Hayek, whom we met in Chapter 2. In a family, everyone knows what is needed. You can see that the milk has run out, that the child has a fever, that the tap is dripping. The information is immediately available.

In an economy comprising millions of people, things are different. The farmer does not know how many bread rolls will be eaten tomorrow at Anna's bakery. The carbon fibre manufacturer does not know whether its fibres will be needed in three years' time for sports car bodies or for wind turbine blades. Between people who never meet, an intermediary was needed to tell them what is needed where. For centuries, that intermediary was the price. That is why the principle of mutual care remained confined to the small circle where people know one another.

Yet it is precisely here that something fundamental has changed in recent decades. How information about demand can now flow over great distances even without a price – and why this does not mean a planned economy – is the subject of the next chapter.

Key points in brief

- Alongside the paid economy, there exists a second, unpaid one: cooking, caregiving, child-rearing, repairs, voluntary work. It is at least as extensive as paid work, but does not appear in the gross domestic product.
- Paid and unpaid work are two halves of the same provision. Around three-quarters of the unpaid half is carried out by women.
- The care economy produces according to need, repairs rather than discards, and distributes without prices – every day, in billions of households.
- People switch daily between calculating and caring. Until now, the principle of care has remained confined to a small circle because information about needs could only travel long distances via prices.

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7. From price signals to direct coordination

The new till

The new till system had been sitting in its box for three weeks until Jonas popped round one Saturday afternoon to set it up. Anna had admitted that she hadn't even opened the manual.

"It's not just a till," said Jonas as he ran cables under the counter. "It's an inventory management system. It knows what you're selling, what you've got in stock and when you're running low."

"I know that too."

"Yes. But you know that at four in the morning when you look in the flour sack. The system knows three days in advance." He tapped away at the screen. "Watch this. I'm entering: if there's less than two hundred kilos of Type 550 wheat flour left, an order is automatically sent to the mill. Two hundred kilos, delivery the day after tomorrow."

"And the price?"

"That's in your supply contract. You negotiate that with the mill once a year. The rest of the year, the machines just deal with quantities."

Anna sat down on the stool behind the counter. "Is it the same for you lot?"

Jonas laughed. "We've been doing it this way for twenty years. It's called Kanban; the Japanese at Toyota invented it. If a box of gears on the assembly line runs out, a signal goes to the production department. They make new gears. If the production department runs low on steel, a signal goes to the steelworks. And the steelworks can see in our system how many gearboxes we want to build over the next six months, and plans accordingly."

"And who decides all that?"

"Actually, nobody." Jonas shrugged. "The system makes a suggestion, a planner checks it over, and that's it. In twelve years, I've never once seen anyone change the price of a gear because a box was empty."

Anna thought of the graphs on the stock market pages of the newspaper, which were always fluctuating. "I thought the market regulated all that through prices."

"The market decides who gets the contract," said Jonas. "Once a year. Day-to-day operations are governed by volumes." He stood up and brushed the dust off his trousers. "To be honest, from the inside, a large corporation is a pretty well-functioning planned economy. Just don't tell my board that."

* * *

Mira popped round at about five to pick up a loaf of bread and eyed the new system suspiciously.

"Where does the data go?" she asked.

"To the cloud," said Jonas. "So Anna can see the figures on her mobile as well."

"Whose cloud?"

Jonas checked the manual. "A provider from California."

"And what do they do with the data? With all the sales data from every bakery that uses this system?"

Jonas turned the page. Then he read aloud: "… to improve our services and to produce anonymised market analyses for our partners."

"So they're selling it," said Mira. "They now know better than any bakers' guild how many bread rolls are eaten in this town. And they can sell that information to the chain bakery."

It was quiet in the bakery. The message 'Connection established' flashed green on the screen.

"The technology is brilliant," Anna said at last. "The only question is, who owns it?"

* * *

What the till knows

Anna's new till system does something unassuming that is of great significance to this book: it ensures that flour is reordered before it runs out. It doesn't need a price to do this. It just needs one piece of information: flour is needed here, this much, until then.

At the end of the last chapter, there was a question. The care economy within families functions without prices because everyone can see what is needed. In a large national economy, this has so far been impossible. That is why the price was needed as an intermediary. The question now is: does this still apply today?

To answer it honestly, we must first take seriously the strongest objection raised against any economy without prices.

Hayek's objection

In Chapter 2, we were introduced to Friedrich August von Hayek. His argument can be divided into three parts, and all three deserve a response.

Firstly: The knowledge of an economy is distributed amongst millions of people. No one can gather it all. The price consolidates this knowledge into a single figure and passes it on (Hayek, 1945).

Secondly: The price not only indicates that something is needed, but also how urgently it is needed and how scarce it is in comparison to other goods. It enables trade-offs to be

weighed up. Should the scarce carbon fibre go into sports car bodies or into wind turbine blades? The price answers such questions without anyone having to ask them. As early as 1920, Hayek's mentor Ludwig von Mises had argued that an economy without prices could not make such comparisons at all (Mises, 1920).

Thirdly: competition is a 'process of discovery' (Hayek, 1968). It is only through competition that it becomes clear which product, which process, or which idea is the best. No one can know this in advance, not even a government body.

The planned economies of the 20th century failed on precisely these three points. Their planning authorities did not know what was needed where. They had no useful yardstick for weighing up options. And they suppressed deviation and experimentation. Anyone proposing an alternative to the market today must demonstrate that they have understood this lesson.

What has changed since 1945

When Hayek wrote his essay, there were no computers in businesses, no barcode scanners at the till and no internet. Information travelled by letter, telephone and telex. Under these conditions, price was indeed the fastest and most accurate signal a society had.

Today, the situation is different. In 1974, a barcode was scanned at a supermarket till in Ohio for the first time – a packet of chewing gum. Since then, every retailer has known in real time what they are selling. Inventory management systems automatically reorder stock, warehouse robots report stock levels, and sensors in machines indicate when a spare part is due to be replaced. The Kanban method, developed by Toyota in the 1950s and described by Jonas in the scene, now controls the flow of materials in almost every factory in the world – based on quantities, not prices.

This does not refute the first part of Hayek's objection, but it has shifted. Today, scattered knowledge no longer needs to be compressed into a single figure to travel long distances. It can be transmitted directly, with complete accuracy and in a matter of seconds: not 'flour has become more expensive', but 'this bakery will be short of two hundred kilos of Type 550 wheat flour the day after tomorrow'.

Islands without prices

One idea that may surprise market advocates comes from one of their own. In 1937, the British economist Ronald Coase asked why firms exist at all (Coase, 1937). If the market coordinates so well, why doesn't each stage of the production process simply buy what it needs from its neighbour? His answer: because the process of coordinating via prices itself entails costs – negotiating, comparing, drawing up contracts. Within a firm, therefore, coordination takes place directly rather than via prices. Coase was awarded the Nobel Prize in Economics in 1991 for this insight.

Jonas put it a bit more casually in the scene: a large corporation is, from the inside, a fairly well-functioning planned economy. Global corporations with hundreds of thousands of employees and supply chains spanning every continent coordinate their internal processes in terms of volumes, deadlines and capacities. Price usually plays only a marginal role there – in external procurement and external sales.

This illustrates two things. Direct coordination on a large scale is not a fantasy, but everyday reality. And it works particularly well where it is organised decentrally and where people on the ground have scope to make decisions.

What price also achieves

That leaves the second and most difficult part of Hayek's objection: the balancing act. An order for two hundred kilos of flour indicates what is needed. But what happens if there isn't enough flour to go round? Who gets it first?

The market answers this question through willingness to pay. Whoever offers more gets priority. This is efficient, but not always wise. If a scarce electronic component is needed simultaneously by a manufacturer of dialysis machines and a manufacturer of games consoles, it goes to the one with the higher profit margins – not the one whose customers will die if it is missing.

In an economy without prices, this trade-off must be made consciously. That may sound like a burden, but in many areas it has long been part of everyday life. Donated organs are not auctioned off, but allocated according to urgency and medical criteria. In A&E, a heart attack takes priority over a sprained ankle. In the event of a water shortage, drinking water and hospitals take precedence over watering the lawn.

For a national economy, this would mean that the single signal of 'price' would be replaced by several signals that are already being measured today. How much energy, material and labour goes into a product? How much CO_2 is produced? How large are the reserves, and how quickly do they replenish? Added to this are priority rules democratically established by society: essentials take precedence over luxuries, durable goods over short-lived ones. And above all, the judgement of local people – the miller who realises his grain won't be enough for everyone and consults with the farmers.

This will not always go smoothly. There will be mistakes, delays and disputes. But prices are fallible too – in speculative bubbles, in pig cycles, in rents that nobody can afford any longer. The question is not whether a system is perfect, but whether it is better suited to the challenges of our time.

And what of Hayek's third argument – competition as a process of discovery? Discovery does not occur solely through competition. Wikipedia, Linux and open science show that collaboration is also a process of discovery – often even a faster one, because good ideas do not need to be kept secret. We shall return to this in Chapter 12.

No market, but no central authority either

At this point, a misunderstanding must be cleared up. What is described here is not a planned economy. There is no planning office, no five-year plan and no authority that dictates how many bread rolls Anna should bake.

The difference lies in the approach. The planned economy thought from the top down: an agency determined what was to be produced, and the businesses had to comply. Direct coordination thinks from the bottom up: people, households, local authorities and businesses report their needs, and production follows suit. Decisions are made where the knowledge lies – in the bakery, at the mill, on the farm.

Incidentally, there was already an early attempt in this direction. Between 1971 and 1973, the British cyberneticist Stafford Beer developed the 'Cybersyn' project in Chile, which linked businesses to a coordination centre via teletype machines. It failed due to the limitations of the technology of the time and was brought to an end by the military coup in 1973. What was barely possible via teletype machines back then can now be done by any smartphone.

The role of artificial intelligence

Artificial intelligence can play an important role in such a network. It can recognise patterns in millions of demand reports, predict bottlenecks before they arise, and suggest routes with the lowest energy and material consumption. Today, it is primarily used to optimise advertising, dynamically adjust prices and capture attention. The technology itself is neutral. What matters is what it is used for.

The hierarchy is important here: AI makes suggestions, humans make the decisions. It is a tool for coordination, not a substitute for sound judgement and democratic accountability.

Who controls the algorithms?

Mira's question in the scene is a valid one, and it is perhaps the most important in this chapter. Whoever controls the data and the algorithms holds power. Even today, a handful of platform companies know more about our purchasing behaviour than any government. An economy coordinated directly through data should not place this power in the hands of a few.

This requires safeguards. Five of these are particularly important:

Firstly, the elimination of the profit motive. Those who cannot make money from data have less reason to misuse it. Behavioural research shows that financial incentives often tend to suppress rather than promote cooperative behaviour (Frey & Jegen, 2001).

Secondly, transparency. The programmes that coordinate supply must be openly accessible and their decisions must be traceable. Research into 'explainable AI' is making great strides in this area (Samek, Montavon, Vedaldi, Hansen, & Müller, 2019). Open AI

models are already demonstrating today that high-performance systems do not need to be secret.

Thirdly, decentralisation. Instead of a central computer, we need many regional nodes that work together. A network comprising many independent parts is much harder to hijack than a single central hub.

Fourthly, democratic control and rotation. It is not programmers who determine the rules by which the systems make decisions, but society. Those who manage the systems do so on a temporary basis. Elinor Ostrom has shown that common-pool resources are successfully managed when there are clear rules, participation and effective control (Ostrom, 1990).

Fifthly, less artificial scarcity. Corruption arises above all where scarce resources are distributed. Where supply is secure, there is less incentive to manipulate the distribution process.

None of these safeguards is a sure-fire solution. A residual risk remains, and vigilance remains an ongoing task. But this also applies to the current system, in which power over data is already distributed very unevenly. As Anna puts it: 'The technology is brilliant. The question is, who owns it?'

Key points in brief

- Hayek's objection to an economy without prices has three parts: dispersed knowledge, trade-offs in the face of scarcity, and competition as a discovery process. All three must be taken seriously.
- Today, knowledge can be shared without a price. Inventory management systems, Kanban and the internal control mechanisms of large corporations already coordinate on the basis of quantities rather than prices.
- Decisions in the face of scarcity must be made consciously without prices – based on urgency, physical metrics and democratically determined priorities. This is challenging, but is already part of everyday life in many sectors.
- Direct coordination is not a planned economy: it operates from the bottom up. AI can help with this, but it requires openness, decentralisation and democratic control.

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Part III – The Transition

8. The collective exit

The beer mat

As every year, the Chamber of Skilled Trades' autumn meeting took place in the main hall of the Kolpinghaus. One hundred and eighty chairs, a lectern, and wrapped sandwiches. Anna could tell at a glance that they came from a large bakery.

The topic of the evening was 'Reducing bureaucracy in the skilled trades – where do we stand?'. The Chamber's president, a friendly master roofer, reported on discussions with the Ministry, on simplifications to documentation requirements and on a new online platform for grant applications. There was polite applause.

Then came the floor. A master electrician complained about the test reports. A hairdresser complained about the requirement to provide receipts. A joiner complained that he hadn't been able to find an apprentice for a year. The president nodded, took notes and promised to take everything on board.

Anna hadn't intended to say anything. But when the president asked if there were any further comments, she stood up before she could change her mind.

"Anna Hofmann, Hofmann Bakery," she said. "I have a question that might be a bit unusual."

The president gave her an encouraging smile.

"Every year we talk about how to lighten the load a little. One less form here, one less exam there. And yet every year there's still more. I wonder if we're asking the wrong question." She took a breath. "What if we all stopped issuing invoices at the same time? Every business. Everywhere. On the same day."

There was a moment's silence. Then someone in the third row laughed, and the laughter spread, good-natured, a little sheepish. The president laughed along with them.

"Mrs Hofmann, that would indeed be the end of bureaucracy," he said. "And probably the end of the Chamber as well."

More laughter. Anna sat down and felt her face flush.

But then an old man stood up in the back row. Anna didn't recognise him until he spoke. It was Mr Brandl, whose butcher's had been opposite her bakery until last autumn.

"I've been making sausages for forty years," he said. "Good sausages. I closed down because I could no longer afford the refrigeration costs and because the discount supermarket sells its sausages for half the price." He looked around the hall. "If someone had told me back then: 'Tomorrow, nobody will be writing any more invoices – not you, not your suppliers, not your landlord' – I wouldn't have hesitated for a second."

This time, nobody laughed.

* * *

After the meeting, a few people were still standing around in the car park, as always. The joiner. The hairdresser. Mr Brandl. And a young woman whom Anna didn't know and who introduced herself as Lea. She ran a small IT firm with six staff that developed software for craft businesses, and had come as a guest.

"The problem isn't that it wouldn't work," said the joiner. "The problem is: who's going to start? If I give away my tables on my own, I'll be bankrupt in three months."

"Nobody's going to be the first," said Lea. "That's the trick."

Everyone looked at her.

"Have you heard of crowdfunding? Everyone agrees to donate money. But the money only comes through once enough people have pledged. If not, nothing happens, and nobody loses out." She shrugged. "We could do the same thing. Every business says: 'I'm in – but only if everyone else is in too.' Then nobody's the first. Everyone's in at the same time."

