Sunflower Foundation

# Workbook

## for Eske Bockelmann's "MONEY. *Understanding Modern Society*"

Sunflower

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## for Eske Bockelmann's

## ”MONEY.
## *Understanding Modern Society*”

# Content

Preword 5

## 1 Before Money

Don’t Be Too Quick to Judge 9

Gifts: A World Without Money 11

Community and Society 13

The Significance of the Wrath of Achilles 15

Money as Payment: Archaic Payments 16

Means of Payment and Money 19

Are Coins Money? 21

Markets Without the One Market 23

Estimation According to Aristotle 25

Gain Without Loss? 27

“I didn’t think he could afford a donkey!” 29

Living by Buying and Selling 31

The New Town 33

A New Dependence Evolves 35

The Price of All Things 37

## 2 *With Money*

The Pure Medium of Exchange 40

Nominal Value Becomes Separate from Material Value 43

Increase in Loans and Credit

Money Leads to the Concept of Value 45

The Equation in Buying and Selling 47

Value and Price Are the Same 49

The Law of Value 50

The Law of Surplus Value 51

New Forms of Property, Competition, and the State 57

How Money Is Created 61

Money Must Be Constantly Generated 63

Exponentiation and Speculation Today 65

## 3 After Money

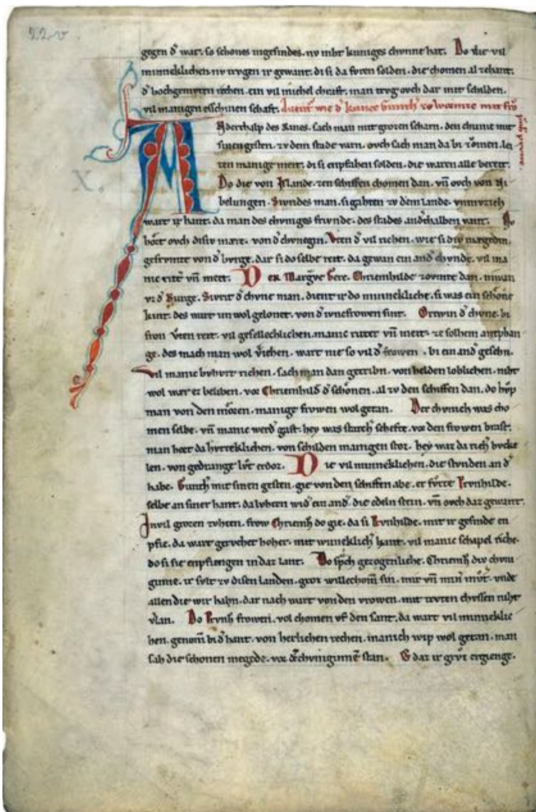
Beyond money 70

# Preword

This workbook is divided into three parts: Before Money, With Money, and After Money. I am often asked whether we could not simply skip the first part: It constitutes the first 200 pages of Bockelmann's book, after all. However, it is only by distinguishing what money once was not that we will be able to recognize what money is. In earlier times, people thought the Earth was the center of the universe. Today, we make the same kind of mistake by judging money's past from the viewpoint of the twenty-first century. The culture of gifts, the importance of community as opposed to society, archaic payments, coins, markets that do not yet represent the one market, and exchanges based on estimation are all elements that are completely different from our modern money culture. It is therefore important to retrace the well-researched, historic, radical change in the long sixteenth century, for only then will we be ready to understand rather abstract ideas like the pure medium of exchange, the connection between money and value, the equation in buying and selling, the difference between value and price, the law of value, the significance of surplus value regarding modern forms of property, competition, the state, and how the creation of money functions.

*Jürg Conzett*

# *1*
# Before Money



The *Nibelungenlied* is a medieval heroic epic. The poem we know today was written in Middle High German in the early 13th century, but the story is significantly older. The *Nibelungenlied* was rediscovered in the middle of the 18th century and was considered the national epic of the Germans in the 19th and 20th centuries.

The word GELT occurs quite frequently in the poem in the sense of *vergelten* (which means "to repay"). That this is usually translated as "money" reflects our tendency to project modern views onto past eras. However, "to repay" someone meant something different than what we associate with money today. GELT has nothing to do with our modern conception of money. The tendency to impose our view on the past does not explain anything and allows money to persist as a kind of "veil over the economy." As a result, any attempt to clarify what money is fails.

# Don’t Be Too Quick to Judge

Bockelmann’s book begins with the *Nibelungenlied* (written about 1200) and King Gunther, who is on a journey with his entire entourage to the court of King Attila. When the king reaches Margrave Rüdiger’s castle one evening, the margrave welcomes him and his people and invites them to stay with him. He then tells them that if anything or anyone should be harmed or lost while staying with him, “*des wil ich wesen gelt*,” which literally means that he wants to be *geld*, or money, for this. What does he mean by that? How can the margrave want to be money?

Although the concept of money was not yet known at that time, *gelt* is usually translated as money today. But this is not correct. By projecting our view onto earlier times, we take the media of exchange used in the Middle Ages to be money. But why? The answer is: It is our modern money that forces us to make this mistake and to see money where it did not exist historically. It is as if money has etched a pattern onto our eyes, and now everything we see appears to have the exact same pattern. The false idea that money was invented in the past to simplify the exchange of goods reveals the same mechanism. Money could not have evolved from bartering, because money is already assumed in it. This is therefore a circular argument, and such quick judgements prevent us from realizing what money really is.

Early communities kept themselves stable with a web of mutual obligations, and gifts were an important part of honoring those obligations. Gifts are not presents, nor are they payments. A remnant of this gift culture is the "little something," like a host or hostess gift, that we bring when we are invited to someone's home. It is important to present this gift and to accept it. This cultural obligation has survived to this day.

# Gifts: A World Without Money

That is why it is only by distinguishing what money once was not that we will be able to recognize what money is. In earlier times, people were exclusively bound to each other in communities that practiced a different kind of exchange. Through the community, they provided for and took care of each other. This was done primarily through gifts, and gifts have absolutely nothing to do with our modern money.

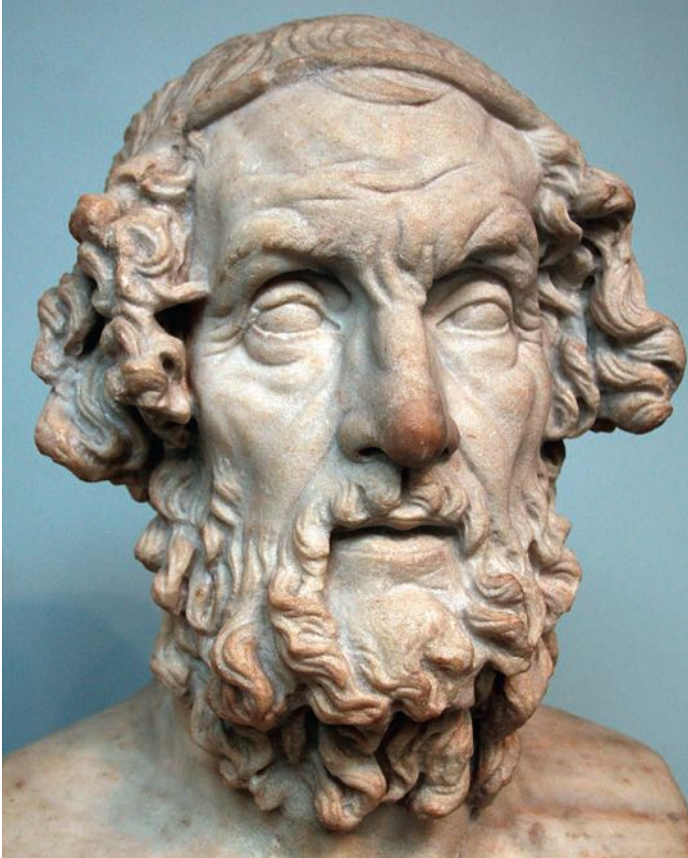
A remnant of the archaic culture of gifts that still exists is the "little something," like a host or hostess gift, that we bring when we are invited to someone's home for dinner, for example. When an occasion requires a small gift, this obligation applies not only to the guest; it is an obligation *between both host and guest*. The guest must present the small gift and the host or hostess must accept it. A small gift that fulfills this obligation does not end the obligation, for it is never completely fulfilled; rather, each fulfilment reinforces it. We do not exchange this little something for something else that is equal to it. The mutuality, or reciprocity, of these obligations does not refer solely or especially to the things we bring: It encompasses the entire relationship.

