

People only see  
what they do not have



Alexander Nitsch



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# Introduction

In the last 3 centuries, mankind has achieved enormous prosperity. In 2/3 of the world, however, only a fraction of what Europeans or North Americans would consider normal.

Nevertheless, an average citizen in Europe now has the material status of a monarch in the 1700's. Many resourceful minds helped to increase our productivity further and further with different contributions.

However, we have reached a point where we should ask ourselves whether a further increase in productivity still makes sense or could even be counterproductive.

Because in many economic sectors, an increase in productivity goes hand in hand with strong interventions in our ecosystem.

We should therefore question whether more is always better.

Various young economists are now looking at a reduction in economic output.

Whether this has the potential to stop global warming remains to be seen.

But the direction of the research is certainly not wrong.

A mathematically very gifted man, who unfortunately recently passed away, doubted that humans will succeed in stabilising the ecosystem again.

- Quotes (1):

"It is not clear that intelligence has any longer-term survival value."

"We are in danger of destroying ourselves out of greed and stupidity."

Nevertheless, we should leave no stone unturned to leave the planet habitable for future generations. Many sectors of the economy have already reacted - keyword carbon footprint - and the awareness of the population has also changed.

Recycling was not an issue 50 years ago and environmentally friendly products hardly existed. Today, there are legally anchored regulations for waste separation.

And every second product is already advertised as sustainable, even if many are not.

Technological progress has brought us a long way and can perhaps also help us with climate protection.

What is important, however, is a turnaround in the material desire for useless goods and the greed for ever higher profit rates.

Ex:

A young 25-year-old man drives 10 km by car in the big city to a fitness centre, parks in an underground car park and takes the lift to the 7th floor.

There he gets on a training bike and rides 10 km, then climbs steps on the stepper for another 20 minutes.

He could have cycled to the gym in the big city and used the stairs instead of the lift.

The bottom line is that we have a huge potential for savings, but we no longer see it.

# I. Economic history



How did we get to our prosperity?

One of the cornerstones was agriculture with the 3 field economy to make crafts and trade possible in the first place thanks to food overproduction.

Thus, guilds for crafts and trade were able to develop from the food overproduction and the resulting population growth.

Even if today in most countries only about 2% of the economic output is generated in the agricultural sector, it is not surprising that even today, due to the historical context, the leading economic nations are mainly to be found in the temperate zones, which could and can produce sufficient food due to their fertile soils.

Graph: Agricultural sector output as a percentage of EU GDP

2000	2,5	1,1	4,1	3,5
2005	2	0,8	3,1	3,3
2010	1,8	0,9	2,6	3,3
2015	1,8	0,8	3	2,8
2020	1,8	0,8	3,1	2,9
	Eu-27	Germany	Spain	Poland

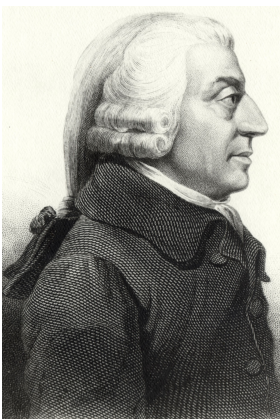
A short time-lapse of the economic history of the last 300 years.  
(not necessarily in chronological order)

Stock markets emerged and made it easier for companies to raise capital.

1276 Bruges

1414 Antwerp

1531 Toulouse



Adam Smith 1723- 1790 writes "the wealth of nations".

No individual market participant strives directly to maximise the common good; everyone only wants to cover their own needs (profit). And yet, through its invisible hand, the market mechanism leads to the economic optimum.



David Ricardo 1772- 1823 writes about comparative cost advantage.

Foreign trade is profitable for all economies if they produce the products with the lowest absolute cost disadvantages themselves and purchase the remaining goods in exchange.

**Effects of foreign trade according to David Ricardo State  
without trade**

<b>England</b>			<b>Portugal</b>		
<b>Number of Workers</b>	<b>output</b>	<b>Productivity</b>	<b>Number of workers</b>	<b>output</b>	<b>Productivity</b>
100	1000 rolls cloth	10 cloth/worker	90	1000 rolls cloth	11,11 cloth/worker
120	1000 barrels wine	8,33 barrels/worker	80	1000 barrels wine	12,5 barrels/worker
<b>220</b>	<b>2000 units</b>	<b>ø 9,09 units/worker</b>	<b>170</b>	<b>2000 units</b>	<b>ø 11,76 units/worker</b>

**state with trade**

<b>England</b>			<b>Portugal</b>		
<b>Number of Workers</b>	<b>output</b>	<b>Productivity</b>	<b>Number of workers</b>	<b>output</b>	<b>Productivity</b>
100	1000 rolls cloth	10 cloth/worker	90	1125 barrels wine	12,5 barrels/worker
120	1200 rolls cloth	10 cloth/worker	80	1000 barrels wine	12,5 barrels/worker
<b>220</b>	<b>2200 rolls cloth</b>	<b>ø 10 cloth/worker</b>	<b>170</b>	<b>2125 barrels wine</b>	<b>ø 12,5 barrels/worker</b>

Portugal / England table

As one can see that through the division of labour and trade between the two nations, 200 rolls of cloth and 125 barrels of wine can be produced additionally with the existing workers.