Mr Brandl pulled a beer mat out of his jacket pocket – which he'd obviously brought back from his regulars' table – and a ballpoint pen.

"Well then," he said, writing his name on it. Beneath it, in brackets: 'only if everyone does'.

He passed the beer mat on to Anna.

* * *

The question that makes everyone laugh

Anna's question at the chamber meeting sounds absurd at first, and the laughter in the hall is understandable. Yet it is the logical consequence of everything we have seen so far. In Chapter 4, we realised that our economy is caught in a prisoner's dilemma from which no one can escape on their own. In Chapter 5, we saw that behind all costs lies people's livelihoods. In Chapter 6, we saw that an economy without prices functions on a small scale every day. And in Chapter 7, we saw that information about demand finds its way even without a price today.

What is missing is the step from insight to implementation. That is what this chapter is about.

The circle that closes

Chapter 5 concluded with a thought experiment: if everyone's livelihood were secured, no one would need to ask for money anymore. The problem is that this condition itself depends on prices. It is a circle, and one can trace it through Anna's bread rolls.

The farmer sells his grain because he needs money to feed his family. The miller sells his flour because he has to pay for grain and support himself. Anna sells her bread rolls

because she has to pay for flour, electricity and wages. And her customers – including the farmer and the miller – have to work to be able to pay for the bread rolls.

Now let's turn the cycle on its head:

If all everyday necessities were freely available, the farmer's livelihood would be secure. He would no longer need to sell his grain and could simply give it away.

If the grain were freely available and the miller were also provided for, he would no longer incur any costs. He could give away his flour.

If the flour were free, as were electricity and rent, and Anna's staff were provided for, Anna could give away her bread rolls.

And because the bread rolls and all other goods were free, everyone's livelihood would be secure – including the farmer's. The circle is complete. What emerges in the end is exactly what is needed at the beginning.

This is not a fallacy, but it is a condition: the cycle only works if it is closed at every point simultaneously.

Why it only works simultaneously

The joiner in the car park is right. If he were to give away his tables on his own, he would still have to pay for timber, workshop rent and wages. He'd be bankrupt within three months. If only one sector or only one region were to take this step, the same thing would happen, only more slowly: products would flow to where they could still be sold, and businesses would still have to pay for raw materials and intermediate inputs from outside.

This is the prisoner's dilemma from Chapter 4 in its purest form. A gradual phase-out is virtually impossible. Whoever jumps first falls.

However, in Chapter 4 we also saw how such dilemmas are resolved: through a joint, simultaneous decision. Sweden did not switch to driving on the right one street at a time, but at five o'clock in the morning on a single day. After that, the new equilibrium was as stable as the old one. The same applies here. If the circle is closed at all points simultaneously, no one will have any reason to return to the old order. Who would ask for money for their bread rolls again if they themselves got everything they needed – and nobody had any money left to pay?

Who could take the first step

Previous notions of a fundamental transformation of the economy relied on the working class, on revolution, or on the state taking over businesses. None of these paths has been taken in developed countries over the last hundred years, and none is proposed here. This is not about expropriation, nor is it about overthrow.

The proposal put forward in this book starts from a different point: entrepreneurial freedom. No one can force an entrepreneur to strive for the highest possible profit. Many would prefer to distribute their products according to need – they simply do not do so today because otherwise they would be unable to pay their own bills. If everyone were to forgo this at the same time, that reason would cease to apply. However, for such a collective renunciation to be legally possible, a political framework is required – more on this in Chapter 10.

Small and medium-sized enterprises could play a special role in this. They provide people with immediate necessities – bread, repairs, care, construction services, software. Their owners are free to make decisions without being accountable to shareholders. As we saw in Chapter 3, they are under growing pressure from bureaucracy and competition. And many of them do not see themselves as investors, but as people who want to do a good job and take responsibility for their workforce and their region.

For them, taking this step together would not be a sacrifice. At the very moment they forgo income, all expenses would also cease: no more wages, no rent, no raw material costs, no taxes, no interest or loan repayments. No fear of insolvency, no takeover by a competitor, no bank meetings about increased turnover. What would remain would be the actual entrepreneurial task: producing good products and providing for people. Mr Brandl put it in his own words: he would not have hesitated for a second.

Added to this is the fact that small and medium-sized enterprises are well organised. Chambers of skilled trades, guilds, associations and cooperatives bring together millions of businesses. They are the natural forums in which such a debate could be held and a joint decision prepared.

And what about everyone else?

Of course, the SME sector alone is not enough. For the circle to close, every link in the chain must play its part: the owners of raw materials, landlords, energy suppliers, large corporations and the banks.

The same reasoning applies to everyone. A landlord charges rent because they make a living from it or because it secures their retirement provision. If their livelihood is secured by other means, the rent loses its purpose. An owner of raw materials sells their ore because they make a living from it. If their livelihood is already secure, they can make it available to the general public. The employees of large corporations, their executives and the millions of small investors who own these corporations are also people whose livelihoods would then be secure.

In the case of very large fortunes, the question is more difficult. Anyone who today possesses more than they could consume in many lifetimes would, with the end of prices, lose a status to which they are accustomed. We should not pretend that this would be easy for everyone. But here, too, the same principle applies: what this wealth is actually meant to provide – security, access to everything one needs, freedom from worry – would

be guaranteed for everyone, including those who were previously wealthy. And as we saw in Chapter 4, even the winners of today's system are often prisoners of its constraints.

Nevertheless, there will be people who remain unconvinced. That is the case with any major change. What matters is not that every individual agrees, but that the supply chains as a whole go along with it.

Nobody has to be the first

This leaves the joiner's question: who will take the first step? The answer Lea gives in the car park stems from game theory and has proved its worth in practice.

Economists call it an 'assurance contract' (Bagnoli & Lipman, 1989). Every participant makes a binding commitment to take part – but the commitment only applies if a specified minimum number of others also commit. If the threshold isn't reached, nothing happens, and nobody loses out. If it is reached, everyone acts simultaneously. Crowdfunding platforms, through which thousands of projects are funded every year, are based on this principle.

The advantage is crucial: no one has to be the first. No one bears the risk of going it alone. The prisoner's dilemma loses its terror because the question 'What if the others don't go along with it?' is answered before anyone acts.

For a collective phase-out, this would mean that businesses, raw material owners, landlords and all others make a conditional commitment – including the governments, which must establish the legal framework for the changeover date. These commitments are tallied publicly. Only when the commitments cover the entire global supply chains will a changeover date be set. The day can be prepared while the commitments are being collected – as in Sweden in 1967, with a broad public debate, with plans for the first few weeks and with clear agreements on which areas of supply must not be allowed to falter under any circumstances. The changeover date itself, however, should only be announced shortly beforehand; the next section explains why.

This cannot be achieved in a matter of months. It is a process that may take years. But today's interconnected world makes it possible. What would previously have failed due to the sheer impossibility of reaching millions of businesses across continents is now a matter of platforms, translations and trust.

A prospect to look forward to

Such a change can only succeed if it is carried not only by businesses, but also by the many people who work in them and shop with them every day. Many of them experience the future today as a threat. Rents are rising, pensions are insecure, summers are getting hotter. Some withdraw, some have given up, others vote out of anger for parties that promise isolation and simple solutions.

There was a similar mood in the years before 1989. In the countries of the Eastern Bloc, the shelves grew emptier and the factories older. At the same time, every evening people

saw the images from the West: full shop windows, holidays by the sea, the Deutschmark. Many had long since inwardly said goodbye to the old system. They just did not say it out loud – until they saw that their neighbours thought the same. Then everything happened very quickly (Kuran, 1991).

What is missing today is such an image. The direct-supply economy could offer it. What would make people happier: a Saturday afternoon at the shopping centre, or the prospect of never having to pay rent again? Whatever you need for a good life – food, a home, the doctor, care for your parents – you will receive as a gift. And not only here: so will the family in Lagos, the farmer in Bolivia, the factory worker in Bangladesh.

This is not a promise of a 'better life' with more and more things. It is a more modest and more honest promise: that nobody will have to fear losing their livelihood any more. We should not repeat the mistake of 1989. Back then, 'flourishing landscapes' were promised within a short time, and the disappointment is still felt today. At first there will be teething troubles. But the foundation would be laid.

Such an image also helps businesses. If many people are looking forward to the day, it becomes easier to make the conditional commitment. And because nothing has to be newly built, things can move quickly once enough have committed. A short announcement is then enough – so short that nobody starts holding back goods or stopping payments. The German currency reform of 1948 shows what this can look like: only a few days passed between the announcement and the changeover. On the Monday afterwards, the shop windows were suddenly full – with goods that traders had held back because they were expecting the reform.

What will change – and what won't

On the changeover day itself, nothing changes in the physical economy. The factories are still standing, the trains are running, the lorries are on the road, the fields are being tilled. People go to work the next morning as usual.

This is possible because the modern economy is based on advance performance anyway. Work is carried out, materials are delivered and services are provided long before invoices are settled or wages are paid. Existing supply relationships remain in place. Anna's mill continues to supply flour, just without an invoice.

What changes is the social structure. Bookkeeping does not disappear, but it transforms from cost accounting into the management of quantities, materials and working hours – just as Jonas's Kanban system already does today. And from that day onwards, access to everything one needs for a dignified life is no longer tied to money.

The next chapter describes what this first day might look like and what happens in the weeks that follow.

Unanswered questions

A project of this kind raises questions that should not be glossed over here. What happens to contracts, debts and titles of ownership? What role do states and governments play? What about countries whose governments refuse to cooperate? What if key sectors are reluctant to participate?

Chapters 10, 11 and 13 answer some of these questions. Others will only become clear as the process unfolds. That, too, is part of being honest: no one can plan a transformation of this magnitude down to the last detail. But that has been the case with every major transformation in history – and it is no reason not to ask the question.

Key points in brief

- Farmers, millers, bakers and customers form a circle: everyone demands money because they have to pay for things themselves. Once everyone's livelihood is secure, the circle closes in the other direction.
- This cycle only works if it is completed everywhere at the same time. Going it alone leads to bankruptcy.
- Small and medium-sized enterprises could provide the impetus – based on entrepreneurial freedom, without expropriation and without upheaval. For businesses, all expenses disappear at the same time as their revenue.
- With conditional commitments, no one has to be the first: action will only be taken once enough people have joined in – but then everyone must act at the same time.
- An honest image – livelihood, housing and health for all, without rent and without existential fear – can win many people over to the change. The changeover date itself should be announced at short notice.

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9. The first day

Three o'clock in the morning

At three o'clock in the morning, the alarm rang as usual. Anna lay awake for a moment, listening to the silence. Outside, a single car drove past. Nothing else. No sign that anything was going to be different today.

In the bakery, she turned on the light, switched on the oven and took the pre-ferment out of the fridge. Svetlana arrived at half past three, as always, with wet hair and a flask of tea.

"Well?" asked Anna.

"What do you mean, 'well'?" Svetlana tied on her apron. "Buns don't bake themselves. Not even without money."

They worked in silence, as they did every morning. Weighing out the dough, shaping it, placing it on the trays, into the oven. The aroma filled the room. At about five o'clock, Anna opened the desk drawer to look for a pen and found the leaflet about the black steel baking trays. She looked at it for a while. Then she sat down at the computer and entered the order into the procurement system: twenty baking trays, black steel, three millimetres thick. The reply came after a minute: Order accepted. Estimated delivery in six weeks. Priority: normal.

She laughed softly. Six weeks. She'd been waiting for two years.

* * *

At six o'clock she unlocked the shop door. The till was switched off. In its place was a small sign that Mira had written the evening before: 'Take what you need. Let us know what's missing.'

The first customer was Mr Albers, eighty-seven, who had been buying two rye rolls every morning for thirty years. He took his two rolls, hesitated, and then placed a two-euro coin on the counter.

"You don't need to do that anymore, Mr Albers."

"I know," he said. "But I don't know what else to do with my hands."

He left the coin there, then picked it up again, laughed at himself and left.

Around eight o'clock, the shop started to get busier. Most people took what they always took. Some took more – four or five loaves at a time – with a sheepish look on their faces. One man filled a whole shopping bag. Anna said nothing. By half past ten, the rye bread had run out.

Shortly afterwards, Sevgi came across the street. She looked tired.

“My head office hasn’t delivered anything today,” she said. “The factory in Magdeburg doesn’t yet know where to send its dough pieces. The counter’s empty, and yet people are still queuing up here.”

Anna looked towards her bakehouse, then at her watch.

“I can do another batch of white bread this afternoon,” she said. “If you distribute it from your shop.”

Sevgi looked at her as if she’d suggested something indecent. Then she laughed.

“Yesterday, we would still have been competitors.”

“Yesterday,” said Anna.

* * *

They were running low on flour. Anna sent a message to Seitz’s mill and received a call back. It wasn’t Mr Seitz on the phone, but Walter.

“I’ve been here since seven,” he said. “Seitz has three times as many enquiries as usual today and only two people. So I thought I’d lend a hand.” A machine rattled in the background. “You’ll get your two hundred kilos first thing tomorrow morning. We’ll have to sort out the rye with the farmers. There’s enough of the harvest, but all the lorries are out on the road today.”

“Dad, you’re eighty-six.”

“Exactly,” said Walter. “I’ve been waiting thirty years for someone to need flour here again.”

That afternoon, Jonas sent a message: “The factory’s running as normal. The conveyor belts are running, everyone’s here. It’s just that there are twelve people sitting in the controlling department who don’t know what to do. Neither do I.”

* * *

At seven o’clock in the evening, Anna closed the shop. She stood for a while in front of the switched-off till. For twenty-five years, she’d counted the money every evening, sorted the receipts and printed the daily closing statement.

Today there was nothing to count.

She sat down at the computer and typed: Rye bread tomorrow, plus thirty per cent. White bread, plus twenty per cent; collection by Sevgi. Then she switched off the light and went upstairs. She was tired, as she always was after a long day. But it was a different kind of tiredness. For the first time in years, she didn’t lie awake doing the maths.

* * *

An ordinary day that changes everything

For Anna, the first day after the collective exit begins like any other: at three o'clock in the bakery. And that's not a narrative device, but the very heart of the matter. On the day in question, the material world doesn't change. What changes is the way people treat one another.

However, the scene also shows that this day does not go smoothly. Bread is running short, deliveries are stalling, one factory doesn't know where to deliver to, and in the controlling department, twelve people are sitting with nothing to do. This chapter describes what might happen on the first day and in the first few weeks – with both the successes and the difficulties.

What happens on the first day

The change is most visible where people used to pay. In supermarkets, the till machines are switched off and the barriers are open. There are no more price tags, no special offers, no 'Last Chance' signs. Buses and trains run without tickets. Rents are no longer debited.

Everything else carries on as normal. People go to work because the work needs doing and because they are used to it. Factories produce goods, lorries drive, hospitals treat patients. As described in Chapter 8, the modern economy is based on advance supply and existing supply relationships. The mill supplies the bakery because it always has – just without an invoice.

What is new is an additional task: demand must now be explicitly communicated. Until now, the price has quietly regulated many things. Now businesses must tell one another what they need, what is in short supply and what can wait. The inventory management systems from Chapter 7 handle a large part of this. The rest is handled by telephone calls, agreements and common sense.

