# **Foreword**

Seasteads represent a tangible, near-future opportunity for multiple societal restarts.

Today, many nation states suffer from massive fundamental problems such as a lack of vision, disregard of the will of the people, excessive bureaucracy, over-restrictive regulations, economic inefficiency, rampant indebtedness, and so forth.

As it stands, we take societal institutions for granted. But they are only human constructions that became established over time. Everything could be done in another way: Why are marriages subject to public law – when they could simply be private contracts? Are all subjects that are taught at school worth teaching – which ones are missing, which ones can we strike off from the curriculum? Patents are temporary monopolies – should we still allow them? Should we keep measuring our prosperity in terms of GDP? As monopolies are usually regarded as bad: Why is there just one central bank and one currency in a state – and not several? Why do we elect politicians? – We could try E- or M-referenda for every decision, evidence-based politics, AI, or prediction markets instead. The list of questionable societal institutions could go on and on.

Just because things are done in a certain way by many people and for a long period of time doesn't mean that this is the best way to do them. But the way things are today, nobody can actually do these issues in another, better way, because we are trapped in our over-complex, rigid systems. Due to apparently unbreakable path dependencies, no serious reforms and consistent improvements are in sight.

In contrast, the open sea is a clean slate. Just like outer space. Artificial settlements on the open sea make it possible to design new societies from scratch. On multiple seasteads, we can start multiple societal experiments.

So, not only one, but many restarts are possible simultaneously. Seasteads make it possible to societally innovate. And for individuals, there is choice.

This book discusses opportunities and challenges of seasteads. Many "seasteaders" focus on technological aspects, and these are certainly challenging. However, the focus of this book is on socio-philosophical, political, economic, and legal aspects of founding new, small societies of pro-active and productive individuals and groups. We must think about these things if we don't want seasteads to become simply small versions of today's nation states after a while. This book is explorative, exemplary, and normative. It presents paradigmatic ideas and suggestions. There are many more aspects that have to be discussed and this volume certainly can't cover them all.

Thank you very much to the authors who courageously confronted themselves with the non-commonplace concept of seasteads and who investigated various partial aspects of cohabitation on seasteads. I also thank Tom Williamson for proofreading the book and Angelika Rodlauer, editor at vdf Hochschulverlag at ETH Zurich, for the pleasant collaboration.

I wish all readers lots of interesting insights and pleasure.

London, January 2017

Victor Tiberius

# Part I

# Introduction

# Seasteads: Creating New Small Societies From Scratch

Victor Tiberius

#### **Abstract**

In this essay, I discuss seasteads as new small societies on the open sea, their potentials for freedom and progress, and the prerequisites for their success. I start the paper with the notion that thinkers like futurists, utopists, and philosophers have always investigated alternative societal configurations. Unlike utopias, we are now facing a technologically feasible option to make these thought experiments come true.

As seasteads are located beyond the jurisdiction of nation-states, they do not come under any national laws, thereby circumventing the legal restrictions that limit human actions. Seasteads are, therefore, artificial settlements on which societal frameworks can be designed from scratch. When there are many different seasteads, a large variety of societal approaches can be realized and experimented with. Time will show which systems stand the test. As seasteads are small, the effects of these experiments are limited to a rather small group of people who voluntarily commit themselves to a specific system.

What are the drivers for the development of seasteads? I take a look at a couple of current societal shortcomings of mankind and I especially focus on those that concern current political systems and governments. The dissatisfaction with these circumstances pushes certain individuals – whom I call pro-active and productive – into escaping as they realize that reforms of the current systems are hardly or not possible at all. For them, liberal seasteads represent a fresh start without those restrictions and shortcomings.

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The criticism presented here doesn't claim completeness. Other critics would probably focus on other problems they regard as more pressing (e.g., capitalism in general, corporatism, social injustice, poverty, etc.) and come to other conclusions. As stated before, any societal system can be realized and experimented with on seasteads. Also communist, monarchist and other seasteads are feasible.

Seasteads with coherent values will attract individuals who share these values and pursue similar personal goals. Unlike in large (democratic) nation-states with heterogeneous values that confusedly meander from crisis to crisis, seasteaders can single-mindedly head towards bringing their visions to life.

Based on the presented criticism and because I regard liberal seasteads as the most promising ones that also will be given the most approval by pro-active and productive individuals and groups, I further discuss liberal designs of seasteads. They explicitly won't regard themselves as states, but non-state societies with as few public matters as possible. However, there are some issues that have to be structured and regulated. Therefore, I investigate aspects of settlement policy, public goods policy, internal and external security policy, financial policy (trying to avoid taxes in the conventional sense to the maximum extent possible), future regulations, and on how to keep political issues as small as possible in the long run. Avoiding the proliferation of state-like structures is an important matter if a liberal seastead is to stay liberal. While at the time of writing there is hardly any research on this topic, I present a few of my own thoughts.