Portugal had advantages in port wine production and specialised in it, foreign trade flourished.

Holland virtually specialised in trade itself (India/China) and became the economically strongest nation in the 18th century without even possessing significant resources.

The Industrial Revolution came about through the division of labour and various technical achievements.

**1712** Steam engine

**1804** Railway

**1775** Electricity Edison/ Tesla

**1876-84** Otto combustion engine

**1941** Computer Konrad Zure

**1969** Internet Cert Kahn

Henry Ford 1863- 1947 perfected assembly line production

After that, one technical advance followed the next, a brief productivity comparison shows that the world population has increased its economic output more than a hundredfold in the last 300 years, whereas the population has only increased about tenfold.

1700 World population 600 million

2008 World population 6,700 million

Various technical devices in the household made it possible for the female population to work and thus further increased productivity considerably until today.

	1700	1820	1913	1973	1989	2008
Austria	2.483	4.104	23.451	85.227	124.791	198.004
United Kingdom	10.709	36.232	224.618	675.941	940.908	1.446.959
United States	527	12.548	517.383	3.536.622	5.703.521	9.485.136
China	82.800	228.600	241.431	739.414	2.051.813	8.908.894
World	<b>371.428</b>	<b>694.598</b>	<b>2.733.365</b>	<b>16.022.888</b>	<b>26.576.359</b>	<b>50.973.935</b>

In 1990 internationale Dollar BIP in Mio Kaufkraftbereinigt

Data from Angus Maddisonn The World Economy 2007

You can see that in 1700 the global economic output was 371,428 million in 2008, we already reached \$50,973,935 million.





Dutch Farmhouse Room 1661 Rijksmuseum

Whereas in 1700 around 80 percent of the population still lived from agriculture, this figure has been minimised to a few percent today, also due to technical progress. In 2020, only 1.8 % of the gross domestic product in the EU was generated in the agricultural sector.

But other aspects of people's lives, such as life expectancy, have also improved significantly. Life expectancy increased from 30 years in the 1700s to more than twice that today, about 70 years, globally speaking. Medical progress with the help of hygiene and pharmacy made this possible.

The range of food could also be increased immensely. Whereas 1700 was still marked by hunger crises and  $\frac{3}{4}$  of income had to be spent on food, which consisted mainly of grain, beans and meat, today the picture is very different. Absolute luxury items in the 18th and 19th centuries such as coffee, tea, tobacco, sugar and chocolate are now affordable for everyone. Every average European supermarket today has 12,000 articles.

Almost every household in the EU today has : radio, TV, computer, internet, car, heating, Washing machine, fridge, dishwasher, mobile phone, telephone, toilet and hot running water.

In 1700, it would have taken vast amounts of servants and financial resources to reach the current standard of an average household. See picture

Unfortunately, most people no longer notice how well they are doing.

People only see what they don't have and strive for more and more material goods, because, for example, the neighbour has bought a great new car, the family council unfortunately all too often thinks it too needs a great new car. People don't want to miss out on anything, even if the products are often neither needed nor economically useful.

## Summary:

Increased productivity in the agricultural sector  
enabled population growth (1700Yr 600Mio/world)  
enabled

- Specialisation
- Division of labour
- Trade

- Capital markets
- Industrialisation
- Technical innovations

Infrastructure  
Stable framework factors  
Legal security  
no wars  
→ TODAY



## II. System Criticism

As fascinating as our increase in prosperity may be, it is obviously not particularly beneficial for our environment.

The UN climate report (IPCC) paints a devastating picture: increased Co<sub>2</sub> emissions (the number one greenhouse gas) are causing global warming.

Since the beginning of industrialisation, more and more carbon dioxide, methane and other so-called greenhouse gases have been transported into the atmosphere. **The more greenhouse gases there are, the less long-wave heat radiation reaches outer space and the stronger and faster the Earth heats up.**

Without greenhouse gases, we would have temperatures on the earth's surface between 0 and minus 18 degrees.