The fear of hoarding

The most common concern is this: if everything is free, people will clear the shelves. This concern is justified, at least for the first few days. Even at Anna's bakery, some people are taking more than usual. One man fills an entire bag.

We know from experience how such situations unfold. In March 2020, at the start of the coronavirus pandemic, toilet paper, pasta and flour sold out in many countries within a matter of days. However, after a few weeks, shopping behaviour returned to normal as soon as people realised that supplies were arriving reliably (Statista, 2020). There was no looting or breakdown of public order.

People hoard out of fear that there will be nothing left tomorrow. This fear subsides when the shelves are restocked every morning. Anyone who knows they'll be able to get bread again tomorrow has no reason to take five loaves today – especially as bread goes stale after three days. We recognise the same pattern from flat-rate deals: if you can make

unlimited calls, you don't spend the whole day on the phone. Openness helps here. When stock levels are visible and shortages are addressed openly, trust grows more quickly.

When there isn't enough for everyone

Nevertheless, there will be shortages, and not just in the early days. In Chapter 7, we posed the most difficult question: who gets something first when there isn't enough for everyone?

Let's take an example. An electronic component is in short supply worldwide. At the same time, two companies report an urgent need for it: a manufacturer of dialysis machines and a manufacturer of games consoles. In the market, the component goes to whoever pays more – usually the one with the higher profit margins.

Without a price, the component manufacturer must decide for themselves. They no longer have to sell to the highest bidder in order to pay their own bills. Digital connectivity shows them who needs what and for what purpose: a hospital here, a toy factory there. Most people would make the same decision in this situation. The component goes to the dialysis machines. The console manufacturer does not simply receive a rejection; instead, the network looks for a replacement part or for spare capacity at a later date.

This kind of weighing up is not unfamiliar to us. In every family, the sick child gets attention first, before we sit down in front of the new games console. But we should not pretend that this happens automatically. Not every decision will be as clear-cut as the one between dialysis and a games console. There will be borderline cases, differences of opinion and mistakes. This is why we need the priority rules and democratic procedures discussed in Chapter 7. Artificial intelligence shows where resources are needed. It is up to people to decide.

A day in the supply network

What this might look like in everyday life can be illustrated by looking at a few stages of a typical day.

At the waterworks, the operations engineer notices in the morning that the disinfectant needs to be reordered. He reports the requirement to the chemical plant. A technician points out a pump that is running erratically. An order for a new pump is sent to the pump manufacturer, with whom there has been a long-standing supply relationship.

The chemical plant has received several large orders at the same time. If everything were dispatched immediately, stock levels would fall below the safety reserve. In the past, price would have been the deciding factor. Now the team decides for itself: drinking water takes priority. Less urgent deliveries are postponed by a day or two, and the affected businesses receive a brief notification. At the same time, production is ramped up.

At the pump factory, the waterworks' enquiry is not the only one. The engineer and her team prioritise by urgency: infrastructure comes first. A particular type of seal is in short

supply; a reorder has been placed, but the supplier's response is still pending. This causes a slight delay.

The mill is receiving more enquiries than usual. Some bakeries are ordering more, as a precaution. The miller realises that he does not have enough grain for everyone at once, so he speaks to several farmers rather than just one.

The farmer receives several enquiries at once. In the past, he would have sold to the highest bidder. Now he distributes his harvest so that as many mills as possible can operate. Part of his decision remains a matter of judgement – but it is precisely this responsibility that now forms part of his role.

On the refuse round, the bins are as full as ever on the first day. Habits don't change overnight. But the driver knows that his work will change, because solutions for reducing waste are no longer being thwarted by budget constraints.

And at the municipal theatre, when planning a new production, the artistic director is, for the first time, not asking whether it will pay off, but whether it has something to say.

In the evening, we take stock: everyday life is functioning, albeit not entirely smoothly. There is more coordination, occasional uncertainty and minor delays. But the supply system is not collapsing. It is changing its form – from silent control via prices to conscious, direct cooperation.

From exchange to gift

Alongside the practicalities, this day has another side that is harder to quantify.

For millennia, people have experienced moments when exchange is suspended for a while: festivals, weddings, shared meals. The sociologist Émile Durkheim described how such shared experiences create a sense of connectedness that fosters trust and meaning (Durkheim & Fields, 1995/1912). The anthropologist Marcel Mauss demonstrated that gifts – unlike purchases – forge lasting relationships between people (Mauss, 1990). More recent studies confirm that sharing significantly enhances well-being (Yudkin & Prosser, 2022).

On the first day after the transition, this principle of gift-giving will be brought out of the private sphere and into the everyday reality of the economy. This will not be met with enthusiasm everywhere. Some will be suspicious, some will feel overwhelmed, and some – like Mr Albers – will not know what to do with their hands. Yet many will feel something that is difficult to describe: relief. The worry about whether there will be enough money to last until the end of the month, whether the rent can be paid, or whether the business will survive the coming year, has vanished.

And something else is changing. The supply chain is becoming a chain of giving. Anyone who receives a loaf of bread receives it from the baker, who received the flour from the miller, who received the grain from the farmer, to whom the soil, the rain and the sun

gave it. This chain has become visible. We no longer thank a shop assistant for their change, but rather the people who have worked, and ultimately the earth itself. This creates a different relationship with nature: it is no longer a commodity, but a shared foundation of life that we nurture because we all depend on it.

What the first few weeks will reveal

In the weeks following the transition, many things will settle into a new rhythm. Panic buying will subside. Businesses will learn to report their requirements more accurately. Supply chains, which were previously driven by prices, will be realigned. Some roles will disappear – in financial control departments, at checkouts and in debt collection agencies – and the people who held them will seek new roles. Chapter 11 discusses how this can be achieved.

There will be problems that nobody can foresee today. But the fundamental lesson of the first day remains: the supply system does not collapse when prices disappear. It becomes more human – and more demanding than some hope, yet calmer than many fear.

Not everyone will be convinced by this approach until they see it in action. Their objections deserve a serious response. This follows in the next chapter.

Key points in brief

- On the first day, nothing changes in the physical economy. What is new is that demand must be deliberately reported and coordinated.
- Panic buying is likely in the early days, but will subside as soon as supplies become reliable – as happened after spring 2020.
- In the event of shortages, decisions are made on the basis of urgency rather than willingness to pay. This isn't always easy, but it's familiar: the most important things come first.
- The supply chain becomes a chain of giving. The supply isn't smooth, but it doesn't break down.

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10. Arguments against it – taking objections seriously

Twenty reasons

Three weeks after the changeover, Jonas was clearing his desk and found the note.

He'd written it the night after the chamber meeting, when Anna had told him on the phone about Mr Brandl and the beer mat. At the time, he'd been so angry that he couldn't sleep. So he'd sat down and written down why it would never work. Twenty reasons, numbered in sequence, in his tight, accountant's handwriting. Above them, in capital letters, it read: WHY THIS WILL NEVER WORK.

He sat down and read it.

1. Nobody goes to work anymore.

He looked out of the window at the factory car park. It was full, as always. Attendance stood at ninety-six per cent, about the same as before. Rainer from the hardening shop had said to him in the first week: 'What am I supposed to do at home? My wife works too, after all.' Jonas crossed out the line.

2. The supermarkets are being cleared out.

That was true in the first week. Pasta, coffee, toilet paper – just like in March 2020. In the second week, it eased off. Now it was almost back to normal. He drew a line through it, then added a small question mark after it. There were still gaps on the coffee shelves.

3. Everyone wants five cars.

At the car dealership on the main road, the new cars were still sitting in the forecourt. A few people had bought cars they'd never have been able to afford before. Nobody had five. On the other hand, there was a four-month waiting list for cargo bikes. Crossed out.

4. That's illegal.

He had to smile. The Bundestag had spent half a year arguing over the transitional law. In the end, there had been a broad majority in favour. Crossed out.

5. Who's going to do the dirty work then?

He paused here. The refuse collection service had run into problems in the second week because two drivers had retired – they would otherwise have kept the service running for another two years. Since then, there had been a list where people could sign up to help out for one morning a month. Jonas had signed up. Nobody knew if that would be enough in the long run. He put a question mark next to it.

He went through the list again. For some items he drew a line through them, for others he put a question mark, and for three he wrote 'wait and see'. At the end, he counted them up: eleven lines, six question marks, three 'wait and see'.

* * *

That evening, he showed the list to Mira. She was sitting in Anna's kitchen and read it twice.

"Eleven out of twenty," she said. "Not bad for a doomsday prophet."

"Six question marks," said Jonas. "And I'm really not sure about the dirty work."

Mira was silent for a moment. Then she took out her mobile and scrolled through it.

"I had a list too," she said. "Not about why it won't work. But about everything that'll get better." She read aloud: "Emissions will drop straight away. Nobody will have to buy things they don't need anymore. Everyone will only work twenty hours a week."

"And?"

"Emissions are falling. But not straight away. The power stations are still running, after all. People are still getting hold of things they don't need, just less of them. And most people are working just as much as before, because everything has to be reorganised." She put her mobile away. "I've got question marks too."

Anna placed two bowls of soup on the table.

"So you were both right," she said. "Just not quite as much as you thought."

Jonas folded the piece of paper and tucked it into his shirt pocket, next to the napkin from Sunday lunch, which was still there.

* * *

Two lists

Jonas has written down why none of this can ever work. Mira has written down everything that will get better. In the scene, both lists have been marked with question marks. That's no coincidence. Every major change disappoints both fears and hopes a little.

Anyone who has read this far will have their own objections. That's a good thing. A proposal that cannot withstand objections does not deserve trust. That is why the most important objections in this chapter should not be played down, but first presented in their strongest form and then addressed. Where an answer remains incomplete, this will be stated.

A preliminary remark is in order. Many objections are based on an understandable assumption: that people will behave in a new system exactly as they did in the old one. This assumption is not foolish – it is the best prediction we have. But it is not always correct. As we saw in Chapter 6, the same person behaves differently in the market than they do at the family dinner table.

‘Nobody works without money’

The objection in its strongest form: Of course, people also work for the sake of enjoyment and a sense of responsibility. But not every job is enjoyable. Who would voluntarily work the night shift in A&E, do shift work at a blast furnace, or drive a refuse collection lorry in the rain? And even if most people carry on working: what about those who do not, yet still receive everything? Won’t that discourage the others?

The answer begins with what we know. Research into motivation shows that people particularly enjoy working when they act autonomously, make use of their skills and feel connected to others (Ryan & Deci, 2000). The care economy discussed in Chapter 6 and the nearly 29 million volunteers in Germany show that enormous amounts of work are carried out without pay. And for most people, work is more than just an income: it gives structure to the day, brings colleagues, recognition and a sense of being needed.

There are also initial experiences with income without an obligation to work. In Finland, in 2017 and 2018, two thousand unemployed people received an unconditional basic income for two years. During this time, they worked no less than the control group, but slightly more, and felt significantly better (Kela, 2020). In Germany, as part of the ‘Basic Income Pilot Project’, 122 people received 1,200 euros a month for three years. Their working hours did not decrease (Basic Income Pilot Project, 2025). To be fair, it should be noted that these trials were small-scale and time-limited, and the participants knew they would come to an end. They do not prove how an entire society would react. But they do contradict the notion that people would stop working as soon as they were allowed to.

That leaves the unpleasant jobs and the free-riders. There are three solutions to unpleasant work: automation, which is often not implemented today because cheap labour is more profitable; fair rotation of duties, so that no one spends their entire life on a refuse lorry; and fewer such jobs overall, because durable products generate less waste. Chapter 13 explores this in more detail. And there will be free-riders, just as there are today. But because the amount of necessary work will decrease significantly overall – Keynes considered a fifteen-hour working week feasible as early as 1930 (Keynes, 1930) – a society can cope with them. This issue is not entirely resolved. Jonas was right to add a question mark.

‘Without prices, the shelves will be cleared and nature plundered’

The objection: price limits consumption. If it is removed, everyone takes more than they need. And with resources that belong to everyone, there is a risk of the ‘tragedy of the commons’ from Chapter 4: everyone takes a little more, until there is nothing left.

For everyday goods, we provided the answer in Chapter 9. There is a natural point of saturation. The third loaf of bread doesn’t taste any better than the second, and a fifth winter coat doesn’t keep you any warmer. Economists call this diminishing marginal utility. Flat-rate schemes demonstrate this every day. Hoarding stems from a fear of

scarcity, and this fear fades when supplies are reliable. There is even strong evidence to suggest that consumption falls when advertising and special offers no longer constantly urge people to buy.

When it comes to nature, the objection is more serious. Fish stocks, forests, soil and the climate are common goods that can be overexploited. Yet here it is worth taking an honest look at the present situation: so far, the price has not prevented overexploitation either. The seas are overfished, even though fish has a price. The climate is warming, even though oil has a price. The reason is that the price usually does not reflect the damage caused to nature at all.

In the absence of prices, ecological limits must be consciously set: how much timber a forest can yield annually, how much fish can be caught, and how much CO_2 may still be emitted. Elinor Ostrom has demonstrated, using hundreds of examples, that communities can successfully adhere to such limits if they have clear rules and jointly monitor compliance with them (Ostrom, 1990). Added to this is the most important difference: without the compulsion to grow, the pressure to extract more from nature every year disappears.

'Everyone wants five cars – and a house by the lake'

The objection: if everything is free, everyone wants the best. Everyone wants a big car, a house in a prime location, and long-haul holidays.

When it comes to cars, the answer is simple. Today, a car is not just a means of transport, but also a status symbol and an investment. Without prices, it retains only its practical utility. Five cars would then mean, above all, five parking spaces, five tyre changes and five servicing appointments. Who would put themselves through that?

When it comes to the house by the lake, the answer is more difficult, and that, too, needs to be said. There are goods that are inherently scarce: lakeside plots, flats in old buildings in the city centre, front-row seats. Economists call them positional goods. They will remain scarce even without prices. For these, a society needs rules: based on need, for example for families with children or people with disabilities; on a rotational basis, for example for holiday homes; or, if necessary, by drawing lots. It's not perfect. But today, these goods are distributed according to wealth – and many people do not consider that fair either. Chapter 12 returns to this point.

'That will end in chaos'

The objection: a modern economy is a highly complex system. Taking away prices is like removing its nervous system. There will be bottlenecks, standstills and collapses.

History shows that the material supply systems of modern societies are remarkably robust. In the spring of 2020, entire sectors of the economy were shut down worldwide. Electricity, water, food and hospitals continued to function. During the 2008 financial crisis, major banks teetered on the brink of collapse, yet the fields were still being tilled

and the trains kept running. After 1989, entire economic systems in Central and Eastern Europe were restructured within a matter of months, and basic services did not collapse.

However, one should not gloss over these examples. For many people, these upheavals were painful. In East Germany, millions lost their jobs after 1990, and many regions have still not recovered from this to this day. The crucial difference from the transition described here lies elsewhere: back then, people lost their income – and with it their security – along with their jobs. In a transition to direct provision, livelihoods are secured from day one – even for those whose work changes or disappears.

And here, too, the question is not only what risks change entails, but also what risks carrying on as before entails. The climate crisis, growing inequality and increasing tensions between states are not a stable state of affairs.