**The Holy Kinship by Lucas Cranach the Elder (1472–1553).** A clan is generally an extended family with common or invented origins: A group of people with common ancestry. Modern society, on the other hand, depends on a very different connection among its members: here, the relations are economic. Everyone is a money subject and the center of their world. Through money, they are dependent on all others. Society is not a community; in all reality, and as abstract as it sounds, it is a system of mediation.

# Community and Society

Before societies evolved that operate with money and are mediated by money, what mattered most to people was to be born into a tribe, a clan, a village, or a *civitas*—in other words, a community.

In a community, what becomes someone's property does not stay their property. They must pass it on, because ownership in such communities is *temporary ownership*. It is subject to communal time: time that depends on the community because the community depends on it. Ownership in this sense fundamentally *connects* its owners with others, instead of separating them. And, although communal obligations were met voluntarily, it was similar to paying taxes today. Much like how we don't expect the tax office to be grateful, no show of gratitude was necessary.



**Bust of Homer, the presumed author of the *Iliad*, Roman copy of a Hellenistic original from the 2nd century B.C., British Museum, London.** The *Iliad* is one of the oldest written works in Europe and is about an episode from the Trojan War. Originating in the 8th or 7th century B.C., the *Iliad* is based on early historical myths and tales and is attributed to Homer. It is about how the fair distribution of booty needed to be fair and appropriate to the social status of each individual: Any imbalance was accompanied by a rise or fall in social status. Dissatisfaction with distribution has existed since early times, and it is interesting how archaic societies dealt with this problem.

# The Significance of the Wrath of Achilles

The *Iliad*, which is one of the greatest works of world literature, is about the wrath of Achilles. Although what Achilles feels is often translated as "anger," wrath goes deeper. It is like holding a grudge against someone, in contrast to anger, which is quick to flare up and blow over. In the poem, Achilles' wrath has a reason: In an archaic community, people turned against those who didn't fulfill their obligations with insults and resentment. Just as a fulfilled obligation established and confirmed a community, a community was weakened or destroyed through ignored and disregarded obligations.

In the *Iliad*, Agamemnon, who is commander of the armies of the other Greek kings in the Trojan War, is the focus of Achilles' wrath. According to custom, when a foreign city is captured, the booty is distributed among one's own people so that everyone receives the share they deserve. Each person is entitled to and desires a gift appropriate to their status within the community. Agamemnon, however, for the sake of his own honor, ends up with more than he deserves at Achilles' expense and thus brings disaster upon the Greeks. When someone does not receive their expected share of the booty corresponding to their rank, this is a serious offense and means that their social status is diminished. It was a violation of the foundations of community at the time. When Agamemnon and Achilles cannot reach an agreement, Achilles's wrath is invoked, with all its consequences. This breach of communal obligations is what the *Iliad* is about.

# Money as Payment: Archaic Payments

*Gelt* is an old Germanic word meaning "a service that is owed." As such, it fits well with the Latin word *religio*, which means "obligation." At some point, *gelt* clearly evolved to become the German word *geld*, which means "money." However, money was not a seed germinating in the word *gelt* from the beginning.

When we talk about earlier payments, we should always be certain that we are not projecting our current understanding of money onto them. Payments existed in the Middle Ages as well, but they were conducted without money, because money was not used for paying at the time. A payment in the archaic sense still exists today in the form of taxes and penalties. We pay these things with money and the only thing we receive in return is the fulfillment of our obligation. This was also the case with archaic payments. Obligations formed a dense and comprehensive network that ran through every archaic community, forming its basis and guaranteeing its existence. This network of obligations was tightly woven, and it bound everyone living in the community together.

Regarding archaic payments, *gelt* is both debt and the fulfillment of debt. Today's modern payments with money are thus distinctly different, and it is exactly this difference that makes it difficult for us to understand *gelt*. In light of the unity of debt and its fulfillment, or of service and return service, we can understand why Margrave

Rüdiger would say he wanted to be *gelt*: Should the king and his entourage have lost something, he would have compensated them for it, even if he himself did not cause the loss. This unity is also the basis of debt bondage: Debtors who could not pay their debt by handing over whatever was owed had to pay by handing over *their own self*. So if they were unable to pay a debt with something else, they themselves had to be the payment and went into debt bondage.

Eske Bockelmann talks about the archaic payment:

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Traditional societies were organized hierarchically. A person's position, and hence their prestige, depended not on how much they owned, but on how many gifts they had given to other members of the community. Gifts in traditional communities were neither money in our sense, nor were they gifts. The recipient of a gift was obliged to pass it on or to give a counter-gift. If they repeatedly disregarded this rule, they were shunned or even ostracized from society.

**Feather rolls for a bride price on Santa Cruz, Solomon Islands *(1)*.** No one could marry on Santa Cruz, in the Solomons, without presenting feather rolls of a certain quality. The rolls were made from the back and breast feathers of the red honeyeater bird. Hundreds of birds gave their lives to make a so-called "feather money roll." The production required the knowledge and skills of three specialists and could take months. The prestige of a roll was measured by the color intensity of the feathers.

**Boar's tooth from Papua New Guinea *(2)*.** The wealth and prestige of a Papua New Guinean clan was measured by the number of pigs they owned. It is therefore not surprising that boar tusks were also considered true treasures.

**Salt ingots, as precious as gold in Ethiopia and Eritrea *(3)*.** In northeast Africa, salt is as precious as gold. Salt is indispensable for livestock. In the cattle farming communities of Ethiopia and Eritrea, salt ingots, so-called amoli, have been around since ancient times. Amoli were commonly used and accepted as a means of payment even as late as the 20th century.

# Means of Payment and Money

The many different obligations and required payments that existed between the members of an archaic community formed a kind of law within it. Although these obligations could later also be fulfilled through payments, this did not mean that a feather headdress was "feather money" or spear heads "spear money." These were means of payment. To regard a necklace of sea shells as just an "early" form of money would be just as wrong as if we were to regard ten days in prison as a kind of "commodity money" to be paid for a committed offense, and yet this is the current state of research.

For example, Mesopotamia once encompassed the empires of the Sumerians, Babylonians, and Assyrians in a large area around the two major rivers Euphrates and Tigris, which gave it its name meaning "land between rivers" in ancient Greek. We have extraordinarily detailed insight into their economy, thanks to the several hundred thousand clay tablets that have been found there. Theirs was a gigantic economic organization without money, but despite this, modern experts claim to have identified just about every manifestation of a money-based, modern economy there, alleging that money bills existed, as did loans, debt, bills of exchange, funds, and stocks. However, this was not the case.

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**Tetradrachmas from Athens, c. 460 B.C., silver.** ***(1).*** The owl, which stands for Athena as her attribute, on the reverse of the tetradrachma did not change. This is where the popular name “owls” for coins from Athens came from and the saying to “carry owls to Athens” (because there were so many).

**Denarius, 211 B.C.** ***(2).*** Before coins were issued, the Roman economy was based mainly on two norms: livestock (Latin *pecus*) and irregularly shaped bronze pieces called *As rude*. During the Punic War, Rome switched to silver coins, and 10 *Asses* equaled one *denarius*. *Denarius* is Latin and means “tenner.” This is one of the earliest *denarii* and was introduced in 211 B.C.