Unfortunately, too much Co<sub>2</sub> triggers chain reactions:

→ Increase in air temperature

→ Ice melt

→ Sea level rise

→ Warming of the sea surface

higher air temperatures can then store more moisture.

Humid air masses in turn strengthen the natural greenhouse effect.

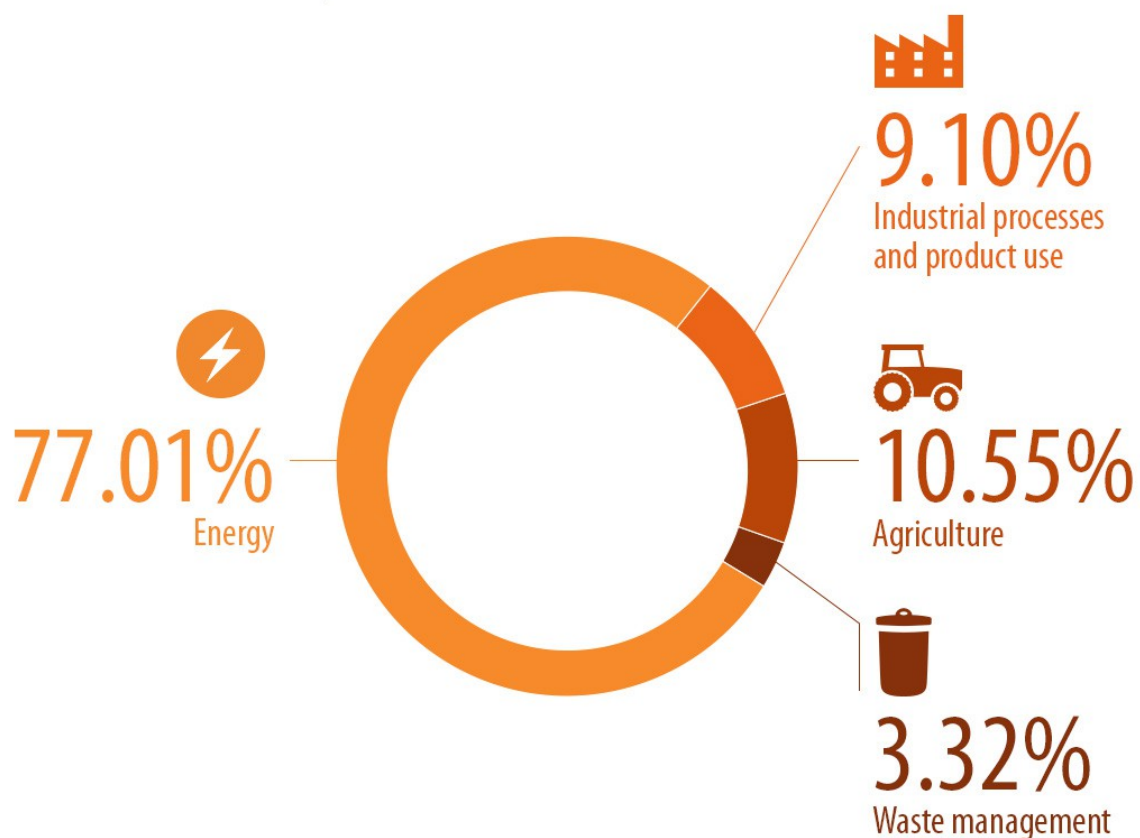
And more humid air masses lead to more frequent extreme weather events.

→ Climate change

In the past, Co2 emissions were largely due to production, but today they are distributed as follows.

Graph: EU emissions by sector

## Greenhouse gas emissions in the EU by sector\* in 2019



\* All sectors excluding land use, land-use change and forestry (LULUCF)  
The percentages do not add up to 100% due to rounded figures being used

Source: European Environment Agency (EEA)



We should therefore perhaps question our current lifestyle. Do we really need all these goods and services?

Many of these products are often no longer even useful. An example from bicycle mechanics:

The drive has continuously developed from one gear on the rear hub to 14 gears today. Up to the 9th gear, an optimisation of use is also noticeable, a better distribution of payload, but the 10th gear is only

"nice to have" no longer necessary.

The 11th gear and higher are pointless. The chain is thinner, the durability is lower and production costs are higher, although the improved efficiency of the individual gears is negligible.

There are probably similar examples in every industry, for example in TV sets, manufacturers are competing with ever better resolutions that the human eye probably no longer even notices. The car industry is trying to sell ever higher horsepower without any useful benefit (top speeds).

Another problem is that companies like to develop products that generate follow-up costs, such as the Hoover, until Dyson came, saw and won.