'That is legally impossible'

This objection is valid, and it is more complicated than it appears at first glance. Under current law, a collective withdrawal would not even be permissible for many companies.

If all businesses in a sector agree to give away their products, this may breach competition law. Managing directors and board members of limited companies are obliged to safeguard their company's assets. Anyone who gives away goods may be liable to prosecution for breach of trust. A business that no longer has any income but still has outstanding loans would be insolvent and would have to file for bankruptcy. And the tax authorities demand VAT on goods given away – in a currency that the business no longer receives.

The objection is therefore valid: the transition requires a legal framework. It cannot take place solely through private decisions, but must be politically legitimised – by parliaments passing a transitional law that repeals the old obligations as of the changeover date. This is not an unusual process. The 1948 currency reform and the introduction of the euro were also based on laws that converted the previous currency and all contracts in one fell swoop. In an assurance process such as the one described in Chapter 8, governments are therefore among those who must give their commitment.

After the transition, many of these laws will cease to have any purpose. Where there is no longer any need to accumulate wealth, there is no breach of trust. Where prices are no longer demanded, there are no price cartels. They are replaced by rules that protect something else: the environment, health, fair distribution and safety at work.

'This will end in control and dictatorship'

The objection: whoever coordinates supply via data and algorithms creates an instrument of total control. Experience with planned economies shows where that leads.

This objection deserves to be taken very seriously, which is why Chapter 7 has devoted considerable space to it. In short: direct coordination is not top-down planning, but bottom-up coordination. It requires open, transparent programmes; many decentralised

nodes rather than a single central hub; democratic oversight with rotating responsibility; and the removal of the financial incentive for the abuse of power. A residual risk remains. But it is no greater than it is today, when a handful of platform conglomerates already have access to vast amounts of data.

'Globally and simultaneously – nobody can manage that'

The objection: even if everything else is right – the idea that all the countries in the world could agree on a common changeover date is unrealistic. After all, nations cannot even manage to agree on climate targets.

This is probably the strongest objection of all, and there is no definitive answer. But there are indications that it is not impossible. Under the Montreal Protocol in 1987, every country in the world agreed to phase out substances that deplete the ozone layer – to this day, it remains the only UN agreement to have been ratified by every country. The conditional commitment set out in Chapter 8 reduces the risk for every single party involved. And unlike with climate action, the collective phase-out does not require anyone to make a sacrifice: anyone who forgoes revenue is at the same time freed of all expenses.

Nevertheless, this process will be a long one. It will face setbacks. And it is possible that it will fail. The question is whether that is a reason not to try.

'The transition will be unfair'

The objection: even if everything turns out well in the end – during the transition period, some will have to bear a heavier burden than others. Those working in care, agriculture or energy supply will have to carry on working, whilst others will lose their current jobs and first have to find a new direction.

This objection is valid. There will be imbalances in the early stages. Not every job can be automated or redistributed straight away. Some people will temporarily have to do more than others, even though everyone is being treated equally. Digital connectivity can help to highlight and balance out these burdens, but that takes time.

It is important to discuss these issues openly in advance and not to sweep them under the carpet. People who know that a burden is temporary and is being shared collectively find it easier to bear. And here, too, the comparison holds true: today, the very same professions – carers, harvest workers, refuse collectors – bear the heaviest burdens on a permanent basis, for low pay and with little recognition.

'That's just utopian'

The final objection is not really an argument, but a feeling. Yet it is a powerful feeling. We have grown up in a world where money, prices and wage labour are as much a given as the weather. A world without them is hard to imagine.

Yet much of what we take for granted today was once considered utopian: the abolition of serfdom, universal suffrage, statutory health insurance, German reunification. The cultural theorist Mark Fisher observed that our era finds it easier to imagine the end of the world than a different economic order (Fisher, 2013). That is precisely why it is worth exercising our imagination.

And perhaps it is the other way round. Perhaps the greater utopia is the assumption that, amidst the climate crisis, growing inequality and increasing instability, everything can simply carry on as before.

What remains open

Not all objections can be conclusively answered today. Above all, it remains to be seen how a global process might be set in motion, how unpleasant work will be fairly distributed in the long term, and how a society will decide on scarce positional goods. This book can offer suggestions on these matters, but it cannot provide certainties.

This is not a shortcoming of the proposal, but a matter of honesty. No great historical transformation has ever been planned down to the last detail. Anyone who demands that every question be answered in advance is demanding something that even the current system has never fulfilled.

Key points in brief

- The strongest objections relate to the willingness to work, the overexploitation of nature, scarce positional goods, legal implementation and, above all, global synchronisation.
- Many objections can be easily addressed: people work even without the compulsion of money, consumption has natural limits, and the supply of material goods is more resilient than the monetary system.
- Other objections are valid and require solutions: the transition needs a legal framework and the consent of nation states. Ecological limits and scarce goods require carefully considered rules.
- Some questions remain unanswered. That is no reason not to ask them – especially as carrying on as before also entails considerable risks.

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Part IV – Life afterwards

11. Work, money and security

A Wednesday

Half a year after the changeover, Anna didn't turn up at the bakery one Wednesday. For the first time in twenty-five years, she had the middle of the week off, and she wasn't quite sure what to do with it. So she went down at seven anyway, just to have a look.

In the bakery were two people who hadn't been working there six months earlier.

One of them was Jule, nineteen, who'd wanted to become a pastry chef after leaving school. Her parents had advised her against it at the time: getting up too early, not enough money, no future. She'd started a degree in business administration and dropped out after two semesters. Three weeks after the changeover, she'd turned up at the bakery and asked if she could train there. Now she was standing at the worktop, piping cream rosettes onto a cake with such concentration as if her life depended on it.

The other man was Mr Kessler.

He was wearing a white apron over a checked shirt and was kneading rye dough. When he saw Anna, he blushed slightly.

"Good morning, Mrs Hofmann. I hope you don't mind."

"Mr Kessler, you've been kneading my dough every Tuesday and Wednesday for the past three months. I think we can be on first-name terms by now. Anna."

"Thomas," he said, smiling. "You know, I wanted to be a baker when I was a boy. My father said you'd have a secure job at the savings bank. He was right, of course. For thirty-three years." He pressed his fist into the dough. "I do this here two days a week. The other three I'm at the coordination office in the old town hall. They need people there who can handle numbers and people. We're currently allocating tradespeople to the renovation of the schools in the district."

"And that's enough for you?"

"I've never been so content."

* * *

Later, Anna sat in her office with a coffee and opened the post that had built up over the last few weeks. She was receiving very few letters now. One was from the savings bank – a final statement of account with an accompanying letter: in accordance with the transitional law, the loan for her deck oven would not be continued. The remaining debt would be archived as a historical book value. No further action was required.

She took the letter into the bakery and held it up.

"Thomas, have you seen this?"

Kessler glanced at it and laughed out loud. “I signed that loan agreement myself. Six years ago, at my desk. I remember how worried you were.”

“I thought about it every night.”

“Me too,” said Kessler. “Yours and two hundred others. Did you know I used to be awake at four almost every night? Not because of the dough. Because of the bad debts.” He wiped his hands on his apron. “Now I’m awake at four because I want to be here.”

* * *

Svetlana rang in the afternoon. She was now only working four days a week because her mother needed help following a stroke. In the past, she wouldn’t have been able to afford it, and her mother would have ended up in a care home, which she didn’t want.

“I just wanted to say I’ll be coming in later tomorrow,” she said. “The physiotherapist’s coming at seven. She’s coming three times a week now instead of once a month.”

“No problem,” said Anna. “Jule will cover the early shift.”

She hung up and looked at the rota on the wall. It was busier than it used to be, with more names and fewer hours per name. Nobody worked sixty hours anymore. Not even her.

She’d always thought that once she had a day off, she’d finally be able to sleep in. Instead, she’d been in the bakery at seven. Not because she had to. But because she wanted to see how things were going.

* * *

Half a year later

Half a year after the transition, a lot has changed at Anna’s bakery, without it seeming particularly spectacular from the outside. There are more people working there, and everyone works fewer hours. A young woman is learning the trade she’s always wanted. A former bank adviser is kneading dough and organising tradespeople for school refurbishments. An employee is caring for her mother without fearing for her livelihood. And a loan that robbed Anna of sleep for years is now just an entry in the archives.

This chapter explores what happens to work, money and social security when one’s livelihood is no longer tied to an income.

Less work is needed

A large proportion of today’s work does not directly serve to provide for people, but rather to keep the market itself running. Issuing invoices, checking payments, sending reminders. Operating cash registers. Calculating, collecting and auditing taxes. Settling insurance claims. Designing adverts and packaging that stand out on the shelves.

Developing products in parallel that barely differ, because every manufacturer needs its own model.

All these tasks are carried out by capable people with great dedication. They are necessary within the current system. But they are only necessary because every transaction must be conducted using money. If money were to disappear, a large proportion of this work would also disappear – not because it was done poorly, but because its purpose would cease to exist. The anthropologist David Graeber has shown that many workers themselves doubt the meaning of their work (Graeber, 2019).

Added to this is the removal of the pressure to grow. If products are allowed to be built to last and be repairable, fewer items need to be replaced. If nobody needs to be pressured into buying anything, less will be produced that nobody actually needs.

As early as 1930, John Maynard Keynes predicted that, thanks to technological progress, his grandchildren would only need to work around fifteen hours a week (Keynes, 1930). Productivity has since risen more sharply than Keynes had anticipated. The fact that we still do not work fifteen hours a week is not down to technology, but to the fact that progress has been channelled into increased production rather than more free time.

Distributing the remaining work

The major challenge following the transition is therefore no longer to create jobs, but to distribute the remaining work sensibly and fairly.

The tools for this already exist. Digital platforms that currently match drivers, tradespeople or carers with jobs could highlight where help is needed and who offers which skills. Regional coordination centres – such as the one in the old town hall where Thomas Kessler works – could organise larger-scale projects, such as the refurbishment of schools or the expansion of renewable energy.

This creates a new kind of freedom. People who choose a career today usually do so based on security and income. Jule would have studied business administration; Kessler would have stayed at the bank. Once their livelihood is secure, people can choose their work according to their inclinations and abilities, combine different roles and change careers over the course of their lives.

Working hours will also become more flexible. Svetlana can work fewer hours whilst her mother needs care, and then work more again later. No one will have to work sixty hours a week just to make ends meet, and no one will have to take a full-time job whilst bringing up children.

And finally, mobility becomes a matter of choice. Today, millions of people leave their homes because jobs and income are concentrated elsewhere. Many live apart from their families. When housing no longer depends on rent and wages, people can live where they want to live, and go for a while to wherever help is needed.

What will become of money

From the day of the transition, money ceases to function as a means of payment. Although accounts, balances and credit agreements continue to exist in the banks' databases, they are no longer needed to provide for people.

What happens to debts? A loan is, at its core, a claim to future payments. It presupposes that the debtor has an income and that the creditor needs the money. Neither of these applies any longer. The debtor no longer has an income from which to pay – and does not need one. The bank no longer has to pay salaries, rents or suppliers. Reminders, seizures and insolvency proceedings come to nothing, because a payment would no longer benefit the creditor. The transitional law mentioned in Chapter 10 would also formally regulate this. The claims are archived as historical book values, as in the case of Anna's oven loan.

A comparison may help: following the currency reform of 1948, the old Reichsmark balances were worth only a fraction of their original value. The figures were still recorded in the savings books, but they referred to a system that no longer existed.

At this point, a legitimate concern must be raised. Anyone who has saved for decades – for their old age, for their children, for a house – might feel cheated out of the fruits of a lifetime's labour. The neighbour who never saved is now in exactly the same position. That is a serious feeling, and it deserves respect.

The answer to this is: what were the savings for? For security in old age, for a good education for the children, for a roof over one's head, for help in the event of illness. All of this is now secured – not as the remnants of savings that can be eroded by inflation, stock market crises or a long-term need for care, but permanently and unconditionally. The aim of saving has been achieved, just by a different route. And those who saved to leave something to their children are now leaving them something better: a world in which they no longer need to worry about their livelihood.

On the other hand, there are those in debt. Around 5.7 million people in Germany are considered to be over-indebted (Creditreform, 2025), many of them due to illness, unemployment or separation. For them, the transition brings an end to what is often years of hardship.

What will become of those working in the financial sector?

Hundreds of thousands of people currently work in banks, insurance companies, tax authorities and accountancy firms. Their jobs, as they currently exist, will disappear. But their skills will remain in demand.

People who are skilled at working with numbers, databases and complex processes are needed to coordinate demand and production. The computer scientists who currently programme trading systems for stock exchanges could develop systems for logistics and resource allocation. People who can advise others, such as Thomas Kessler, will be

needed wherever tasks need to be allocated and conflicts resolved. And some, like Kessler, will finally be doing what they've always wanted to do.

The buildings will remain too. Bank towers, insurance headquarters and tax offices can be transformed into flats, schools, workshops or cultural venues. There is already a model for this: the former commodities exchange in Paris, the Bourse de Commerce, is now a museum of contemporary art.

The welfare state has fulfilled its purpose

In the 1880s, the German Empire under Otto von Bismarck introduced health, accident and pension insurance. Unemployment insurance was added in 1927. These institutions rank among the great achievements of European history. They have saved millions of people from falling into poverty, made the social market economy possible in the first place, and been emulated worldwide.

Their principle was to cushion the risks associated with wage labour: illness, accidents, old age and the loss of a job. Those who could no longer work should not be left to fall into an abyss. To this end, a vast system of contributions, entitlements, assessments and decisions was established.

Following the transition, this goal has been achieved directly. Everyone is provided for, from the first to the last day of their life, regardless of whether they are working, ill or elderly. The insurance schemes do not need to be abolished – they have fulfilled their purpose. What is being eliminated is the administrative burden: the applications, the supporting documents, the notification letters and the worry about whether the application will be approved. The people who currently work in social services can apply their experience where it counts most: in advising and supporting people who need help.

This has consequences that extend far beyond the administrative sphere. In many countries around the world, people have children partly so that their children can look after them in old age. If this reason is removed, the decision to have children becomes a freer one. Universities, theatres and museums will no longer need to seek tax funding or sponsors. Education and culture will become public goods, open to all.

Work that belongs to the people once again

Ultimately, the question arises as to what work means to people when it no longer serves as a means of livelihood.

Motivational research points the way clearly. People prefer to work when they can make their own decisions, use their skills and feel connected to others (Ryan & Deci, 2000). Financial incentives can even weaken this intrinsic motivation (Frey & Jegen, 2001). Anyone who has ever witnessed the dedication with which Jule pipes her cream rosettes will understand what is meant.

We shouldn't romanticise this. Not every job becomes a passion. Many people will continue to go to work out of a sense of duty, out of habit, and for the sake of their

colleagues. There's nothing wrong with that. Even today, we don't leave the house in the morning because we're thinking about money, but because it's part of our daily routine and because we know that others rely on us.

What is changing is the backdrop. Fear is falling away: the fear of being made redundant, of the next rent increase, of the pension notice. It is well documented that this fear makes people ill. In the Finnish basic income trial, participants reported less stress and greater confidence in the future (Kela, 2020).

Security has always been the real promise of work, money and the welfare state. After the transition, it is no longer the result of these things, but their prerequisite.