There is so much more that has to be discussed when it comes to seasteads, as they face the same numerous and manifold matters the existing populations on the mainland have to deal with plus some additional – especially technological – ones. This volume certainly can't cover them all. Therefore, I mention some further aspects that others are currently discussing and suggest some ideas that future discussions should focus on.

I conclude the essay with a positive outlook. The driving circumstances, the available technological solutions, and the striving actors make the realization of seasteads more likely than ever. Where seasteads face greater than

expected challenges, charter or private cities could represent an alternative to the alternative.

## 1 Starting From Scratch: From Thought Experiments to Reality

When I was doing my secondary school exams (the German "Abitur"), I like my fellow students - asked myself what I would do professionally in the future. I spent some time on a couple of different academic fields in order to understand their basics so that I could make a solid decision. One discipline was especially fascinating: Futures Studies. Back then this was very exotic (well, it still is) and there was no opportunity to study this in Germany (I couldn't afford to study abroad), but years later I was fortunate to be able to autodidactically study this field when working on my second doctoral thesis. When you take your first steps in this domain you quickly understand that it's not about what most people think: It's not about predicting the future. It's about methodically exploring and assessing multiple futures hence the plural in Futures Studies.

There are good reasons to do that: The dynamics of change have massively accelerated since the emergence of industrialization and especially in the last decades with increasing globalization and huge progress in IT. The faster you move, the further ahead you should look. But also the faster the circumstances change the more you have to be prepared for what might happen next. Due to technological and economic leverage effects, today we are able to change the world to an extent as never before in the history of humankind. This necessarily implies a higher degree of responsibility, not only for our current fellow human beings, but also for the next generations (Jonas, 1984; Taylor 1992; Etzioni, 1993). So we have to think ahead to see what effect our actions might cause, especially as not everything turns out only as intended, but there are mostly also undeliberate long-distance side effects. We live in "[...] a society - more technically, a complex of institutions which unlike any preceding culture lives in the future rather than in the past" (Giddens & Pierson, 1998: 94).

But dealing with future scenarios has not only defensive reasons; it's also about exploring possibilities. In a way you could say futures studies goes beyond other academic disciplines: While they search for truths of the (current) reality, futurists look not only for the possibility of coming realities (analytic branch of futures studies), they also look for completely different possibilities – how things could be otherwise – and how to create them (normative and practical branch). You could say that (practical) futurists are innovators at a larger (societal) level. As we are unable to predict the future, we should design it. In other words, we should substitute the search for the future with a teleological approach (MacIntyre, 1981).

When I examined methods of teaching futures (studies), I also came across the so-called Mars games (Tiberius, 2010, 2011b). These can be played in the class room or in virtual settings (such as Second Life or World of Warcraft). The students are supposed to design a human society from scratch; every student undertakes a specific role with specific tasks. They plan, implement their plans, analyze what happens, and take countermeasures when undesirable developments occur. The games aren't about Planet Mars specifically, but a place with no restricting human history and no existing human institutions where mankind can start at zero. The students can, as a (group) thought experiment, create a new world.

These Mars games helped me understand that both "colonizing planets" and "futurizing" are different approaches to detaching oneself from "here" and "now" and to mentally getting rid of limiting constraints, especially path dependencies (Tiberius, 2011a). When you fictitiously travel far away – be it in time or place – you leave behind the current circumstances and experience a vast openness.

Of course it is much easier to travel spatially, as time travel is not yet invented (and probably never will be). So from this notion to seasteads is only a small step.

# 2 Seasteads as Multiple, Alternative Societal Experiments

Seasteads are artificially created settlements located at least 200 nautical miles from the mainland and therefore outside of sovereign territories. *If* 

<sup>1.</sup> Also cf. the "Solar System Simulation (SolSys)" (Collins, 2005) and Funaro's "Cultures of the Imagination (COTI)" (ibd.).

they aren't flagged,<sup>2</sup> they are beyond the jurisdiction of national laws and only subject to rudimentary international maritime law.

It is as a result of this legal environment that seasteads offer such a huge potential. They are places where a new society can virtually be "designed from scratch". They represent an opportunity to use an exceptional degree of legal freedom to minimize the type of structural restrictions which have become deeply rooted on the mainland over the centuries<sup>3</sup> and in turn maximize the spectrum of potential individual and collaborative activities.

Efforts to reform established societies – and in particular measures aimed at reducing bureaucracy and state expenditure - have been more or less unsuccessful to date and are unlikely to yield any noteworthy success in the future (Friedman & Taylor, 2012). Seasteads, on the other hand, offer a chance to go back to the drawing board and develop new settlements which pave the way for alternative systems of coexistence. So why consider mental time travel when we can have seasteads now and here?

