

How coordinate without prices?

Strategy Note 273 said we need to develop a coordinating system to replace "invisible hand" coordination via prices.

Suppose, for example, a crew harvests a truckload of apples. What do they do with them? Under exchange, they sell them to a distributor who sells them to stores that will find the final buyers. That system requires a complex network of standards, communication, negotiation, contracts, warehouses, etc.

Prices and a desire for profit motivate the many decisions along the supply chains of the exchange economy. Free from prices and profit, how might our solidarity economy make such decisions?

Imagine an internet-based system through which we allocate resources by matching supplies with needs and desires while minimizing transport and waste. When we lack supplies, we take turns. If we don't have enough bananas for every place that wants them, localities take turns getting bananas and we consider planting more bananas.

Our solidarity coordination doesn't need perfection. The exchange system certainly didn't offer perfection. We just need to not waste more than old system and to do less harm. That modest goal seems achievable.

Easier written than done, of course, but I expect we can solve that problem.

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