Key points in brief

- A large proportion of today's work is devoted to processing payments and competition. This will be eliminated. The remaining work can be distributed amongst more people working fewer hours – based on preference rather than income.
- Debts and credit balances lose their function. Those who have saved will lose their credit balance, but not the goal: security in old age and for the family is guaranteed for everyone.
- People in the financial sector will contribute their skills to the coordination of provision. Banks and government offices will become homes, schools and cultural venues.
- The welfare state has fulfilled its historical role. Security is no longer the result of work, but its prerequisite.

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12. Business, property and power

The gripper arm

The gripper arm missed its target for the third time. Instead of the glass of water on the bedside table, it grabbed the glasses lying next to it and pushed them over the edge.

"Stop," said Jonas. The arm paused mid-movement.

Sabine picked up the glasses and sat back down on the edge of the test bed. She'd been working as a nurse on a geriatric ward for twenty years and came to the old gearbox hall twice a week after her shift to tell the team what worked and what didn't in a real nursing room.

"The problem isn't the arm," she said. "The problem is that there's always too much on a real bedside table. Glasses, tissues, a photo of your grandson, three medicine dispensers. Your robot thinks a bedside table is tidy."

Jonas nodded and typed a note into the tablet. Sitting next to him was Kenji, a retired engineer from Osaka who'd been working on the project via a video link for the past two months, because he'd spent thirty years building industrial robots and didn't know what to do with his time. On the large screen, the AI assistant was already suggesting three variants for improved object recognition.

"The second one's good," said Kenji. "But the gripper needs to be softer. Otherwise it'll crush the photo."

* * *

A year earlier, a gearbox production line had still stood here. When demand for new cars slumped after the changeover, the workforce had spent three weeks discussing what to do with the machines, the engineers and the twelve financial controllers who were at a loss. It had been Sabine who'd said over dinner: "There's a shortage of staff everywhere in the care sector. You build machines that can grip with precision, don't you?"

Jonas was now leading the project. He'd never before managed anything that wasn't measured in spreadsheets. At first, he'd kept Excel spreadsheets every evening, out of habit. Now he kept just one: which care homes had got in touch, and what did they need most urgently?

The owner of the factory, a man from the third generation of the founding family, dropped by from time to time. He had kept the company, but he no longer had to answer to any shareholders. "My grandfather built pumps for mines," he had once told Jonas. "My father built gearboxes. I always wanted to build something that directly helps people. I thought I couldn't afford to do that."

* * *

That evening, the team published the new design plans for the gripper in the open database, as they did every week. In the past, the patents department would never have allowed such a thing. The patents department no longer existed. Two of its lawyers were now working in the legal advisory service of the coordination office, whilst a third was part of the team and dealt with safety standards.

The next morning, Jonas found a message from Hanoi. A team at the university had replicated the gripper and modified it so that it could be made from parts that could be produced on any 3D printer. Their proposal was better than his own.

Jonas forwarded the message to Kenji. The reply came a minute later: “Brilliant. We’ll go ahead with that.”

In the car park, he bumped into Bernd from the assembly team, who’d picked up a Porsche from the car dealership on the main road in the first month after the changeover. Today he’d come back in his old estate car.

“What about the Porsche?” asked Jonas.

Bernd shrugged. “Took it back. It’s no fun when nobody turns their head to look at you anymore.”

* * *

From gearboxes to care robots

Jonas’s factory has done something that companies have done time and again throughout history: it has reinvented itself. A gearbox factory has become a development centre for care robots. What’s new is how this is happening. Not because the market demands it, but because people in the care sector need help. Not behind a veil of patents, but openly, with a pensioner in Osaka and a team in Hanoi. And not at the expense of the owner family, but in partnership with them.

This chapter explores what becomes of ownership, entrepreneurship, status and progress when the market no longer sets the pace.

What will become of ownership

Ownership is so ancient that it seems to us like a law of nature. Yet for most of human history, land, water and forests were used communally. It was only with the advent of settled life that exclusive ownership of land emerged, and it was not until the 17th century that John Locke provided a philosophical justification for it (Locke, 2008).

Ownership of a business today has two aspects. One is the right to shape it: to decide what is produced, how work is carried out and the direction in which the business develops. The other is the right to the returns: to profits, dividends and the proceeds from selling the business.

Following the transition, the second aspect loses its significance, as monetary returns are no longer needed. The first aspect, however, remains. No one is dispossessed. The owner of Jonas's factory continues to run his business. He simply no longer has to be accountable to shareholders for returns and can finally run it the way he always wanted to.

Three forms of ownership are emerging for the future, which can co-exist.

Active ownership: The existing owners and founders continue to run their business, but now free from the pressure of the capital markets. This will be the case in many family businesses.

Steward-ownership: The company belongs, in a sense, to itself. It is not sold or bequeathed like a commodity, but is run on by those who bear responsibility and possess the necessary expertise. Today, this means above all that profits remain within the company and no one can sell it to the highest bidder. This is not a concept invented by this book. Bosch and Zeiss have largely been owned by foundations for decades. And in Germany, hundreds of companies, including well-known medium-sized enterprises, have for years been calling for a specific legal form for such enterprises: the 'Gesellschaft mit gebundenem Vermögen' (Anger, Brors, & Greive, 2024). Business practice itself, therefore, is pushing for the purpose of a company to take precedence over financial returns. After the transition, when there are no longer any profits or sale prices, the core of this idea remains: workshops, machinery and the workforce's knowledge remain permanently dedicated to the company's purpose and are not broken up or misappropriated.

Common ownership: Some production sites become nodes in an open network, similar to Wikipedia or large open-source projects. They are jointly supported by the workers and the people who depend on them.

In this understanding, the commons do not arise through nationalisation, but where the right to exclude others loses its practical meaning.

This also applies to housing. One's own flat remains one's own flat. No one has to share spaces they do not wish to share. On the contrary: once housing is no longer an object of speculation, no one will be forced out of their home due to a rent increase or a notice of termination for the landlord's own use. Privacy becomes more secure, not less so.

Then there are the scarce goods mentioned in Chapter 10: the house by the lake, the flat in an old building in a prime location. For these, rules are needed that are democratically established locally – according to need, on a rotating basis or, if necessary, by drawing lots. Anyone currently living in such a house will not be evicted. But when it becomes vacant, it will no longer be wealth that determines who moves in.

The new role of entrepreneurs

What remains of the role of the entrepreneur? Almost everything that defines them.

Knowledge of production, organisation, logistics and technology is needed more urgently than ever before. Only the goal is changing. Instead of capturing market share and cutting costs, the aim is to manufacture good, durable, repairable products whilst using as little material and energy as possible.

Leadership is changing too. It is no longer based on bonuses and the threat of dismissal, but on competence, trust and the ability to inspire people to work towards a common goal. Those who have good ideas, can resolve conflicts and keep the common good in mind will continue to wield influence and gain recognition. The role of entrepreneurs is thus becoming more like that embodied by the honourable merchant from Chapter 2.

Many of the expenses that are part of an entrepreneur's life today are losing their purpose. Entertainment, expensive company cars, trade fair stands and business dinners now often serve less to provide personal enjoyment than to secure contracts. Those who no longer need to win contracts have no need for them. And the relationship between management and staff is losing its former antagonism: no one needs to keep wages down any longer, and no one needs to fight for higher wages.

Luxury, status and the champagne

Bernd has returned his Porsche. "It's no fun when nobody turns to look at you anymore."

The economist Thorstein Veblen described what lies behind this as far back as 1899 (Veblen, 1899). Many luxury goods are not bought because they are particularly useful, but because they are expensive. Their price shows everyone that you can afford them. For some goods, demand even rises when the price rises. A Rolex is not primarily a better timepiece, but visible proof of wealth.

If the price is removed, this signal loses its power. A sports car then becomes just a car; a luxury watch, just a watch. Anyone standing in front of the champagne display today often does so precisely because they cannot afford the bottles. Without price tags, most people would probably walk on by – to the sparkling wine that tastes better to them anyway. The few bottles of champagne would then be left to the true connoisseurs.

This does not mean that nobody appreciates beautiful things any more. There will still be people who are enthusiastic about masterful craftsmanship, exceptional wines or bold architecture. The difference is that these things no longer serve as a sign of social superiority. And advertising, whose role today is often to awaken new desires, also loses its purpose.

Power without money

Does power end when money does? No. But a certain form of power loses its foundation: the power that arises from money and from control over access to what people need to live.

This is most clearly evident in lobbying. In today's economy, it is not a moral failing on the part of individuals, but a perfectly understandable strategy: anyone who stands to

gain or lose a great deal of money as a result of political decisions will try to influence them. After the transition, this motive will no longer exist. No one will have a financial reason to withhold a patent, defend a monopoly or water down environmental regulations.

New forms of power will emerge, primarily through control over information and digital infrastructure. Chapter 7 has described how to protect oneself against this. The best protection remains a vigilant, informed population that knows it can shape its own circumstances collectively.

Progress without market pressure

One of the strongest objections to an economy without a market is that without competition, there can be no innovation. Hayek described competition as a 'process of discovery', as we saw in Chapter 7.

To be fair, competition has indeed produced tremendous innovations. The smartphone, the electric car and the mRNA vaccines would probably not have emerged so quickly without companies willing to take risks and profit from them. But there is another side to this picture. The mRNA vaccines are based on decades of publicly funded basic research, for which Katalin Karikó and Drew Weissman were awarded the Nobel Prize in Medicine in 2023. And the market leaves gaps where research is not profitable. Since 2017, only twelve new antibiotics have been approved, ten of which belong to already known classes of active substances – even though, according to estimates by the World Health Organisation, resistant germs directly caused 1.27 million deaths worldwide in 2019 alone. Many pharmaceutical companies are withdrawing from development because new antibiotics – which are intended to be used as sparingly as possible – are difficult to market (DZIF, 2024).

Other examples show that discovery can succeed even without competition. The Linux operating system, on which a large part of the internet runs today, is developed collaboratively by thousands of volunteers and companies. Wikipedia is larger than any encyclopaedia ever sold. For centuries, science has thrived on the principle that findings are published and built upon by others.

Motivation research confirms this. Curiosity, a sense of purpose and the desire to do something well lead, in the long term, to better and more creative results than financial pressure (Ryan & Deci, 2000). When the pressure to ensure that every idea must be sold is removed, more becomes possible, not less: ideas that were previously shelved because they were not profitable can be realised. And knowledge that was previously locked away behind patents becomes available to everyone – just like the design plans for the gripper arm, which were improved overnight in Hanoi.

Humans and AI as partners

There is another development that sheds new light on the question of progress: today, progress is increasingly arising from the collaboration between humans and artificial intelligence.

The most striking example comes from biology. For decades, one of the most challenging tasks in science was determining the spatial structure of proteins – the building blocks of all life. It often took a research team years to analyse a single protein. The AI system AlphaFold has predicted the structures of over 200 million proteins (Jumper et al., 2021). The results are available free of charge to researchers around the world and are accelerating the development of medicines and vaccines. In 2024, this work was awarded the Nobel Prize in Chemistry.

Even before this, it had become clear just how fruitful the combination of human intuition and computing power can be. In 2011, players of the online game 'Foldit' solved the structure of an enzyme in three weeks – something scientists had failed to do for over a decade (Khatib et al., 2011). Many of them had no scientific training. They contributed something that computers lacked: spatial awareness and a love of puzzle-solving.

For an economy free from market pressures, this development is significant for two reasons.

Firstly, AI lowers the barriers to invention. In the past, anyone wishing to develop a new machine needed a large team, expensive laboratories and, in most cases, investors expecting a return on their investment. Today, a small team with an AI assistant can run simulations on designs, compare variants and identify errors – tasks that used to take months. What matters then is no longer whether investors can be found, but whether people can be found who consider an idea valuable and want to work on it.

Secondly, AI multiplies the impact of sharing. When knowledge is freely accessible, an AI can bring it together from all corners of the world, identify connections and make suggestions that a single team would never have thought of. The gripper arm in Jonas's workshop is the result of a care worker's experience, the knowledge of an engineer in Osaka, the creativity of a team in Hanoi and the suggestions of an AI assistant. None of them could have built it so well on their own.

Here, too, honesty is key. Today's AI development is largely driven by private companies and massive investment. AlphaFold was developed by a subsidiary of one of the world's largest technology conglomerates. Market advocates will rightly point this out. But this very example shows that the greatest benefit arose where the results were shared. The technology itself is neutral. Whether it serves competition or collaboration depends on how we use it. For it to serve collaboration, we need open models, open data and the democratic control discussed in Chapter 7.

Progress would then no longer be the result of a race in which one wins and the others lose. It would be the joint achievement of people and machines, in which everyone shares.

Key points in brief

- Ownership loses its profit-generating function, but not its shaping function. No one is dispossessed. Alongside active ownership, there is steward-ownership – as at Bosch and Zeiss – and common ownership.
- Entrepreneurs remain indispensable. Their knowledge now serves to create good, durable products rather than market share. Leadership is based on competence and trust.
- Luxury loses its function as a status symbol. With the money gone, lobbying also loses its driving force.
- Progress can be achieved even without market pressure – through open collaboration and, increasingly, through the partnership between humans and AI. For this to benefit everyone, open models and open data are needed.

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13. Care, infrastructure and the state

The contraption

Walter had slipped on the steps leading to the mill in the spring. He'd broken his femoral neck; the operation had gone well, but since then he'd been unable to leave the house without his walking frame. He hated the walking frame. He called it 'the contraption'.

One Thursday morning, he was sitting in his armchair by the window when Marta from the care service rang the doorbell. She helped him wash, changed the dressing on his scar, checked his tablets and went through the exercises with him that the physiotherapist had prescribed. Then she sat down with him and had a coffee.

"I used to have twelve minutes for you," she said. "Wash, tablets, goodbye. I'd rush in and out of here, and I'd already have the next patient on my tablet in the car. Your daughter would probably never have met me."

"And now?"

"Now I've got as long as it takes." She smiled. "Today, it seems to be taking the time it takes to drink a coffee."

Walter told her about the mill, his grandfather and the baker Huber. Marta listened. She'd already heard the story twice. She didn't say so.

* * *

Around midday, Anna arrived with some soup. Ever since she'd cut down to four days a week at the bakery, she'd been coming every Thursday and Sunday. Shortly after she arrived, someone clattered up the stairs: Mira, wearing an orange high-visibility vest, her hair tucked under a cap.

"What on earth do you look like?" asked Walter.

"Rubbish collection," said Mira proudly. "One morning a month. I rode along at the back of the lorry. At six o'clock in the morning."

"And?"

"It stinks. It's hard work. It's cold." She took off the vest. "And Mr Yılmaz, who's been doing it for twenty-two years, told me that for the first time ever, he isn't ashamed to say what he does for a living. Because now everyone's had a go at it. Even the mayor."

Walter laughed so hard he had to cough.

* * *

In the afternoon, Jonas and Sabine brought a large cardboard box.

"Version seven," said Jonas, setting up a slender gripper arm next to Walter's armchair. "We need someone to test it in real life."

“I’m no guinea pig,” said Walter.

“You’re the most stubborn patient we know,” said Sabine. “That’s exactly why.”