Suddenly there was no need for a Hoover bag.

Some products are designed to be disposable in the first place, like the coated aluminium pan. No good catering kitchen uses coated pans; wear-free and durable stainless steel pans are used.

Many products are also deliberately manufactured of inferior quality, often in order to optimise costs but also to shorten the product life cycle in order to sell subsequent products.

Shoes from the 60s/70s often still last, whereas most of today's shoes are thrown away after just a few years.

The same is true for many products, another example from bicycle technology, bicycles from the 60s/70s are often still on the road today. The bikes can be completely restored with relatively simple means. Today's bicycles are often produced so cheaply that even with minor damage it makes more sense to buy a new one than to repair it. Of course, this does not really conserve resources, sadly profit optimisation is still the number one priority for companies.

Inferior capacitors are often used in electrical appliances, although the cost of using better capacitors would be only minimally higher and would significantly extend the life of the product.

This misconduct by the industry is called planned product obsolescence and is of course denied by the producers.

Therefore, one should ask oneself whether the pursuit of profit (greed) is a viable motive for sustainable economic activity.

Another problem is that mechanics who only earn money when the vehicle is not working and doctors only when the patient is ill have little incentive to heal/repair the vehicle or the patient, as no more money is paid.

Vegetables are still often packaged in plastic to increase shelf life and hygiene, and sometimes come from another continent, to the detriment of our environment.

With the help of advertising and the main motives of envy and happiness, consumption is artificially kept far above a necessary level in order to be able to present productivity increases that will soon be of no use to anyone.

With all due respect to David Ricardo's Comparative Cost Advantage but if it means shipping megatonnes of goods halfway around the globe, the monetary gain is clearly at the expense of our environment, due to the increased volume of transport.

Since our consumer society has now reached the zenith of what is necessary, or is far beyond that in some economic spheres, With 3 televisions and 3 cars per household, new forms of consumption are being sought. One trend that has developed is travel; the destinations have to be as luxurious and exotic as possible to be able to show off at home. Fortunately, the pandemic, as troublesome as it was, was able to put a temporary stop to this trend.

Another problem in the fight against climate change is that for many people in the temperate zones, which are also the main sources of CO2 emissions, climate change is first perceived positively.

It is faster hot in spring and longer hot in autumn. People are not clearly aware of the consequences of heat damage in the more southern countries. That the same damage will of course have the effect of decreasing the amount of food grown there is often not understood by normal citizens.

(Crop failure Mediterranean olive oil 2023)

# III. Solutions



How to reduce our greenhouse gases?

Produce as little as possible, transport as little as possible?

In order to reduce consumption, we could start with advertising and ban it for products that are harmful to the climate, as has already been done in the past for products that are harmful to health.

There is no more advertising for alcohol and cigarettes, so we should also ban advertising for flights, long-distance travel, cars and motorbikes, for example.

In times of the internet and the information society, every consumer can now find and compare products with little effort, so one could also think about a completely advertising-free society.

Many financial derivatives (products) also only serve the purpose of gambling and should be discontinued.

The capital markets should definitely be overhauled and, if possible, reduced to the most necessary, financing for companies.

Furthermore, products should be made, built or designed to be as durable as possible.

Bicycles from the 70s still hold their own, of course the technology is outdated but they still enjoy great popularity and get countless students from A to B.

Perhaps certain products should no longer be sold but only rented out. If the product is defective, the customer no longer pays.

This would encourage manufacturers to produce only long-lasting products.

A similar system could also be used in health care and workshops. The doctor or the workshop only receives payments if the patient or product is healthy. In case of illness or a defective product, the payments (rent) are stopped and the doctor or the workshop are now motivated to quickly heal or repair the customer/product. At present, a doctor only earns money from sick patients and a mechanic only from a damaged vehicle.

Another way to reduce Co2 emissions is to reduce transport, for products as well as for people. One could promote trade and the production of goods in the local area by naming the transport distance.

All products get a label around the price.

**-19-** green highlighted means the product was produced within 500 km

**-123-** black background means for example the product was produced within a radius of 5,000km (same continent).

**-915-** highlighted in red the product has travelled more than 5,000km AND IS HARMFUL TO THE CLIMATE

The consumer now sees whether the product is harmful to the climate and will increasingly demand products with short transport distances

Passenger transport on long-distance flights should also be restricted and motor vehicles should only be allowed in cities for transport purposes. In view of the low efficiency of motor vehicles of 20%, bicycles and public transport should be promoted.

There would be less noise and pollution in cities without traffic, and the streets could be converted into green spaces, cycle paths and pedestrian zones.