# Are Coins Money?

Today, coins are regarded as money unequivocally and without exception, and no one wonders whether they could ever have been anything else. Coins seem to be the epitome of money in its original and outright natural form. Yet coins were not money. The Romans called coins *nummus*, which can be translated as "norm" or "standard." The Greeks also called coins *nomisma*, like the standard units of weight used by the Babylonians, meaning "something that is declared, that is established." They chose a basic standard of 3 ½ grams of silver, and that is what a Greek drachma contained. The fourfold was also used in the most common of Greek coins: the tetradrachma (or four drachma). Later, eight times this was also used: for example, in the thaler. This is how this norm survived until the twentieth century.

Coins were standardized means of payment, unlike the non-standardized means of which we exhibit a wide range in the MoneyMuseum. Animals and even slaves could be means of payment, although they could not be divided and only counted as wholes. In earlier times, the Romans also used small animals as a standard and measure. The Latin word for this, *pecus* from which *pecunia* is derived, is also consistently misinterpreted as money today.

# Markets Without the One Market

No city, regardless of what country, had a market or a market square for the longest time. In the Greek world, Athens was the only city that began to organize markets in the *agora*, a location originally established for assemblies. In addition to the farmers who sold produce on the market, there were a few salesmen who peddled commodities. The Greeks called such a person a *kapēlos*. The English equivalent would be "peddler."

*Nicomachean Ethics* is the most important of the three ethical writings traditionally attributed to Aristotle. The work aims to provide a guide on how to become a good person. Aristotle, who died in 322 B.C., was a Greek polymath. He is one of the most famous and influential philosophers and natural scientists in history. His teacher was Plato. After Plato's death, he left Athens in 347. In 343–42, he became the teacher of Alexander the Great.

In this work, Aristotle deals with what is a just exchange. He argued that a just exchange is not based on something to be calculated; the exchange must be reasonable and must take the social status of the people involved into account. He was not familiar with the kind of exchange of equivalents that we know today. Although the Greek word *chremata* is often translated as "money," at that time, the word referred to all exchangeable goods, not just coins. The Money-Museum owns a beautiful book by the mathematician Euclid, who was a generation younger than Aristotle. Mathematics back then was the study of proportions and ratios, similar to Aristotle's explanation of a just exchange.

# Estimation According to Aristotle

What was decisive for the exchange of goods in antiquity and the Middle Ages was a sense of adequacy, or estimation. This feeling is not simply a private matter; it is binding in its general character and something that concerned the *community*. Aristotle, the philosopher in Athens in the middle of the fourth century BCE, is famously regarded as the first person to have developed a theory about money. In his book on ethics, he writes about justice and about the middle ground being the right measure. When goods are distributed in a community and when they are exchanged, a kind of reciprocity or a just balance must account for the inequality between those involved. If this is done in the reciprocal act, the principle of retribution and return payment that is the foundation of the *polis*, the Greek community, is realized. Aristotle explains that four factors must be taken into account when trying to find a just balance: the two goods being exchanged, as well as the people doing the exchange. This is because, in a community, individuals are not equal: They have different degrees of importance.

What is exchanged according to sameness and proportion must be comparable somehow, and coins are meant to achieve this comparability, says Aristotle. He defines the one thing that makes all things comparable not as value or something calculable in numbers, but as *need*. Aristotle does not say how the value of something can be

calculated. He only describes the circumstances in which a price can be regarded as appropriate and just.

Aristotle also writes in depth about ownership and acquisition, arguing that obtaining coins for the sake of simply acquiring more coins knows no bounds, but because this is unlike true and natural wealth, he says this is unnatural because it contradicts the idea that things that are exchanged should be appropriate to each other.

# Gain Without Loss?

One more thing should be mentioned from this world without money that remained stable and lasted for a long time, and that is trade. Exchange was necessary when you needed things in your community but they were not available and could not be procured there. Trade across a community's boundaries was clearly distinguished from trade within it. *Within* the community, trade remained on a small scale; it was only with the *outside* world that trading occurred on a large scale. If something was gained from trading with the outside world, it was not a profit like what a *kapelos* (peddler) would earn. The commodities themselves, which were acquired by trade, were the gain. It was not first calculated as profit by comparing the outward freights with the homeward cargoes, which would necessarily have resulted in the value of the homeward cargoes being greater than the value of the freights. On the hundreds of thousands of clay tablets preserved from ancient Mesopotamia, gain appears in the context of trade, but loss is never mentioned.

The long sixteenth century gets its name from the major changes that occurred during this time whose origins went back to long before 1500 and/or had effects that lasted into the following century. Transformations occurred in this historical phase that were extremely important for the history of money.

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The first edition of this so-called *volksbuch*, called such because it was printed without a named author, was published as early as 1507, and for two centuries it was reprinted again and again and was widely read. The book illustrates that there must have already been plenty of people with a great deal of money at the time. However, this could initially only be imagined as having a wealth of coins. Where the wealth came from, people did not know. They could only imagine feudal property and wholesale trade, and so the story of *Fortunatus* was born. In the story, he receives a purse full of an ever-lasting reservoir of coins from the goddess of fortune—much like how we imagine winning the lottery today. It is wealth without having to work for it. There are people who still dream of this today.

# “I didn’t think he could afford a donkey!”

This quote is from the folk tale about a man called Fortunatus. At the beginning of the sixteenth century, the *Fortunatus* story began to spread as a so-called *volksbuch*, which was the name given to this type of book during Romanticism because these works were published without a named author. Other famous works, such as *Till Eulenspiegel*, and *Doctor Faustus* are also considered to be *volksbücher*. After the first edition was published in 1509, *Fortunatus* circulated all over Europe for over two hundred years, and the story of a purse full of coins that never runs out was read by many people. In the story, Fortunatus receives a magical purse from the Goddess of Luck containing a never-ending reservoir of coins. This reminds me of the Bitcoin millionaires of 2017: young tech freaks without a track record who had suddenly amassed a major fortune. So, what does our hero do with his newly gained riches? Fortunatus does not simply rest on his purse, if you will; he travels the world as a merchant, through which, oddly enough, he finally *becomes* rich. He does this because, at the time, a fortune in coins was only conceivable as merchant capital. What he can buy with his coins in his own community may be significant—they transform him into a noble lord ruling over land and lieges, and they ensure that he is taken care of in the best possible way—yet they remain limited. Within his community, Fortunatus can only buy a finite number of things. The success of the

book in the seventeenth and eighteenth century shows that there must have been an increasing number of people like him with money fortunes, although the population had no understanding of where this money fortune came from and could therefore only marvel.

Buying and selling today. But the beginning was much more modest.

# Living by Buying and Selling

"The society of this age was certainly not unacquainted with either buying or selling. But it did not, like our own, live by buying and selling."1 The radical historical change we are looking for had to have transformed a community in which what is needed is predominantly distributed through mutual obligations into a society in which people predominantly live by buying and selling. Feudal relations were thus replaced by capitalist relations in a process that began in western Europe and part of the Mediterranean area, and there alone.

"We have to explain primarily the special reasons which caused this to happen in the Mediterranean-European region and not elsewhere."[2] Bockelmann also explains this radical change in more detail in his booklet *Im Takt des Geldes* (In the Rhythm of Money). Seen in isolation, the fortune of coins that was enabled by the increase in long-distance trade was still a dead end at the time. As *Fortunatus* demonstrates, around 1500, the largest possible fortune of coins could still lead to the acquisition of land and people—to a domain, in other words, where one could live in a proper, feudal way. Riches thus came into the country to settle down, so to say; not to function as a medium of exchange and to circulate there. The possibilities for this were still lacking within the country. Spain was an example of this: Although great amounts of precious metal flooded the country after 1500, it was bankrupt by the end of the sixteenth century.