Walter grumbled. But when the others were in the kitchen, he looked at the bedside table, where his glasses lay amongst the pill boxes, a handkerchief and the framed photo of his wife. He said quietly, “Glasses.”

The arm whirred, carefully pushed the handkerchief aside, skirted round the photo and brought him his glasses.

Walter put them on and looked at the arm for a while.

“All right,” he said. “But you’re still not throwing the contraption away.”

* * *

That evening, once everyone had left, Anna sat with him for a while longer.

“Do you know what the best thing is?” said Walter. “Not the robot. Not the soup.” He looked out of the window at the street, where men and women from the coordination office had been replacing the old water pipes for a week. For decades, they’d been told there was no money for it. “The best thing is that nobody looks at the clock anymore.”

* * *

When there is time again

Walter’s remark at the end of the day sums up what might change in the care sector: nobody looks at the clock any more. Marta has time for a coffee, Anna for her soup, Mira for a shift on the refuse lorry. And outside the window, water pipes are being replaced – pipes for which, for decades, ‘there was no money’.

This chapter is about the tasks that hold a society together: care, unpleasant work, infrastructure, the law and security. And it asks what role the state plays when it no longer has to manage money.

Care: the foundations come into view

In Germany, nearly 5.7 million people were in need of care by the end of 2023. Around 86 per cent of them were cared for at home, with more than half of all those in need of care being looked after solely by relatives (Destatis, 2024). Added to this are care homes, outpatient services and hospitals, where hundreds of thousands of carers work – and yet there is a shortage of staff everywhere.

Hardly any other sector illustrates the limitations of today’s economic system so clearly. Human care cannot be accelerated at will. Anyone who washes an elderly person, listens to them and reassures them cannot do so twice as quickly without something being lost. Nevertheless, care is billed by the minute. Outpatient services often have only a few minutes for a visit, whilst hospitals have been funded since 2004 through flat-rate payments per case, which reward the shortest possible length of stay (Winker, 2015).

Many carers do not leave their profession because they dislike it, but because, under these conditions, they cannot provide the care they believe to be right.

After the transition, this pressure will be lifted. Care will no longer be billed by the minute, but according to what a person needs. Marta will have as much time as it takes. Hospitals will no longer have to be self-financing. The decision on whether a ward is closed will be based on whether it is needed, not on whether it is profitable.

Families also gain more leeway. If the socially necessary working hours decrease, as described in Chapter 11, relatives have more time for care. Anna can visit her father twice a week, and Svetlana can look after her mother. The boundary between professional and family care becomes more permeable: professionals take on tasks requiring specialist knowledge, whilst families, neighbours and volunteers supplement the care that requires personal attention.

And technology can help. A gripper arm that fetches a pair of glasses, a hoist that makes it easier to move someone out of bed, sensors that alert to a fall – such aids relieve the burden on carers without replacing human interaction. In an economy that no longer prioritises profit, they are developed where they are needed, as in Jonas's factory.

We shouldn't romanticise this. Care remains demanding, both physically and emotionally. We will continue to need well-trained professionals, and not every family is able or willing to care for their relatives themselves. But care is no longer treated as a cost factor, but as what it is: the foundation on which everything else rests. And because it is predominantly carried out by women today, either unpaid or poorly paid, this recognition is also a major step towards equality.

Who does the dirty work?

Jonas posed this question with a question mark in Chapter 10, and it deserves a detailed answer. Today, much of the heavy, dirty and dangerous work is carried out by people who have no other choice: in the low-wage sector, often with little recognition, frequently by immigrants. If the compulsion to engage in wage labour disappears, so too does this form of allocation. What then?

The answer has three parts.

Firstly, there will be less of this sort of work. If products are durable and repairable, less waste is generated. If less is transported, there is less warehouse work. A large proportion of unpleasant work is linked to the volume of what is produced and thrown away.

Secondly, more machines. Many jobs could already be automated today. This often does not happen because cheap labour is cheaper in the short term than an expensive machine, and because employees rightly fear losing their jobs. Both reasons cease to apply. Automation is no longer feared, but welcomed.

Thirdly, shared responsibility. What cannot be avoided or automated is shared amongst many people. Mira rides along on the refuse lorry once a month, as does the mayor. For Mr Yılmaz, who has been doing this work for twenty-two years, this means not only a lighter workload but also recognition. We are familiar with such rotation systems from voluntary work, shared accommodation and co-operatives. It remains to be seen whether they are sustainable in the long term and on a large scale. Where they fall short, communities will have to find new solutions – such as shorter shifts or special forms of recognition for those who take on such tasks.

Infrastructure according to need

Water pipes are being replaced outside Walter's window. This, too, is no coincidence in the narrative. In German local authorities alone, an investment backlog of around 231 billion euros has built up over the years (KfW, 2026): dilapidated schools, bridges in need of repair, old pipes, a lack of cycle paths. The reason was almost always the same: there is no money for it.

After the transition, the question takes on a different form: are the materials, machinery and people available to do the work? In most cases, the answer is yes. The concrete is delivered because it is needed. The construction workers are on the job because they are renovating their own children's school. And the regional coordination office – such as the one in the old town hall where Thomas Kessler works – decides what takes priority.

Many decisions regarding infrastructure can be taken locally. Local authorities usually know better than distant central offices whether they need a medical centre, a new bus route or a school refurbishment. Larger projects, such as electricity grids, railway lines or hospitals with specialist departments, require supra-regional coordination. The digital tools from Chapter 7 can help to direct materials, experts and machinery to where they are needed, without the need for a central planning authority. This requires people who can organise such projects and win others over to the cause. Their power will then no longer be based on money, but on competence and trust.

Some of today's large-scale projects, by contrast, will lose their significance. A large proportion of freight transport arises because goods are manufactured where it is cheapest. If costs no longer play a role, much can once again be produced in the region where it makes ecological and technical sense.

The state: from treasurer to coordinator

What will become of the state? A significant part of its current work revolves around money: collecting taxes, calculating and paying out social benefits, distributing subsidies, drawing up budgets and managing debt. These tasks will cease to be necessary.

Other tasks will remain and become more important. The state will remain the forum where a society democratically decides on its common affairs. It protects fundamental rights, ensures justice and security, sets environmental limits and maintains the

infrastructure. Anyone who fears today that an economy without a market requires an all-powerful state can rest assured: the opposite is true. The state no longer needs to redistribute wealth, so it also needs to exercise less control.

Many administrative bodies that currently direct financial flows could become coordination centres that assess needs, redress imbalances and organise projects. Much will shift to the level of local authorities and regions, where people are most familiar with their local circumstances. The rule of law, however, remains, with independent courts, democratic elections and the protection of minorities. It is an achievement that no economic system can replace.

Law and security

A large proportion of today's crime is linked to money and property. According to police crime statistics, theft and fraud together accounted for around 45 per cent of all recorded offences in 2025 (Federal Criminal Police Office, 2026). Added to this are tax evasion, money laundering and large parts of organised crime. Many of these offences will lose their purpose following the transition. If people can get everything they need, they have no need to steal. Where there is no money, no one can be defrauded.

Other conflicts remain. Jealousy, disputes, mental health crises, violence and abuse of power are part of human coexistence and will not disappear. A society still needs protection from violence, and to this end it will continue to need the police and the courts in the future.

What can change is the nature of the response. German law already recognises victim-offender mediation, in which offenders and victims work together to seek redress. In New Zealand, such a process has been the standard approach in youth criminal justice since 1989. Prevention, mediation, therapy and restitution can be given greater weight if fewer offences are committed out of desperation. The aim remains the same: to protect people and address injustice.

Home, borders and migration

People feel connected to their region, their language and their history. Nothing changes in this regard, and there is no reason to want to change it. Home remains home.

What is changing is the economic significance of borders. Today, they also protect markets, jobs and social systems. After the transition, they lose this function because there are no longer any markets or wages to protect.

This has consequences for migration. Many people today do not leave their homeland of their own free will, but because of poverty, a lack of prospects, war or environmental destruction. Once global supply is secured, at least the economic reasons will lose their weight. Migration will continue to exist – driven by curiosity, love, a thirst for adventure or the desire to live elsewhere for a while and to help. But it will occur less frequently out of necessity. We should not ignore the fact that tensions between cultures may still arise.

However, tensions that are no longer exacerbated by competition for jobs and housing are easier to resolve.

War and peace

When Dwight D. Eisenhower stepped down as President of the United States in 1961, he warned in his farewell address against the growing influence of the 'military-industrial complex'. He knew what he was talking about: he had been Supreme Commander of the Allied Forces in Europe during the Second World War. His concern was that a powerful arms industry would develop a vested interest in rearmament.

Once the transition is complete, there will be no more money to be made from weapons. There will be no more markets to conquer, no sources of raw materials that must be controlled in order to sell them, no trade routes that need to be controlled. As a result, many of the economic drivers of conflict will lose their basis. Arms manufacturers, like Jonas's gearbox factory, can apply their expertise to other tasks.

To be honest, however, not every war has economic causes. Wars are also waged out of a thirst for power, ideology, nationalism or religious zeal. A world without a market does not guarantee peace, and it too needs protection from violence. Precisely for this reason, the transition can only succeed if all states truly undertake it together.

What remains is the well-founded hope that a world in which no one can any longer grow rich through war and in which everyone's needs are met will be a more peaceful world.

Key points in brief

- Care is no longer billed by the minute, but according to need. Skilled staff, families and technology complement one another. Care is recognised as the foundation of society.
- Unpleasant work is reduced, increasingly automated and shared amongst many. Whether this will be enough in the long run remains to be seen.
- Infrastructure is built when materials and people are available – not only once the money is there. The state shifts from being a treasurer to a coordinator; the rule of law remains.
- Many criminal offences and economic causes of war lose their basis. Protection against violence remains necessary.

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Part V – The World

14. Reciprocity instead of disparity

The trees beneath the ground

Mira had imagined reforestation differently. She'd pictured saplings, long rows of young trees, water canisters and photos she'd send to Anna. Instead, on the third day in Ferlo, in northern Senegal, she was kneeling in the red earth, using secateurs to trim a bush that looked like scrub.

"Not like that," said Aminata, taking the secateurs from her hand. "You leave the three strongest shoots. Cut the others off. See?" She pointed to the ground. "That's not a bush. It's a tree that's been trying to become a tree again for twenty years. The roots are still there. Every year the goats come and eat it away. We just need to help it."

Aminata was an agricultural scientist and had studied in Dakar and Montpellier. She co-ordinated the work in eleven villages along the Green Wall, a belt of trees and bushes that was one day intended to stretch right across Africa, from the Atlantic to the Red Sea. Mira was one of twenty volunteers from Europe who had come for three months.

"I thought we were planting trees," said Mira.

"We are doing that too. But saplings need water, and water is scarce here. Most newly planted trees die in their first year." Aminata cut off a thin shoot. "The farmers in Niger discovered this back in the eighties. The trees are already there. Underground. You just have to let them grow."

* * *

In the evening, they sat outside Aminata's uncle's house drinking tea, which he re-brewed three times, making it sweeter each time. The solar-powered pump, which had arrived two months earlier from a factory in Spain, hummed quietly by the well. A boy from the village showed Mira the map on his mobile phone that the drone had taken that afternoon: every protected tree was marked with a green dot.

"Who taught you that?" asked Mira.

"A man from Holland. Over video." He grinned. "But I'm quicker than him."

Aminata's uncle asked something in Wolof. Aminata translated. "He wants to know why you're here. Whether there's no work in Germany."

Mira thought for a moment. "Tell him I've been writing essays for three years about how to save the world. I wanted to see for myself how it's really done."

The uncle heard the translation, laughed and said something that Aminata didn't want to translate at first.

"He says," she finally said, "that Europeans have been coming here for a hundred and fifty years to tell us how things are done. You're the first one to bring a pair of secateurs."

* * *

Later, Mira rang home. The satellite connection was surprisingly good. Anna was sitting in the kitchen, Walter beside her with his walking frame.

Mira told them about the trees underground, the solar-powered pump and the tea.

“And what are they learning from you?” asked Walter.

Mira thought for a moment. “How to analyse the drone maps. And I’ve shown them how to repair the pump when the filter gets blocked. I’d seen that in a video.” She paused. “But actually, I’m learning more from them. Nobody here asks how much something costs. Everyone here asks who needs it. They already knew how to do that before.”

Walter nodded slowly. “My grandfather could do that too,” he said. “We’ve just forgotten.”

Outside Aminata’s house, someone started drumming. Mira held her mobile out of the window so her grandfather could hear it.

* * *

What Mira learnt in Ferlo

Mira travelled to Senegal to plant trees. She learnt that the trees are already there. The method Aminata is showing her is called ‘Farmer Managed Natural Regeneration’ in English, which roughly translates as: natural reforestation by the farmers themselves. It was developed in the 1980s in Niger jointly by local farmers and the Australian agricultural scientist Tony Rinaudo. Since then, millions of hectares in Niger alone have been restored to greenery – not through expensive seedlings, but through knowledge, patience and a pair of secateurs.

This chapter explores how relations between the world’s rich and poorer regions are changing when money and purchasing power no longer determine where resources flow. And it shows that it is not only the South that can learn from the North, but also the other way round.

The world before the transition

To be honest, we must first acknowledge a fact. Over the past few decades, the global market economy has lifted hundreds of millions of people out of extreme poverty, particularly in China, India, Vietnam and other Asian countries. Global trade has brought knowledge, technology and medicines to regions that previously had no access to them. This forms part of the assessment of the market set out in Chapter 2.

Yet there is another side to this picture. Around 3.3 billion people live in countries that spend more money on interest payments on their debts than on health or education (UNCTAD, 2024). Subsidised agricultural exports from Europe – such as milk powder or chicken cuts – have put local farmers under pressure in West African countries. And

during the COVID-19 pandemic, vaccines were administered first in places where people could afford them. In many poor countries, they only arrived once the rich countries had long since been supplied.

This is not a moral failure on the part of individual governments or companies. It is the consequence of a system in which goods flow to where there is purchasing power, rather than to where there is need. As we saw in Chapter 7, the market is efficient in this respect – but it is not fair.

Based on urgency rather than purchasing power

After the transition, this logic will change. Food, medicines and technical goods will no longer flow to where the highest prices are paid, but to where they are most urgently needed.

Initially, this will mean that surpluses from rich countries are redirected to regions facing acute shortages. Today, some food is destroyed or withheld in order to keep prices stable. That reason no longer applies. This is not development aid with strings attached, nor is it charity. It is simply the most sensible thing one can do with surpluses. And it is a transitional measure, not a permanent relationship between donors and recipients.

The logistics for this do not need to be reinvented. Ports, container ships and freight routes already exist. Digital connectivity is also more widespread than one might think: around 96 per cent of the world's population can be reached via a mobile network (ITU, 2026), and satellite networks now connect even remote areas. A village in Ferlo can report its need for solar pumps just as easily as Anna's bakery can report its need for flour.

Sharing knowledge rather than exporting goods

In the long run, the exchange of knowledge is more important than the transport of goods. If patents no longer serve to protect profits, construction plans, manufacturing processes and medical knowledge can be shared freely – just like the plans for the gripper arm from Chapter 12, which were improved in Hanoi. Medicines and vaccines can be produced where they are needed.