As a central point, however, the monetary system could be supplemented and subsequently perhaps even abolished altogether.

Instead of money or in addition to money, every person worldwide receives an annual Co2 credit that can be used to purchase products and services.

Products and services would have to be priced away from monetary values towards their actual carbon footprint.

No one should be allowed to consume more than twice their Co2 credit. Since, of course, there will be trading of Co2 credits/units.

A global Co2 currency would eliminate the wage gap

→ less transport as production costs will converge due to increased labour costs

Another possibility instead of a Co2 currency could be a quota for energy per citizen.

Since the energy sector accounts for the largest share of Co2 emissions, one would start directly at the source that causes it.

The consumer could still buy all kinds of products, but there would be a limit on electricity and the various fuels to operate them.

These measures could certainly reduce the working hours of the population considerably.

We would have less production and traffic, possibly no more advertising, but more durable and useful products.

The political system could also use an optimisation process. A tax ratio of more than 50% of the gross domestic product is almost like a forced incapacitation of the citizens.

But that is probably a different chapter and should be evaluated and questioned by other resourceful minds

# IV Conclusion

The economic system with its invisible hand, the market mechanism, has brought us far.

In the 1700s, see cover page, life was different, the citizens did not even have running water or electricity.

The market economy helped us achieve the prosperity we enjoy today.

This system, however, we have created ourselves and therefore it is only legitimate to change it for our benefit, as we please.

The construct should serve us in the distribution of goods and services as well as in the optimisation of resources. It has been shown that some aspects have gotten out of hand.

The consumer in the hamster wheel of advertising and corporations is currently serving the system.

But the construct should serve the human being. Most of the ideas presented have already been formulated, but the will to implement them is still very small.



The system has served us well for a long time and there is a great fear of changes that the construct could collapse.

But fact is that greed is a bad motive for dealing with resources and we must be clear that our most important resource is our living space.

The most necessary good for us is food and this is produced by not even 2% of the economy.

A roof over one's head would also be nice, but about 80 per cent of economic output is optional. Not necessary to survive, see developing countries.

The people there often live on only a fraction of the resources that a European or US citizen consumes.

In the future, not everyone should have the status of a rich citizen of the world, but Westerners should learn to limit their consumption.

However, we will not really be worse off as a result, since material prosperity has already increased so immensely in the last 300 years that we will still be able to live very well with a new standard.

Possibly without blueberries from Peru and without long-distance flights to Australia, but with sufficient food and essential products and perhaps only one television per household.

# Appendix

Quote:

Quote 1: Stephen Hawking

# Photo credits:

Graph: Agricultural sector output as a percentage of EU gdp

<https://ec.europa.eu/eurostat/databrowser/bookmark/97be5707-fdba-4527-b11d-0a12317c2e4f?lang=en>

Graphic: Adam Smith

[https://de.wikipedia.org/wiki/Adam\\_Smith#/media/Datei:AdamSmith.jpg](https://de.wikipedia.org/wiki/Adam_Smith#/media/Datei:AdamSmith.jpg)

Graphic: David Riccardo

[https://de.wikipedia.org/wiki/David\\_Ricardo#/media/Datei:David\\_Ricardo\(1\).jpg](https://de.wikipedia.org/wiki/David_Ricardo#/media/Datei:David_Ricardo(1).jpg)

Table: Ricardo England/Portugal

<https://de.wikipedia.org/wiki/Ricardo-Modell>

Dutch Peasant's Parlour: Adriaen van Ostade 1610-1685

[https://upload.wikimedia.org/wikipedia/commons/0/08/Adriaen\\_van\\_Ostade\\_-\\_A\\_Peasant\\_Family\\_in\\_a\\_Cottage\\_226N09102\\_652ZQ.jpg](https://upload.wikimedia.org/wikipedia/commons/0/08/Adriaen_van_Ostade_-_A_Peasant_Family_in_a_Cottage_226N09102_652ZQ.jpg)

Data from Angus Maddison The World Economy 2007

[https://de.wikipedia.org/wiki/Liste\\_der\\_L%C3%A4nder\\_nach\\_historischer\\_Entwicklung\\_des\\_Bruttoinlandsprodukts](https://de.wikipedia.org/wiki/Liste_der_L%C3%A4nder_nach_historischer_Entwicklung_des_Bruttoinlandsprodukts)

EU greenhouse gas emissions by sector

[https://www.europarl.europa.eu/resources/library/images/20211026PHT15838/20211026PHT15838\\_original.jpg](https://www.europarl.europa.eu/resources/library/images/20211026PHT15838/20211026PHT15838_original.jpg)