From old town to new town: Next to the old town, the newcomers and immigrants settled in the new town, which was partly outside the city walls. Here in the picture, you can see Kirchgasse street above the Grossmünster church in Zurich. Settlements like this one here were deliberately enforced by territorial lords from the late Middle Ages onward as a way to control the part of the population that were no longer part of feudal society. The saying “city air makes you free” was not an entirely unselfish promise, because territorial lords could demand taxes in the form of coins. The need to make a living by buying and selling slowly developed in these new towns, and in the 16th century, this new form of economic activity became universal.

# The New Town

In 1218, King Frederick II, who later became Emperor of the Holy Roman Empire, issued a charter for a town called Bern. It was a fundamental agreement regarding the rights and privileges of the town. It also contained the decree that the feudal lords *release* the town citizens from all services to which the feudal lords had otherwise been entitled. They merely demanded a payment of interest in return. The lords were now more interested in trade. "Anyone who comes to this place and wants to stay, shall be allowed to live here in freedom," the document states. This is the origin of the famous German saying *stadtluft macht frei* ("city air makes you free"). Around this time, a significant number of new towns were founded, and they were deliberately founded by territorial lords; they were not simply older settlements that at some point were granted town privileges. There must therefore have been many people on the move who were no longer bound to a ruler and hence to a certain area. If such a large number of people were free enough to settle in these towns, then there was apparently also the *need* to bind them in a new way.

For these people, "there were vacant lands in abundance. Immense "solitudes", forests, woodlands and marshes remained outside the bounds of private ownership, depending on the justiciary authority of the territorial princes alone. A simple permission to settle there was all that was required. … The name of *villae novae* [new towns] … clearly indicates that it was intended for new-comers, strangers and immigrants, i.e. for colonists."[3]

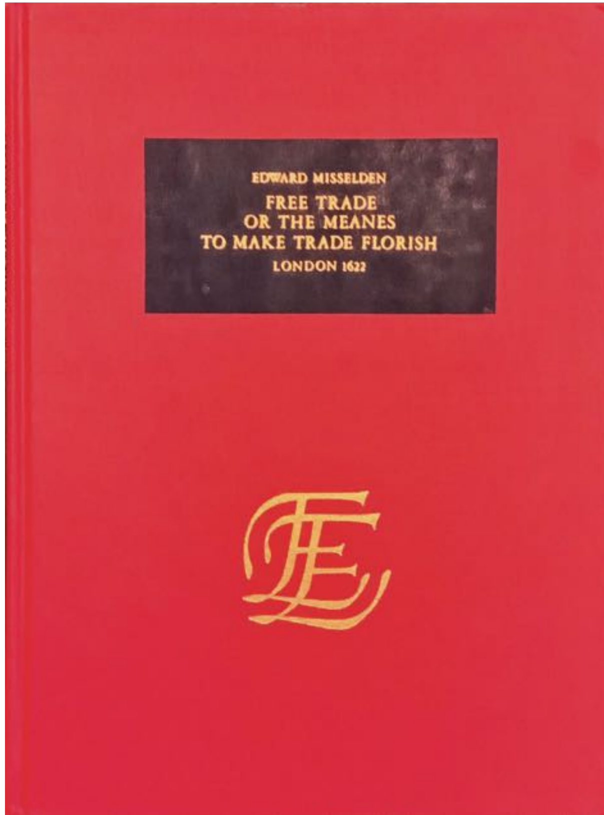
This is the result of the enormous population growth in Europe between the eleventh and thirteenth centuries. This freedom was born out of a negative development: People were no longer part of the community that had kept them and provided for them, which meant they were desperate to find a new way of providing for themselves. We are experiencing something similar today. Many people can no longer scrape by in a society mediated by money. They are unable to earn the money they need and are therefore no longer part of society. New ways for these people to provide for themselves are urgently needed.

# A New Dependence Evolves

The relationship of buying and selling thus replaced the personal dependence and connection between people of higher and lower ranks, and it did this not only occasionally, but in an increasingly systematic way. This had a wide variety of effects: The manors gave up their workshops, since products could now be bought more easily at a market in town. They sold their vineyards when these were too far from the rest of the estate and wine could be bought via a trade route that was closer by. Manorial lords granted land to farmers as hereditary fiefs, and serfs were freed. As the opportunities to buy things grew, this necessarily led to an increased dependence on buying and selling.

The increase in buying and selling was most clearly reflected in debt. Soon, there was a major "money crisis," but it was actually not money that was in a crisis; it was a crisis on the way to money. It was not coins that significantly increased; it was rather the occasions for which media of exchange were needed and where these media were increasingly lacking.

When buying and selling came to dominate the economy in general, the kind of profit that until then only peddlers had made became a universal phenomenon that characterized society. This is the reason why we can find "a concept of money that goes beyond coins" at the beginning of the seventeenth century—a concept of money that corresponds to our own.




***Free Trade or, The Meanes To Make Trade Florish,* London 1622.** In this book, the causes of the decay of trade in the English kingdom are revealed. Money is presented for the first time as a subject and commodity as an object. Misselden wrote the sentence, "Money has now become the price of all things." This is the first proof of the existence of money.

Some excerpts from the book:

"And Money, though it be in nature and time after Merchandize, yet forasmuch as it is now in use become the chiefe."

"We say, that an Artizan or workeman, cannot work without tooles or instruments: no more can a Merchant trade without money."

# The Price of All Things

During this money crisis, work and bread were also lacking on the countryside. There was no work because there was no longer any money to pay people for their labor, and because there was no paid work, there was no money. People who were dependent on earning money for the work they did had no money to buy bread because this bread now cost money. Everyone's lives thus hinged on what they now needed and had become dependent on when they began to live by buying and selling: namely, money. The dependence on money was just as bottomless as the poverty that ensued when money was lacking, but this was a *new* type of poverty. As the 17th-century Englishman Edward Misselden stated, "Mony is now become the price of all things; which from the beginning was not so."[4]

# 2
# With Money

# The Pure Medium of Exchange

To this day, money is considered to be a human *invention*. It is also believed that humans created money as a suitable medium for bartering and as a means to ensure that they could provide for themselves. Therefore, we are convinced that money is also entirely subject to our will. However, the history of how money evolved tells a different story.

No one ever introduced money. Money emerged inadvertently and unplanned, and it was also not even realized by anyone at the time. When money first appeared, it did not reveal itself as a new kind of thing. Rather, money emerged when the media of exchange that had previously consisted in things were transformed into something that *no longer* consisted in them. This may seem more than puzzling at first, but historically, the emergence of money was the result of entire communities becoming dependent on their members' being able to buy and sell from one another what they needed for their livelihood. Hence, this was a sudden change in the way people relied on each other in a community. Money thus evolved simultaneously with its necessity. The birth of money also marks the birth of the dependence on money.

Today, we know money as the one medium of exchange with which all imaginable commodities can be bought. This was what Misselden clearly realized in 1622 when he said that money had be-

come the one price of all things. The distinction between a medium of exchange and a “pure” medium of exchange—in other words, between things that are *also* media of exchange and money, which is *only* a medium of exchange—may seem negligible at first glance, but in reality, it is an abyss that separates a world without money from a world ruled by money.

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**Thaler, Zurich, c. 1715, silver *(1)*.**
**20 centime piece, Switzerland, c. 1881 *(2)*.**

Money was virtual from the beginning, but on the physical level, people used coins. Soon, a difference between the material value and the nominal value of these coins became apparent. A thaler was supposed to have 28 grams of silver, as was traditionally the norm. But what if the alloy was "watered down" with another metal? The MoneyMuseum has conversion books from earlier times that show which coins can be exchanged for which other types without needing to be weighed. As soon as the material value and the nominal value showed a greater difference, it was worth keeping the good coins and using the debased coins for purchases. The *Kipper-Wipper* became famous for using scales to empty whole territories of higher quality coins. Starting in 1800, token coins, whose material value was far below their nominal value, became dominant. As nation states became more powerful, these coins were accepted for payment. In Germany, however, it was not until 1871 that token coins were finally accepted nationwide.