The crucial factor here is who makes the decisions. Local people themselves determine which technology suits their circumstances. Perhaps healthcare systems will emerge that combine modern diagnostics with traditional healing knowledge. Perhaps a village will opt against a large-scale plant and in favour of many small solar-powered pumps. This is not the export of a ready-made solution, but joint development.

This also marks a departure from some past experiences. After 1990, the countries of Central and Eastern Europe were integrated into the Western economic system, in accordance with its rules and standards. Much of this was a success, but many people also experienced it as a one-sided process of adaptation. Following the transition, the aim is not for one region to conform to another, but for partners to engage as equals.

Major projects without debt

Many of the major environmental challenges of the coming decades lie in regions that are currently regarded as poor. The Great Green Wall, on which Mira is working, is an initiative launched by the African Union in 2007. It aims to halt the spread of the desert south of the Sahara. Bangladesh needs dykes and protective forests to guard against rising sea levels. North Africa has enough sunshine to meet a large proportion of its own and our electricity needs.

Today, such projects often fail or are delayed due to a lack of funding. The countries concerned are reliant on loans, development aid or private investors. Loans must be repaid with interest, aid is tied to conditions, and investors expect returns that are hardly achievable through the greening of a desert.

Following the transition, the question here, too, is no longer whether a project is financially viable, but whether the materials, knowledge and people are available. Solar pumps from Spain, drone maps from the Netherlands, and engineers from Europe and Asia are flowing to where they are needed. And they are not working as development aid workers who know what is best for others, but as partners alongside those who know their land and ecosystems best.

Learning in both directions

The uncle in Mira's story put it succinctly: Europeans have been coming for a hundred and fifty years to explain how things should be done. After the transition, the direction of learning could reverse – at least in part.

The method of natural revegetation is just one example. In many regions of the Global South, there is a resilient system of small-scale farming that manages with little fertiliser, few machines and little energy (Dorlöchter-Sulser, 2022). There are forms of neighbourhood support and communal economic activity that have been lost in many parts of the North. And the ecological footprint of most countries in the South still lies within what the Earth can sustain – in contrast to the rich countries (Footprint, 2026).

In the Andes, people speak of 'Buen Vivir' or 'Sumak Kawsay', the good life: not living better than others, but living well with others and with nature. Ecuador and Bolivia have incorporated this principle into their constitutions. In southern Africa, 'Ubuntu' embodies the belief: 'I am because we are' (Acosta, 2017; Fatheuer, 2011). In Senegal, hospitality is known as 'Teranga', and it is regarded as the foundation of communal life. Such concepts describe an attitude that fits well with an economy free from the pressure to grow.

However, one should not fall into the trap of romanticising the situation in the opposite direction. Poverty, violence, corruption and inequality also exist in the South, and not every tradition is just. The North, in turn, contributes much that is needed: medical

knowledge, technology, organisational expertise and science. It is not a question of idealising one side, but of recognising that every region has something to contribute.

People from the North who, like Mira, spend a while working in the South, bring these experiences back home with them. Perhaps later on, back home, they will help to transform disused factory buildings into workshops and meeting places, or to revitalise neighbourhoods that have fallen into disrepair over the last few decades. Walter's remark on the phone hints at this: some of the things that are still alive in the South were also familiar to our grandparents. We've simply forgotten it.

Partnership instead of disparity

If money no longer flows between the world's regions, the divide between creditors and debtors, between donors and recipients, would also lose its basis. There would be no more development aid, but rather a shared pool of resources, knowledge and labour, from which all regions could draw according to their needs and to which all could contribute according to their abilities. Regional self-sufficiency would remain the foundation, whilst global cooperation would provide the balance.

That would not be paradise. There would still be conflicts, misunderstandings and differing ideas about what is right. But no one would any longer be in the role of supplicant or benefactor. Every region, every culture would have something to contribute. Perhaps that is the most important change of all: that people on both sides of the equator can treat one another as partners.

For people in the Global South, this does not mean giving up on catching up. They catch up in what really matters: food, housing, health, education and security – and directly, instead of through decades of growth that never reach many people. This is only credible if the North also reduces its overconsumption. Calculations suggest that a decent life for all people would be possible with considerably less energy than is consumed today (Millward-Hopkins et al., 2020).

Key points in brief

- Global trade has lifted many people out of poverty. Yet even today, goods flow to where there is purchasing power – not to where there is need. Many poor countries pay more in interest than they spend on healthcare.
- After the transition, goods will be distributed according to urgency. Surpluses will flow temporarily to regions of need, whilst knowledge and construction plans will be shared freely. Local people will decide for themselves what suits them best.
- Major environmental projects such as the Great Green Wall will no longer be held back by loans and expectations of returns.
- Learning flows in both directions: the Global South contributes ecological and community-based knowledge, whilst the Global North contributes technology and medicine. Donors and recipients are replaced by partners.

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15. Epilogue – Lunch is ready

An ordinary Sunday

Mira had returned from Senegal on Friday, tanned and with a suitcase full of hibiscus blossoms for tea. At one o'clock on Sunday, everyone was sitting round Anna's table again: Walter with his walking frame next to his chair, Jonas and Sabine, Mira, and, as a guest, Thomas Kessler, who had brought along a loaf of rye bread he'd baked himself. It had turned out a bit too dark. Nobody said anything.

They had beef roulades with red cabbage and dumplings, as always.

Mira talked about Aminata, about the trees underground and about her uncle who brewed the tea three times. Jonas said that the gripper arm was now in use in forty care homes and that the team in Hanoi had built a version that used half as much electricity. Kessler said that the schools in the district would be refurbished by autumn. Walter didn't say anything to anyone because he was busy with his dumpling.

At some point, over dessert, Mira said, "You know, Uncle Jonas, I thought about you a lot whilst I was in Senegal."

"Oh dear."

"No, seriously. I always thought the market was the problem. That it needs to be abolished, and the sooner the better. But in Ferlo there was a solar pump from Spain. The drones came from China. The satellites are from some American company. None of that would ever have existed without the market." She stirred her pudding. "I wouldn't have admitted that a year ago."

Jonas put his spoon down. "And a year ago, I wouldn't have admitted that I haven't missed a single Excel spreadsheet for ten months." He paused to think. "Do you know how I see it now? The market was like scaffolding."

"What do you mean?"

"You can't build a house without scaffolding. It's stable, it's practical, and every builder is glad it's there. But once the house is up, you take the scaffolding down. You don't live in the scaffolding."

Mira looked at him for a long time. "That's the first thing we agree on."

"The second one," said Jonas. "We've both always liked the apple cake."

* * *

Walter had been listening. Now he put down his fork.

"Baker Huber," he said, "once told my grandfather: 'If the flour is good, the bread is good. And if the bread is good, people will come. That's all you need to know.'" He looked

round the table. “For a long time, I thought that no longer applied. Today I know: it applies once more.”

Jonas reached into his shirt pocket and pulled out two pieces of paper, folded and worn. A napkin with a bill for three hundred and fifty euros. A note with twenty numbered points, eleven of which were crossed out.

“I’ve been carrying these about with me for a year,” he said. “I don’t even know why.”

“Because you’re a controller,” said Sabine. “You can’t throw away anything that was once a number.”

Everyone laughed. Anna stood up and took two things from the sideboard drawer where she kept them: a beer mat with five names and the note ‘only if everyone does’, and a sheet of paper with pencil notes that she’d jotted down one night over a year ago next to her calculation. She laid everything side by side on the table. They looked at them in silence for a while. Then Anna smoothed out the papers and put them back together in the drawer.

She then went into the kitchen to fetch the coffee and paused in the doorway. At the table, everyone was talking over one another. Walter was explaining to Kessler why his bread was too dark. Mira was showing Sabine photos on her mobile. Jonas was topping up the wine.

Nobody had paid for anything. Nobody had written a bill. It was a perfectly ordinary Sunday.

* * *

A family that doesn’t yet exist

Anna, Jonas, Mira and Walter don’t exist. Not yet, anyway. Their story is fictional, and much of it will turn out differently in reality. But every scene in this book is based on something that already exists today: bakers working through their figures at night, financial controllers worried about their workforce, students concerned about the climate, and grandfathers who remember a time when people knew what they were working for. And a Sunday lunch that nobody pays for.

The central theme of this book can be summarised in a few sentences.

The journey in a few sentences

The market has achieved great things. It has lifted humanity out of mass poverty and created a world in which there could be enough for everyone. Adam Smith was right for his time, and Friedrich August von Hayek demonstrated why the market was superior to any planning authority.

Yet today, that same market must grow in order to remain stable, and in doing so it is reaching the limits of the environment, of justice and of the resilience of the middle class.

It finds itself in a prisoner's dilemma: everyone acts rationally, and together they all end up in a situation that nobody wants. No one can get out of it on their own.

Behind all costs lies people's livelihoods. If these were secured, no one would need to demand more money. The fact that an economy can function without prices is demonstrated by the care economy within every family, day in, day out. And the fact that information about needs can now travel far and wide even without prices is shown by inventory management systems and the internal control mechanisms of large corporations.

The transition can only succeed if we act together and simultaneously. Conditional commitments could ensure that no one has to be the first. Small and medium-sized enterprises could provide the impetus; governments would need to create the legal framework. On the first day, nothing would change in the physical economy, but the way people interact with one another certainly would.

There are serious objections, and not all of them can be fully addressed today. But there is much to suggest that people will work even without the compulsion of money, that consumption has natural limits, and that the supply system is more robust than the monetary system.

The scaffolding and the house

In the final scene, Jonas found an image that is perhaps more powerful than all the arguments in this book: the market was like scaffolding.

No one would look down on scaffolding. You cannot build a house without it. It is stable, practical, and every tradesperson is glad it is there. But no one would dream of living in it forever. Once the house is standing, the scaffolding is taken down – not because it was bad, but because it has fulfilled its purpose.

This is how the market economy can be understood too. It has fulfilled its historical purpose. It has created the tools with which humanity can free itself from material want: factories, knowledge, technology, global networks. Today, it is no longer a lack of technology that stands in our way, but a form of organisation built for a world of scarcity.

Anyone who sees it this way need not condemn the market economy in order to think beyond it. Proponents of the market and critics of growth could find common ground here: the former in their pride in what the market has achieved, the latter in the realisation that it has reached its limits. Mira and Jonas demonstrated this at the Sunday dinner table.

Less, without sacrificing

In the weeks and months following such a transition, the economy, measured in today's figures, would shrink. Advertising, unnecessary packaging, disposable products, parallel developments and many financial transactions would disappear. That sounds like a step backwards as long as one thinks in terms of growth.

But deprivation is a feeling that arises when something is withheld from us. Anyone who knows they can get what they need at any time does not perceive owning less as a sacrifice. Today, many people buy so much partly because they want to reward themselves for hard work, because the special offer ends tomorrow, or because possessions promise security and prestige. If these reasons were to disappear, consumption could fall without life becoming any poorer. Things would be replaced by time, care, education, art and community – all the things that often lie fallow today because there is no time for them.

What needs to be done now

Let us remember the years before 1989. In the countries of the Eastern Bloc, the shelves grew emptier, the queues longer, the factories older. At the same time, every evening the images from the West flickered across television screens: full shop windows, holidays by the sea, the Deutschmark. Many people had long since inwardly said goodbye to the old system. They just did not say it out loud – until they saw that their neighbours thought the same. Then everything happened very quickly.

Today the mood is similar again. Many people sense that things cannot go on like this. The summers are getting hotter, rents are rising, pensions are insecure. Some withdraw, some have given up, others vote out of anger for parties that promise simple solutions. What is missing is an image that we could look forward to again.

How about this: no more fear of rent increases. A secure old age. Everything you need for a good life – food, a home, a doctor, care for your parents – you receive as a gift. And not only you: so do the family in Lagos, the farmer in Bolivia, the factory worker in Bangladesh.

This is not a promise of ever more consumption. It is a more modest but also more honest promise: that nobody will have to fear losing their livelihood any more. We should not repeat the mistake of 1989 and promise flourishing landscapes overnight. At first there will be teething troubles. But the foundation would be laid.

And because nothing has to be newly built, things can move quickly. Once enough businesses are ready, a short announcement is enough. On the Monday afterwards, the trains run, the bakeries open, the hospitals keep working – except that nobody writes an invoice any more.

The technical foundations for the transition are in place. We do not need to build new transport routes or reinvent the internet. What is missing is societal preparation: a broad public debate, forums in which to hold it, and the confidence that others will join in.

We can start this today. In professional bodies, associations and co-operatives, we can discuss what Mr Brandl said in the car park. Companies can opt for steward-ownership. Care work can finally receive the recognition it deserves. Open data and open AI models can be promoted so that the tools of the future belong to everyone. And conditional

commitments cost nothing: anyone who says 'I'll join in if enough others do' is taking no risk.

An invitation

This book is aimed at people with very different beliefs.

To business owners: You have the experience, the knowledge and the freedom that such a transformation requires. Nobody is asking you to make a sacrifice. Along with your revenue, all your expenses would disappear too, and with them the pressure that often prevents you today from running your business as you see fit.

To the critics of growth: your analysis has paved the way for this book. Perhaps a collective exit is a way to achieve your goals without people losing their livelihoods in the process.

To those who are staunch supporters of the market economy: this book has sought to take your strongest arguments seriously. If it has not succeeded in convincing you, then perhaps it has at least shown that it is possible to discuss the future of the market without disparaging its past.

And to everyone: take this idea further. Criticise it, improve it, reject it if you have good reasons to do so. What matters is not that every question has already been answered, but that it is asked in the first place.

The double illusion

Perhaps the true utopia does not lie in imagining a different economy at all. Perhaps the greater utopia lies in the assumption that, amidst the climate crisis, growing inequality and increasing unrest, everything can simply carry on as before.

This book aims to help dispel a double illusion: the illusion that there is no alternative to the market, and the illusion that we still have unlimited time.

Lunch is ready

Above all, however, this book aims to remind us of something we are all familiar with. In your own kitchen, within your family, amongst your friends, a different kind of economy is practised every day: an economy of care, responsibility and giving. Nobody draws up a bill when they cook for others. No one asks for money for fixing a tap or comforting a child. This economy is as old as humanity itself, and it has never ceased to function.

It is the model of what society as a whole could one day become.

The 'new human being' that so many visions of a better society have been waiting for therefore does not need to be born first. It already exists within us. It is just that, during the day, it is forced to hold its own in the market.

Lunch is ready.

Appendix: Historical Context

The purpose of this appendix

The question of what an economy that provides for all people might look like is not a new one. It has occupied philosophers, theologians, economists and social movements for millennia. This appendix situates the ideas in this book within this long history.

It does so deliberately from various perspectives. The ideas in this book cannot be attributed to any single school of thought. They owe as much to the liberal tradition as they do to Christian social teaching, and as much to the post-growth movement as to research on the commons. And they differ from all these traditions in one crucial respect: the question of how the transition can be achieved.

The liberal tradition

Adam Smith, to whom Chapter 2 is dedicated, is regarded as the father of the market economy. What is less well known is that he was also a moral philosopher who regarded compassion as the foundation of social coexistence (Smith, 1759), and a fierce critic of monopolies and collusion. For Smith, the market was not an end in itself, but a means of providing for people: consumption is the sole purpose of all production.

A century later, the English philosopher John Stuart Mill, one of the great thinkers of liberalism, put forward a remarkable line of thought. In his *Principles of Political Economy* of 1848, he devoted a chapter to the 'stationary state' – an economy that no longer grows (Mill, 1848). Many economists of his time feared this state of affairs. Mill, on the other hand, saw it as an opportunity. If humanity produced enough, he wrote in essence, it could devote itself to the 'art of living' rather than exhausting itself in the race for ever more. Mill is thus one of the first thinkers in whom liberal thought and criticism of growth converge.

John Maynard Keynes, the most influential economist of the 20th century, predicted in his 1930 essay 'Economic Possibilities for our Grandchildren' that technological progress would solve humanity's economic problem within a hundred years (Keynes, 1930). His grandchildren would get by on around fifteen hours' work a week. And he expected that the love of money as an end in itself would then be recognised for what it was: a rather pathological inclination. The first prediction has come true in technical terms; the other two have not. This book asks why.

Friedrich August von Hayek formulated the strongest argument in favour of the market: the price aggregates the dispersed knowledge of a society (Hayek, 1945). Chapters 2 and 7 deal with this in detail. Ronald Coase demonstrated that firms exist precisely because the process of price coordination itself entails costs (Coase, 1937). Both insights are central to this book.

In Germany, the liberal tradition is intertwined with the social market economy. Economists such as Walter Eucken and Alfred Müller-Armack, who coined the term,

sought to embed the market within an order that limits power and creates social balance. Ludwig Erhard implemented this order politically and linked it to the promise of 'prosperity for all' (Erhard, 1957). Article 14 of the Basic Law states: 'Property entails obligations. Its use shall at the same time serve the common good.' This book takes this statement at face value.

Biblical and social utopias

The idea of a society in which no one suffers hardship is one of humanity's oldest hopes.

In the Old Testament, the law concerning the Jubilee Year requires that every fifty years debts be forgiven and land that has been sold be returned to its original owners (Lev 25). The prophets repeatedly denounce those who join house to house and field to field until there is no room left for others (Isa 5:8).

Jesus speaks of the Kingdom of God not only as a hope for the hereafter, but also as a way of life that begins right now. In the Sermon on the Mount, he says: 'Do not worry about your life, what you will eat or drink' (Matt 6:25). In the parable of the labourers in the vineyard, everyone receives the same wage, whether they have worked for twelve hours or just one – because everyone must make a living that day (Matt 20:1–16). And it is said of the first Christian community in Jerusalem that they 'had everything in common' and gave everyone 'as much as they needed' (Acts 2:44–45).

These ideas have repeatedly shaped history: in the monasteries, where monks and nuns lived without private property; in the poverty movements of the Middle Ages, such as the Franciscans; in the Anabaptist communities; and in the liberation theology of Latin America (Boff, 2018; Cardenal, 1991). To this day, Catholic social teaching speaks of the 'social obligation of property' and of the fact that the earth's resources are intended for all people.

In 1516, the English statesman Thomas More published his book *Utopia* about an island whose inhabitants knew nothing of money. There, gold is used to make chamber pots, so that no one might be tempted to worship it. More gave his name to the word 'utopia'. He knew that his island was a thought experiment. But he used it to challenge the conditions of his time.

The fact that these visions have not yet been applicable to entire societies was not solely down to human frailties. It was also because there was no way to coordinate the provision of basic needs for millions of people without a market or a state. Today, for the first time, this possibility exists.

Karl Marx and 20th-century socialism

No book on an economy without a market can ignore Karl Marx. In 1875, he set out his vision of a society in which the principle 'From each according to their ability, to each according to their needs' (Marx & Engels, 1875) would apply. He was convinced that such a society would only be possible once the forces of production had developed to such an

extent that there was enough for everyone. Today, this prerequisite has been fulfilled to an extent that Marx could scarcely have imagined.

Marx left largely open the question of what the transition to such a society should look like. In the 20th century, this gap was filled by revolution, expropriation and a state-controlled planned economy. The result is well known. The planned economies of the Eastern Bloc were unable to cater for the diversity of needs, suppressed freedom and criticism, and lagged behind the West in terms of technological development. On 17 June 1953, hundreds of thousands took to the streets in the GDR, triggered by an increase in work quotas, and the uprising was crushed by Soviet tanks. Hayek and Mises had predicted the failure of central planning without prices decades earlier.

However, another lesson to be learnt from this history is how these systems did not differ from the market at all. Labour remained wage labour; products remained goods with prices, except that the prices were set by the state. Competition was replaced by planning; the entrepreneur was replaced by the official. Money remained the medium of exchange between people.

This book therefore differs from 20th-century socialism in all essential respects. It does not rely on expropriation, but on a voluntary collective decision. It does not rely on a state that plans, but on coordination from below. It does not rely on class struggle, but on the realisation by entrepreneurs, employees and owners that they are all caught in the same prisoner's dilemma. And it does not abolish the market in order to replace it with a plan involving prices; rather, it abolishes prices themselves.

The post-growth movement

Since the Club of Rome's report on 'The Limits to Growth' (Meadows, Meadows & Behrens, 1972), a broad movement has developed that challenges the growth paradigm. The American economist Herman Daly devised a 'steady-state economy' that builds on Mill's concept of a stationary state. In German-speaking countries, Niko Paech has developed a post-growth economy based on sufficiency and regional cycles (Paech, 2025). Tim Jackson has shown that prosperity is possible without growth (Jackson, 2017). With her 'Doughnut', Kate Raworth has found a visual representation of the safe space between minimum social standards and ecological limits (Raworth, 2018). Jason Hickel, Giorgos Kallis, Serge Latouche and Maja Göpel have shaped the debate internationally (Hickel, 2023; Kallis, 2018; Latouche, 2015; Göpel, 2022). With the Economy for the Common Good, Christian Felber has created a model according to which hundreds of companies are already drawing up a 'common good balance sheet' today (Felber, 2018).

This book owes a great deal to this movement. Its analysis of ecological limits, its critique of gross domestic product as a measure of prosperity, and its proposals – shorter working hours, durable products, regional cycles, a new understanding of the good life – are reflected in almost every chapter.

What this book aims to add is an answer to a question with which the post-growth movement also grapples: how can these goals be achieved if everyone who pursues them alone suffers disadvantages? Many proposals from the post-growth economy rely on policy instruments such as environmental taxes, emission caps or taxation of large fortunes. Such instruments are important, but, as Chapter 4 has shown, they come up against the limits of the prisoner's dilemma: they usually apply only in individual countries and must be enforced in the face of pressure to grow.

The collective transition described in this book is therefore not intended as an alternative model to the post-growth movement, but as a possible way of achieving its goals. And until this path can be taken, its instruments – common-good balance sheets, reduced working hours, regional economic cycles – remain valuable steps that pave the way.

The commons and the work of Elinor Ostrom

For a long time, the 'tragedy of the commons' (Hardin, 1968) was a widely accepted theory in economics: it was argued that shared resources would inevitably be overexploited, and that therefore either private ownership or state control was necessary.

The American political scientist Elinor Ostrom refuted this thesis (Ostrom, 1990). She studied hundreds of communities that have successfully managed shared resources for centuries – alpine pastures in Switzerland, irrigation systems in Spain and Nepal, and fishing grounds in Turkey. She discovered the conditions under which this succeeds: clear boundaries and rules, the involvement of those affected in setting these rules, effective mutual monitoring, graduated sanctions and simple ways of resolving conflicts. In 2009, she became the first woman to be awarded the Nobel Prize in Economics.

Silke Helfrich and David Bollier have further developed these findings into a theory of the commons, which understands the commons as an independent form of economic organisation alongside the market and the state (Helfrich & Bollier, 2019). Wikipedia, free software, community gardens and community-supported agriculture are living examples.

This book shares the conviction that people can manage common goods collectively. It differs on the question of how the commons come into being. The commons movement builds them up step by step, project by project. This is valuable, but slow, and commons projects still have to hold their own in an environment that operates according to market rules. This book proposes the opposite approach: once everyone's livelihood is secure, the right to exclude others loses its practical purpose. The commons then arise not through the redistribution of property, but because no one has any reason to prevent others from using them. Ostrom's rules remain indispensable in this context – particularly where the limits of nature are concerned.

Simon Sutterlütti and Stefan Meretz come particularly close to this book's ideas in their book *Kapitalismus aufheben* ('Abolishing Capitalism') (Sutterlütti & Meretz, 2018). They envisage a society in which people voluntarily contribute what they can and receive what

they need – without exchange, without money and without coercion. Their guiding principle is an 'inclusive' order in which the needs of some are not met at the expense of others, but in which the needs of all are taken into account. The family, in which no one charges anyone else, is also a model for them. However, they see the path to this primarily in the growth of the commons, which gradually spread and ultimately replace the market economy. This book shares their goal and many of their arguments. It proposes, however, a shorter route: a collective, simultaneous transition, because the ecological crisis leaves little time for the gradual growth that would be required over generations.

The care movement

Hardly any other movement has done as much to make the invisible half of the economy visible as the feminist care movement. As early as the 1970s, the international 'Wages for Housework' campaign, in which Silvia Federici was also involved, called for the recognition of women's unpaid labour (Federici, 2020). With the 'Care Revolution', Gabriele Winker has launched a network that aims to place care work at the heart of a society based on solidarity (Winker, 2015). The theologian and philosopher Ina Praetorius has shown that the economy is, at its core, about caring for one another, and has coined the term 'Um-Care' to describe this (Praetorius, 2023). And under the hashtag '#CloseEconDataGap', economists are campaigning for unpaid work to finally be included in economic statistics (Rudolf, Reiche, & Knobloch, 2023).

This book owes one of its fundamental ideas to the care movement. Chapter 6 is based entirely on its insights: that paid and unpaid work are two halves of the same provision of care, and that the care economy operates according to its own, needs-based logic. The call to include unpaid work in statistical records is also important. What is not counted is overlooked politically.

In one respect, however, this book takes a different approach. Part of the movement calls for care work to be paid – through wages for domestic work, a care allowance, or better pay for all care professions. For professional care, this is a legitimate concern within the current system. However, if all unpaid work were converted into monetary terms and paid for, the last major area that currently functions without money would be drawn into the logic of the market. Gross domestic product would rise, as would the pressure for growth, and a family lunch would become a service with a price tag.

This book proposes the opposite approach: not to extend the logic of the market to care, but to extend the logic of care to the entire economy. Then care work would be recognised not because it is finally being paid for, but because no work needs to be paid for any longer – and all work would once again be recognised as what the care movement has always said it is: caring for one another.

The unconditional basic income

The unconditional basic income is the proposal that seems to come closest to the ideas in this book. Every person should receive a fixed sum of money on a regular basis, without conditions and without having to provide anything in return. In Germany, Götz Werner, the founder of the dm drugstore chain, has been a leading advocate of this – an entrepreneur who, like many others, was convinced that people want to work even without the pressure of financial survival.

Proponents argue that a basic income relieves people of existential anxiety, creates scope for education, care and voluntary work, and could replace a multitude of bureaucratic social benefits. The trials in Finland and Germany, described in Chapter 10, support these hopes. Critics ask how it is to be financed and fear that unpopular jobs will be left undone.

From the perspective of this book, the basic income shares one important insight: that one's livelihood need not be tied to gainful employment. However, it remains within the monetary economy. The basic income must be financed through taxation, and these taxes are derived from turnover, wages and profits. It therefore remains dependent on a growing economy. And because it is usually modest in amount, the incentive to earn more and consume more through additional paid work remains. The basic income mitigates the consequences of the pressure to grow, but it does not eliminate it.

The direct provision described in this book therefore goes one step further. It secures people's livelihoods not through money, but directly. Nevertheless, the debates and experiences surrounding the basic income can be valuable, as they show how people behave when their livelihoods are secure.

Further perspectives

A number of other thinkers have shaped the ideas in this book.

In *The Great Transformation* (1944), the economic historian Karl Polanyi demonstrated that, throughout history, markets have almost always been embedded in society, religion and tradition. It was not until the 19th century that the idea of a society entirely oriented towards the market emerged – and it led to severe crises. The anthropologist Marcel Mauss described how gifts forge relationships that no purchase can replace (Mauss, 1990). The feminist theorist Silvia Federici has brought the invisible work of care to the fore (Federici, 2020). In *Beyond Money*, the Australian social scientist Anitra Nelson has outlined a strategy for an economy without money that is closely aligned with this book in many respects (Nelson, 2022). And as early as the 1970s, the British cyberneticist Stafford Beer envisaged coordinating a national economy via information networks rather than through prices.

In German-speaking countries, a vibrant body of literature on an economy without money or exchange has emerged in recent years. Friederike Habermann explains why a

good life for all must be ‘free from the logic of exchange’ (Habermann, 2018). Eske Bockelmann examines how money shapes our thinking (Bockelmann, 2020), whilst Sabine Nuss examines how we ‘make’ money (Nuss, 2026). Lehner, Preissing and Gottfried outline a future without money (Lehner, Preissing, & Gottfried, 2021), Scherf and Lucas develop their own models (Scherf, 2016; Lucas, 2016), whilst Calvez tells the story, in a novel, of a world in which money no longer exists (Calvez, 2021). Internationally, Matthias Schmelzer, together with others, has published a highly acclaimed guide to the post-growth society (Schmelzer, Vansintjan, & Vetter, 2022). Older classics such as Erich Fromm’s *The Fear of Freedom* or Ernst Bloch’s *Outline of Social Utopias* serve as a reminder that the question of a more humane order is always also a question of the courage to embrace freedom (Fromm, 1993; Bloch, 1990). And behavioural economics, as exemplified by Dan Ariely, shows how little human behaviour corresponds to the purely rational ‘homo economicus’ (Ariely, 2009).

Each in their own way, they have all posed a question that this book takes up: must the economy be organised as it is today? This book’s answer is: no. But we must work out together how things could be different.

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The author

Eberhard Licht was born in Meiningen, Thuringia, in 1955 and grew up in the GDR. He studied building materials processing engineering, initially worked at a research institute in the construction industry, and later obtained a Master's degree in water and environmental sciences.

He had his difficulties with the socialist system. In the summer of 1989, he played an active part in the peaceful revolution. What he took with him from the GDR was not the ideology, but an understanding of practical solidarity between people – an experience that still gives him the conviction today that a cooperative society is possible.

After the fall of the Wall, he learnt how to capture market share. He set up a branch of a southern German chemical-ecological institute in Weimar and later founded his own accredited testing institute in Berlin for industrial emission measurements. He also filed a patent application in an attempt to shift freight transport onto the railways using data from the toll system.

In 2010, he made a fundamental decision: he sold his businesses and devoted himself to looking after his two younger children. In doing so, he discovered just how fulfilling unpaid care work can be. For several years, he volunteered at a homeless shelter in Utrecht, engaged with issues of social inequality and was active in the climate movement.

He knows the limitations of a planned economy from personal experience and the constraints of the market from his own entrepreneurial practice. These experiences with two economic systems – as an engineer, as an entrepreneur and in care work – shape the perspective of this book.

Eberhard Licht is married to a Spanish woman, has four children and lives in Berlin.