# Nominal Value Becomes Separate from Material Value

Money is not the material out of which a coin is made. If we were to put a coin in the kind of embossing machine that you can find at some tourist attractions and transform it into a customized souvenir, the resulting object would still be made of the same material as before, but it would no longer be money. Exactly this contradiction became historically apparent in the *kipper and wipper* period that began in the German Empire at the end of the sixteenth century. Due to the growing demand for coins, the authorities who had the right to mint coins increasingly "watered down" silver coins by mixing them with other metals. They also collected coins with a higher quality in other territories and, after weighing the coins, circulated inferior ones in their place. The debased coins thus replaced the heavier coins of higher quality that were hoarded. *Kipper* and *wipper* are from German and refer to the coins with a higher weight being found by the tilting (*kippen*) of the scale, after which they were put aside (*wippen*).

When coins became money, they served as value for the first time. This means that the commodities bought with coins had to correspond as an equivalent value to money. They therefore acquired a nominal value. However, the nominal value and the material value of coins soon visibly diverged. This problem could only be solved by *officially* separating the monetary value of the coins from their material.

# Increase in Loans and Credit

The historical progression from traditional coins to their partial then complete replacement by token coins, all the way to the abolition of cash that is possible today is a development that is part of the history of how money pervaded. Money has been a pure medium of exchange from the beginning, but this purity needed time to pervade in reality. Money is true to its essence when it is no longer anything but electronic. As a pure medium of exchange, money is virtual. The emergence of money in the form of debt and credit became so universal early on that the first exchange bank, the Amsterdam Wisselbank, was founded already in 1609 in Amsterdam. It was soon followed by similar banks in Hamburg in 1619 and Nuremberg in 1621.

# Money Leads to the Concept of Value

That money and value are connected should be obvious and hardly require explaining. This then leaves the big question of how they are connected. Value is not naturally *in* things, goods, or commodities, as we have always taken for granted. If things had value naturally, they would always have had it. But that is not the case. If we see and presuppose value in commodities today, then we do this although it is not inherent to them. This means something must be forcing us to do this.

Before money emerged, people would measure a good against another good, or a commodity against another commodity in a purchase based on estimation. When we buy something with money today, however, it is no longer about exchanging a commodity for another commodity; it is about exchanging a commodity exclusively and always for money. This means money is also dependent on being continuously exchanged for commodities. When you receive money for a commodity you sold, you must be able to buy other commodities with this money. Otherwise, what you received would not be money and you would have sold your commodity for nothing instead of money. This example could create the wrong impression that, in a purchase today, we are still dealing with the simple exchange of one commodity for another in which money only mediates between the commodities, but this is an illusion. Money itself is

not a good that can be esteemed; it is only desirable because it can be exchanged for goods that we esteem. Money becomes a measure in itself: a pure, self-existing quantum exchanged for the commodities. As the pure medium of exchange that can be exchanged for virtually any commodity, money is itself only quantitatively determinable as a pure amount.

# The Equation in Buying and Selling

Money, and money alone, demands an equation in buying and selling. As a pure medium of exchange, money is unmediated value: It is value in exchange for commodities. Commodities are juxtaposed with value, which takes the form of money as a pure, self-existing amount—an amount against which the commodity can no longer be qualitatively measured as it would with another commodity. Instead, commodities can only refer to the pure amount of money value as pure amounts themselves. When making purchases with money, we must posit that the acquired commodity is equal to this pure amount: in other words, equal to the value for which it can be bought. We thus posit that commodities are values themselves, because they are equal to a value. By equating money with commodity, as we must do in this case, value occurs in both. It takes the form of money value *and* of commodity value. According to this postulation, money value and commodity value appear to be the same.

The value is attributed to the goods,
they do not bear it of their own accord.
The exchange value is their price.

# Value and Price Are the Same

Money as such consists in nothing, but as this nothing, it can be exchanged for something. Money is the value that can be exchanged for commodities, and through the equation with them, it is exchanged as value in them. Commodities do not carry this money value within themselves; rather, it is ascribed to them. Our sense or feeling of value is nothing but our subjective esteem of a good or service that we try to calculate as a monetary value. However, our sense of value and the listed price are not the same thing. This difference is the result of the illusion, which is enforced by money, that there is a substantial value.

# The Law of Value

Money is ruled by the banal but rigid necessity that it must function as money in order to be money. Because it consists in nothing, it must constantly prove itself by fulfilling its function. This means that money must continuously operate as itself by being exchanged for commodities. However, money that is used in an exchange for a commodity is never realized in the commodity itself. In this regard, money is never realized. That is why we believe money is always flowing through our hands. For example, when we pay the bill for a meal at a restaurant, the food and drink has been consumed and the money is gone, and this is the end of the story for us. However, this it not the case for money, which remains money that needs to be realized in the money economy. It is a future without a present. Money knows no rest. It flows from one hand to another. The presence of money—the fulfilment of its function—occurs at a moment that does not stand still.

# The Law of Surplus Value

Money is never value once and for all in commodities. Money can never stop being a magnet for commodities, attracting and pushing them away again. That is its value. As long as this influx and flow of commodities does not cease, money remains constant. Unlike a commodity that is necessarily exhausted by being used, money is not used up as long as it is used as money. Money forces the world to be transformed into commodities. The question of the true, or real, value of a commodity makes no sense because it does not exist. No commodity ever has a value; instead, a value is demanded for it—and that is its price.

**Goethe, *Faust*, with drawings by Engelbert Seibert, Gotta’scher Verlag 1854.**
Goethe was not only a poet; he was also concerned with economic issues. The failure of John Law’s money experiment in France left a deep impression on him. In his work *Faust*, he turned the old 16th century folktale of Doctor Faustus into an economic forecast. He portrayed the need of the modern economy to grow by presenting a wager between Faust and Mephistopheles in which Faust says he will not and cannot linger. Goethe was aware of how speculative it was to make a claim about the future. Also, Mephistopheles’s proposal to an emperor to use gold that may or may not be in the ground as backing to print new bills (issued banknotes) is ingenious and dangerous. The promise is that the gold can be mined in the future, but Mephistopheles speculates that this promise will not be kept and that the wager will thus be lost. This is exactly what is happening in the 21st century with the heated competition for profits. Because of the lack of profit opportunities, many bonds are already trading at negative returns. Goethe’s *Faust* became famous as the most important work in German-language literature.

In 2017, the Zurich Opera House performed the opera *Rise and Fall of the City of Mahagonny*, written by Bertold Brecht in 1930 with music by Kurt Weill. The play is an excellent characterization of American society. In the fictional American town of Mahagonny, everything is allowed except for one thing: not having money. One hundred years later, this characterization is more relevant than ever, not only for American society, but for capitalist society in general. Because money is a pure medium of exchange, it must prove itself as money again and again in constant transactions. Since it has no intrinsic value, we must be able to use it as a medium of exchange continuously—and this must be proven in a never-ending chain of transactions. The worst thing is therefore to have no money, because then the chain of transactions suddenly breaks off, and money evaporates. This is exactly what happened in the Covid-19 crisis of 2020.

Money that must become more money—in other words, value that must generate more value—is the definition of capital. Money as such is governed by the necessity to be used to produce more, and that means that capital is simply money, and money is capital. The currently dominant type of economy is named after capital, a word that was first used in Italian in the thirteenth century. Money must generate more money not only for individuals; money must also become more as a whole. This means that the amount of money must grow not just constantly, but exponentially.

**Drawing by Bruno Moser.** Why does the amount of money increase exponentially? If we consume a meal in a restaurant, the food is gone and the money is used up. For us, that is the end of the matter. This is not so for the economy: Money remains, although the goods or services are consumed. This is what the drawing represents. Money needs a never-ending flow of goods to prove itself again and again as money. As the world continues to serve as a commodity, the amount of money explodes exponentially.

**Drawing by Bruno Moser.** Every piece of land and every asset must be allocated to someone: Only then can they sell it. This is the capitalist maxim. The nation state takes great care to ensure that all assets are owned by someone, so that when they are sold or bought, it can tax the transaction. After all, what would we need to spend money on if the asset did not clearly belong to the seller? We lock the doors to our house and our car out of fear that someone might steal our property. What kind of quality of life does a world like this have?

# New Forms of Property, Competition, and the State

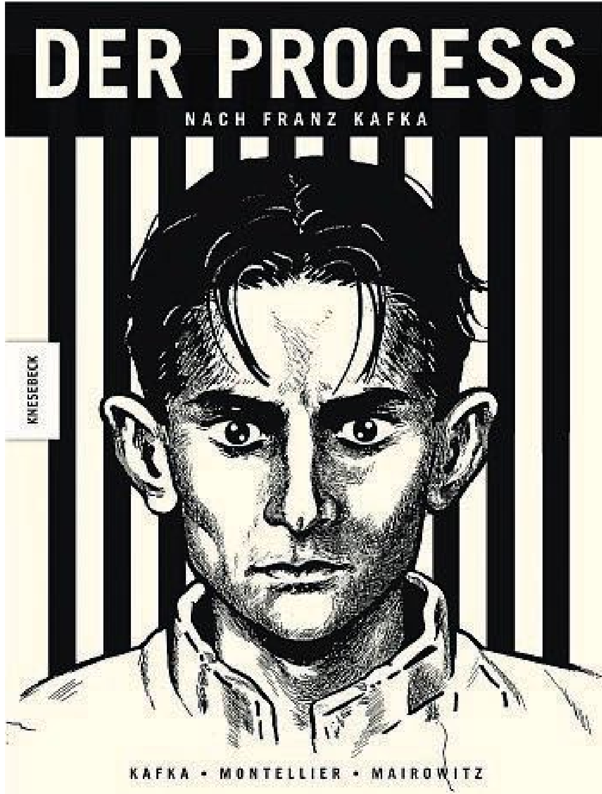
The three phenomena of property, competition, and the state are most often regarded today as something primordial and human. In fact, they are, but in a different form than the one defined by money. It is only in a society mediated by money that property, competition, and the state have been able to develop into what we know today.

**Property** is much older than money. However, our understanding of property is one that has been altered by money into something previously unknown. Because we are money subjects, everyone must acquire money and make it theirs. We acquire it by receiving it from others. We must also give this money to others by spending it with them. Each of us thus interacts with everyone else as individual money owners. Every company is also its own money subject, all the way up to nation states. The change in property only becomes clear when we compare today's situation to the situation without and before money. When something was exchanged without money, this exchange was based on an estimation that fundamentally took the situation in the community into consideration. The exchange was based on the obligations within the community that were connected to the things exchanged. Nothing whatsoever remains of these obligations when an exchange is conducted using money—in other words, when money and commodities are equated.

Today, we believe that **competition** is necessary, which is why money must remain scarce. A scarcity of goods is not what makes money rare and causes everyone to compete for it; it is money that enforces competition and, through this competition, generates a scarcity. But this is not a scarcity of goods, it is a scarcity of itself, of money.

Having more money gives some people an advantage in the competition for money, and success in this competition leads to access to even more money. The same logic also applies to the opposite: Without competition, the need to acquire money and hence to make a profit also ceases. The socialisms of this world believed they could teach money good manners by prohibiting it from competing, but what happened next was clear. The result of this experiment was that their money was no longer "real" money, and they were not able to achieve the surplus value—the expected result of profit—prescribed by the state. While it may have still officially been called money, this was thus nothing but a nice euphemism for vouchers that could be used to acquire commodities.

Machiavelli was the first person to talk about a *stato* and therefore to come up with the word for "state." Nation states did not exist before the beginning of the modern era in Europe. A state always wants to consolidate itself and establish an order that is independent of those who wield the power. This power does not lie with the people, for the state only uses people as its civil servants. They function as its power. Nation states are sovereign powers to their civil servants and fellow states.



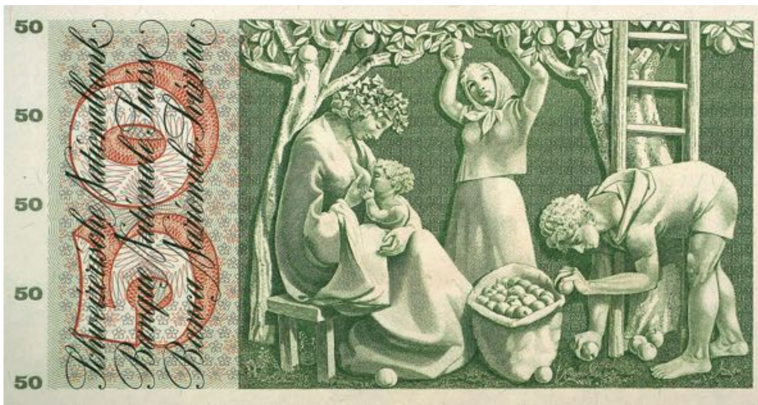

**Franz Kafka, *The Trial*, novel, 1925.** Kafka's *The Trial* captivates readers right from the very first page because what takes place in the novel could happen to anyone. You are accused, but you don't know by what authority—individual people do not know what the central office is up to. Kafka captures the time when the state became dominated by civil servants and combines it with his fear of authority. His works take on a life of their own. *The Trial* is frightening and real at the same time. Kafka deals with his psychological past and his relationship with his father, authority, and the government in his works. In a way, he wrote for himself, as a form of self-liberation. What remains is a work that never loses its relevance. For me, this novel is a symbol of our modern, anonymous society in which contact between people is based on money relationships. Money is a kind of anonymous system in which anyone who does not fulfill the norm feels accused.

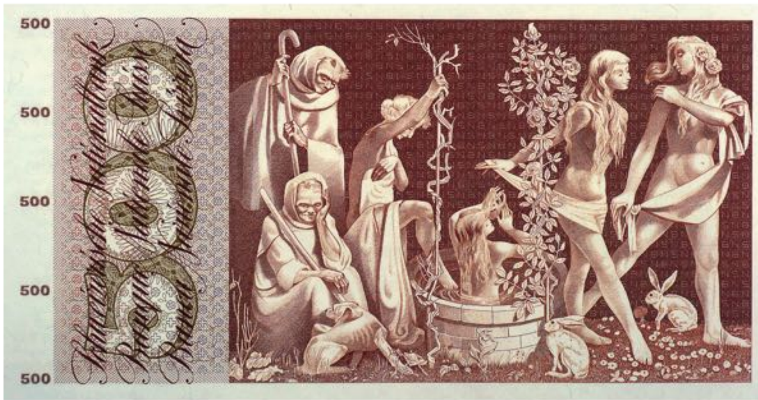
Money is not created with a spoon, even if this resonates linguistically. It is created as nothing, as a pure medium of exchange, which the state gives the power to be a medium of exchange. However, the process of creation does not end there ...

# How Money Is Created

When money is created, nothing is created. Money's creation is thus about giving this nothing the power to buy something with it. The earliest and simplest forms of specifically creating money were the countless informal loans that began to appear just after money first evolved.

In order to give pure numbers that consist in nothing the real power to be money and exchange value, an equally real power is needed that is necessarily as far-reaching as the power of money itself. Such a real power required by the existence of money is the state. However, in order for a number that is merely recorded in a bank account to become the real medium of exchange that money is, it must unquestionably do what it is fundamentally compelled to do: It must constantly prove itself to be money and lead to surplus value—in other words, it must become more money. This is what the state does for money when it creates it: it guarantees that money will be able to prove itself continually as money. Strictly speaking, the state merely gives money the license to be money.



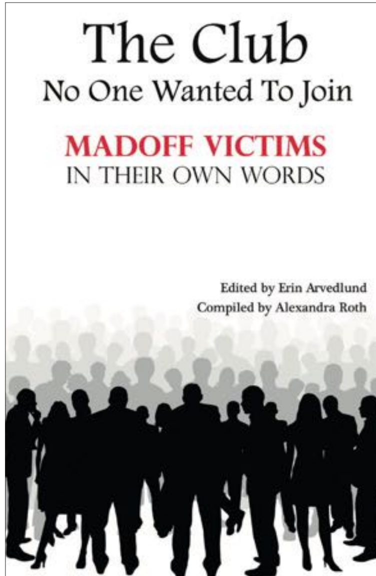

Bank notes designed by Pierre Gauchat: 50 Swiss francs, 500 Swiss francs. IIn the early 1950s, the Swiss National Bank hired the Swiss graphic designer Pierre Gauchat to design new banknotes. The theme was, What is money? Gauchat's answer was two-fold: Everyday people believe money comes from above and can be plucked from trees, like ripe fruit, and put into bags to share in the community. This is one view. The other is based on the need for constant renewal, illustrated by the fountain of youth: a constant cycle in which power is always re-newed. In my opinion, this second view is the correct one. It captures the essence of money best.

In wise foresight, the Swiss National Bank printed the first point of view on the 50 franc note and the second on the 500 franc note, meaning the correct interpretation corresponded to the higher value. These were famous allegories and the most beautiful bank notes ever issued by any country.
The 100 franc note depicted St. Martin, the symbol of mercy referring to the cardinal virtues of the Middle Ages, while the 1000 franc note depicted the Dance of Death. The artist died a few years after designing the notes, which were valid from 1956 until around the end of the 20th century.

# Money Must Be Constantly Generated

It is not enough for money to be created: It must also generate more money. However, because it is created in the form of credit, money can also be destroyed. This happens whenever a loan is paid back, because it can then no longer generate surplus value. Therefore, at any given moment, money can become a sum with which any number of things can be bought, or it can become an empty sum with which nothing can be bought. In its essence, money is already one of those famous bubbles that can burst.

Money is speculative. It forces everyone who uses it to hope that it will continue to exist in the future and that it will create more value, although the success of this is never guaranteed. Money needs not only to be created; it also needs to be earned so that it can persist as value. However, most people understand and firmly assume the opposite. They believe that generating more money is like farming a field: that the money you earn can be harvested and held in your hands like a sack of potatoes. Despite this, everyone understands that the money of entire states can crumble like dust between your fingers, while the grain in the fields and the fruit on the trees are flourishing. It is not a poor harvest, but a country's failure to generate enough profits that causes money to succumb to inflation.




***The Club No One Wanted to Join: Madoff Victims in Their Own Words,* 2009.** Bernie Madoff orchestrated the biggest Ponzi scheme in history: a fraud of 65 billion dollars. What was his crime? He "linger ed" when it came to money. His job was to increase his clients' money on the financial market, but he didn't even try to make more money out of money. Instead, he simply stuffed it under his mattress, so to speak, until his scheme was exposed at the end of 2008. Twelve months later, this book was published in which many people who had lost money talk about how the event affected them. The majority could not see past the victim-perpetrator dynamic, but a minority understood what had happened as a chance for renewal.

The Ponzi syndrome is part and parcel of our time: It is a promise of financial profit that is not kept. The "club no one wanted to join" is a reality. After the forced suspension of monetary and economic logic in 2020, the US government provided trillions of dollars to revive the economy. However, these trillions all want to prove themselves as money—meaning, they want to generate surplus value. If this is not possible, then we are all in the "club no one wanted to join." If we make the mistake of lingering, which Goethe described so masterfully 200 years ago in *Faust*—if added value is no longer generated—then our money melts away. We got a premonition of this in the spring of 2020, when the tiny Covid-19 virus brought down the global economic development and caused financial securities to dramatically lose value in just a few days.

# Exponentiation and Speculation Today

Most of us hardly notice that our money—and we by extension—are involved in ongoing global speculation, whether we want to be or not. Speculation is something we are forced to do. If we have a bank account, which we all generally do today, we are necessarily speculating that the bank will be able to keep money functioning as money. This is not about trust; it is about having no other choice but to rely on the bank's ability to do this.

# 3
# After Money

Eske Bockelmann
Money.
*Understanding Modern Society*

Money rules the world, and the world it rules is in danger of ending in disaster—socially and ecologically. But why does money determine the course of the world in the first place? What constitutes its rule? Why do even the most powerful governments stand at attention before it? And why can we hardly imagine that it could ever have been otherwise?

In his epic account of how money evolved, Eske Bockelmann shows that, contrary to current beliefs, this particular medium of exchange did not evolve before the late Middle Ages in Europe, despite the fact that there were markets and coins before then. In his exceptionally precise analysis of the history and ethnology of economic activity, he discusses the differences between our money society and pre-monetary communities, looking at the social cohesion of these communities without money and illuminating how the market economy was established in the free cities of the late Middle Ages and quickly led to the bursting of the first financial bubble.

Through his explanation of money's origins, he succeeds in finally solving the seemingly eternal riddle of what money actually is and how it is related to value and capital, speculation and crisis, and to state and society. His brilliantly formulated investigation is revolutionary, going beyond even Marx by precisely giving us a new and deeper understanding of how money is omnipotent and rules our lives, thereby opening our eyes to a future world in which money could be a thing of the past.

Eske Bockelmann

# MONEY

Understanding Modern Society

# Beyond Money

Is the following a coincidence? Around the same time Eske Bockelmann's book *Money. Understanding Modern Society* was published in the German original in the spring of 2020, a large experiment began all over the world in which governments suspended money logic. Nation states—the guardians of their capital-oriented economy and money's monopoly—for the moment, had to put the logic of money aside and curtail consumption, while restaurants remained closed and companies introduced furloughs or discontinued business entirely. When Johann Wolfgang von Goethe wrote *Faust*, a work entirely about not lingering in the moment, two hundred years ago, he let the main character bet that "if I ever say to the passing moment—'Linger a while! Thou art so fair!'" then the devil could have his soul. Since then, in the last two hundred years, no one has dared to try such an experiment. What Goethe realized then has now been described in Bockelmann's book in detail: Our money forces us into a continuous chain of buying and selling that cannot stop in order for money to continue to function as money. That there is no money without growth was demonstrated by the stock market already in the first two weeks of the experiment, when a previously unknown virus managed what many people had been wishing for: the chance to try something different. And what was the populations' reaction? Fear of the unknown, but also a sense

of relief and a new attitude toward life after certain pressures disappeared.

Bockelmann discusses the necessity of growth in our modern economy: the endless chain of buying and selling that must continue as the foundation of our money. That is why he argues for the need to develop alternative ways of providing for ourselves.

The pandemic crisis that began in early 2020 may have been unexpected, but it was not completely out of the blue. Major global threats were already looming on the horizon like dark gray clouds, and some of these threats manifested themselves in the form of severe weather as the result of global warming.

Despite this, decisive action to amend the causes of global warming was not taken. The reason was expressed often and with honesty: It would require setbacks to the economy that would be too great and create too much burden for it. Even before the pandemic, the sun was not always shining on the economy.

These were the conditions when the pandemic arrived. At first, it was feared that a crisis like the one in 2008 could occur again. However, the truth is that the pandemic caused a crisis that was not only larger in scale, but also one that was new and previously unknown. We experienced a situation that had not existed before in history—a situation that was occurring for the first time.

The last major global crisis had been a financial crisis, and this new one would have been the same had the ensuing recession been allowed to run its course—meaning had there not been Covid-19. Simply put, a financial crisis occurs when the economy can no longer be supplied with a sufficient amount of money because the financial

Corona Virus 2020

markets are in trouble, and when they are in trouble, this inevitably affects the economy. However, the real-world economy was brought to a halt during the pandemic *independently* of its money supply. This, in turn, caused the financial markets to spiral downward because they may be separate from the real economy to a degree, but they still rely on the profits this economy is expected to generate. When profits are not earned and are no longer foreseeable, the promises of profit in the form of certified financial instruments start to evaporate, and they do this all the faster and all the greater the less profit becomes foreseeable.

We were thus no longer dealing with an economic crash caused by a financial crisis alone; we were facing an independent crisis of the real economy. Even if Covid-19 is now manageable and warded off for the time being, everyone—the entire economy—now knows that all it takes is a tiny virus mutation to cause a crisis like this, and that it can happen again at any moment. This has therefore become a particular threat to the modern economy mediated by money, because a situation like this means that the economy can be threatened and thwarted by nothing greater than knowing this threat exists.

After the initial shock, states reacted very quickly by promising unlimited loans. However, this did not have the effect of something new and was more of a relatively modest resort, because this already existing instrument, which had been an aid in the last financial crisis, had since actually become permanent. While more of the same was the initial reaction of the policy-makers, who were stuck in the mindset of a form of crisis that had been around for some time, the pandemic crisis was not the result of a liquidity shortage, and it could

not be overcome by restoring liquidity through the financial markets. When states did realize this relatively quickly, they began practically outdoing each other with programs promising previously unimaginable sums of aid, some of which were not loans.

A simple fact then became abundantly clear: Just as the economy came to an almost complete standstill, the provision of critical commodities also came to a halt—not because the supply of commodities was dwindling due to people hoarding them, but because the money required to buy and pay for these things became scarce everywhere. The prescribed restrictions on economic life may have reduced production, but this did not endanger the food supply—at least not for the time being. For example, if Volkswagen halts car manufacturing for a while, this does not create a deficiency, because we can survive just fine without a new car. But if countless people are no longer able to earn an income, then sooner or later they will lack the money they need to provide for themselves. What was never a secret but simply had not played a role for many of us in the normal course of the money economy was, in the crisis, obviously a life-threatening problem: that the real-world provision of necessary items depends on the provision of money, and that this provision of money is regulated by an entirely different system of rules than the provision of real goods.

For the provision of necessary goods to be possible, the goods must be available. This seemingly banal prerequisite is worth mentioning because it is precisely not the case with money. For the things we need or want in order to have a good life to be available, all we need are many human hands and human strength, knowledge, and skills. We also need time, organization, and, of course, nature and

everything it gives us. This means that, to have what we want and what we need to live, all that is required is nature's gifts and the willingness of people to do what must be done. The latter is easy because there is no shortage of willing people—even in times of a pandemic. The case is entirely different for money, however. In order for money to remain money and to keep its value, it must not only be available; it must also become *more* money, meaning more of itself. The sums in which money circulates have to yield or earn more sums of money just to maintain their value and stay the original sums. This need of money to grow may often be explained today with greed, yet it is an actual fact. Although states have the power to create any sum of money they want, they do not have the power to dictate a stable value for it. Sums of money must permanently prove themselves as money in the economy in order not to lose their value.

When such profits are not generated, this negatively affects the economy and the provision of money. This was then the situation we found ourselves in when the measures to fight the effects of the pandemic were implemented. If you lose your income from one day to the next, you quickly run out of the money you need to live. Financial obligations, like paying the rent or insurance, continue and need to be paid, even when there is no longer any profit or income to pay them with. Food must be bought and paid for, and it is only a question of time before all your savings are used up. This scenario was obvious from the beginning of the pandemic, and states actually did more than simply promise loans as soon as it became clear that not only the financial supply of the markets was threatened, but also the very real provision of necessities was at stake. Many countries finally decided to hand out subsidies instead of the loans that would have to

be paid back. This was the only possible and therefore correct reaction to this unprecedented economic crisis. But it was not enough. The subsidies were simply not high enough to cover what was needed because, no matter how high these sums were, this situation was a problem for money itself. Money could not save the situation.

Let us briefly look at what kind of problem money and the provision of money was faced with at this point in time. What was presumed to be the first and most powerful instrument—freely handing out credit—came with a catch in the pandemic crisis. The enormous sums of new money that had been created after the previous crisis had miraculously managed not to cause hyperinflation only because they had primarily flowed into the financial markets. However, this changed suddenly when newly loaned money necessarily and primarily flowed into the consumer market as well. The goal then became for the additional money to immediately create the necessary spending power, so that people could provide for themselves in the broadest sense. However, this would foreseeably trigger the familiar mechanism in which spending power that is extended freely without a counter value leads to its own decline.

All the debt that was accumulated during the pandemic will have to be forgiven some day in order for the economy based on money and debt to continue smoothly. What is remarkable, however, is that we were able to glimpse something else during this time that grew of its own accord out of the pandemic situation as a necessity: a means of escaping this accumulation altogether. Even before large companies ceased paying rent, several cities put a halt on collecting rent for municipal housing, and private landlords were asked early on to defer rent payments to avoid masses of people becoming homeless.

However, rent deferral only increased the amount of back rent that would be due later, and many renters are unable to pay such amounts. Under the conditions of the pandemic, every deferred payment was an accumulation of debt that would eventually need to be forgiven at some point, meaning deferred debt would necessarily become voided payments. This was a remarkable thing, because not having the obligation to pay rent that is owed meant nothing less than that people were provide for—in this case, with a place to live—without them having to pay for it. The real-world provision of necessities was thus, for the time being, not connected to money, meaning people did not need to have access to sufficient amounts of money to pay for this.

The separation between the provision of necessities and the provision of money was thus being practiced in real life. This happened not only where it was particularly visible in the case of rent and housing, but whenever state subsidies ensured that people could acquire the things they needed to live. The money handed out as subsidies was transformed into necessary goods, meaning people were provided with these goods as if money itself were nothing. Money was merely a vehicle with which consumers could afford what they needed, after which it dissolved into thin air. This is the exact opposite of how money must otherwise prove itself as money, while needing to be earned as income and profit, with all the financial consequences this entails.

States that made providing for their populations independent of money thus assumed responsibility for the financial consequences themselves. In order to save individuals from going into debt, these countries accumulated debt of their own. This could not continue in

the long run, however, because states do not earn all their income as the abstract bodies they are, but solely through the economic activities of their inhabitants, who will need to pay back this debt someday, just with a time delay. That is why we need to organize the provision of necessities, so that this is *not mediated by money*. If we can organize a system in which people can live in their homes without having to pay money for this, then it is also possible to organize other forms of providing for people without burdening them or the state with financial obligations as a result.

Of course, this would mean nothing less than letting the economy operate *without money* for as long as a pandemic like Covid-19 remains a threat. Whether this would be successful or not is irrelevant, because it would be neither a suggestion, nor advice based on sound reasoning: It would be a foreseeable necessity. States would very quickly realize the extent of its reach and would have to acknowledge and follow its logic. For this reason, states should carefully consider how they could make the best out of a situation in which the suspension of our economy means the suspension of the money on which it depends.

## Endnotes

1 Marc Bloch, Feudal Society, Translated by L.A. Manyon, Oxon: Routledge, 2014, 73.

2 Eric Hobsbawn, “From Feudalism to Capitalism,” in The Transition from Feudalism to Capitalism, ed. Paul Sweezey et. al. (London: NLB, 1976), 160.

3 Henri Pirenne, Economic and Social History of Medieval Europe, trans. I.E. Clegg (London and Henley: Routledge & Kegan Paul, 1978, first 1936), 70–72.

4 Edward Misselden, Free Trade or the Meanes to make Trade florish (London, 1622; reprint, Amsterdam, New York: Theatrum Orbis Terrarum, 1970), 7 (page citation refers to the reprint edition).

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