Speaking of "here": The already mentioned Mars games appear to be no mere (mental) games any more. As we know from SpaceX and Blue Origin, colonization of Mars is actually truly under consideration and people are already striving for it in the long run. It could be said that some of the motives, especially the foundation of a new society from scratch, are shared by both seasteading and Mars colonization. However, the two endeavors aren't really comparable, especially as the idea of colonizing Mars is not

- 2. Cf. Boschen in this volume. Most "seasteaders" argue that seasteads are legal vacuums. But from a legal perspective this assumption is problematic. International law of the sea – not certainly, but most probably - requires seasteads to be flagged and registered with a nation state. In this case, national law and diplomatic protection is applicable on the seastead. Otherwise, if a seastead isn't flagged, the inhabitants can be considered as "pirates" or "outlaws" and, as a stateless vessel, a seastead could be subject to boarding and inspection by any (!) state. Thus, seasteaders should consider seeking diplomatic protection from a legally attractive state (possibly with a free trade zone treaty, cf. next footnote) or arming themselves like a nation state.
- 3. On the mainland, "free (trade) zones" also are places with reduced legal and bureaucratic impact. For instance, the Dubai International Financial Centre (DIFC) has its own legal system independent from the laws of the United Arab Emirates (but under the UAE constitution). Most free (trade) zones only reduce bureaucracy when it comes to trade matters. Some, like the DIFC, also have distinct civil laws. A similar concept is "charter cities" (Romer, 2010). However, as the free (trade) zone, charter city, special administrative regions (China) or whatever you may call these "special places" belong to a certain nation-state, the privilege of legal independence can be revoked, more or less, at any time the state pleases. On the open ocean – according to current international maritime law – no nation-state can make territorial claims.

only driven by the pursuit of freedom, but also by the anxiety that, due to pollution, meteorite impact, nuclear war, gamma-ray burst, solar storm, and other incidents, planet Earth could become inhabitable. Seasteads would be no solution for this problem. A further difference is that the colonization of Mars is rather a long-term project whereas seasteads can be considered as medium-term projects. In addition to that, seasteading can be done at a fraction of the cost of colonizing Mars: "In the long term, space might provide [...] a frontier, but right now it is far too expensive" (Friedman & Taylor, 2012: 224).

I mentioned above that seasteads could be places where alternative societal approaches can be tested. They represent a "blank canvas for sociopolitical experiments" (Friedman & Taylor, 2012: 223). But this idea gets even better when considering many seasteads because they represent more than an interesting opportunity to gain experience with one specific alternative, sustainable social concept. In particular, the very fact that they are small, remote units makes seasteads ideal for rather low-risk experimentation (in comparison with large nation-states) which does not impact on non-participants. Various different seasteads can be used to test out a variety of systems – in a competitive way by facilitating the emergence of a global market for governance<sup>4</sup> (Sinn, 1992; Vanberg & Kerber, 1994; Friedman & Taylor, 2012) - and create a foundation for new, workable approaches - which later could be considered for mainland countries. To this extent, seasteads relate to the concept of multiple futures or multiple future ideas. The big difference, however, is that seasteads can be real whereas future ideas are mere mental constructions.

A significant driving force of the seastead movement is The Seasteading Institute<sup>5</sup> in San Francisco, founded in 2008 by Patri Friedman and Wayne Gramlich and funded by Peter Thiel and others. The institute advocates the idea of seasteads, conducts conferences, and invites scholars from all over the world to work on engineering, business, and law/policy issues concerning the realization of seasteads.

<sup>4.</sup> The market for governance can be regarded as the largest industry in the world with about 30% of global GDP (Friedman/Taylor, 2012: 227). However, this market is not yet subject to private entrepreneurship which means that this is a grand opportunity for seastead entrepreneurs and investors.

<sup>5.</sup> Cf. http://www.seasteading.org.

# 3 Seasteads vs Utopia<sup>6</sup>

In a conversation, one of the authors called seasteads "Utopia 2.0". Partly he was correct, partly not. Yes, seasteads, like utopias, are ideal(istic) societal scenarios. Utopias represent the imagination of otherness and radical difference (Jameson, 1982) - we can say the same thing about seasteads. But thinking of designing societies on seasteads "from scratch" is rather a visionary than utopian endeavor. The difference between a vision and utopia is that visions are regarded as possible and realistic whereas utopias are - mostly8 - regarded as at least highly improbable or even impossible and thus unrealistic. Seasteads, from both a technological and financial point of view, are already feasible today.9

In spite of that, or rather exactly because of that, in this section, I want to take a closer look at utopias which have a certain level of awareness.

Utopia is fiction and not a social theory connecting facts together (Frye, 1965). Some of the notable utopias/distopias in literature are: 10

- Thomas Morus (1516): Utopia,
- Tommaso Campanella (1602): Civitas Solis (the Sun State),
- Francis Bacon (1627): Nova Atlantis,
- Johann Valentin Andreae (1619): Christianopolis,
- Louis-Sébastien Mercier (1770): The Year 2440 (L'an 2440),
- William Morris (1892): News from Nowhere,
- H. G. Wells (1905): A Modern Utopia,
- 6. I thank Manuela Fabro very much for her valuable support in the preparation of this chapter and appendices 1 and 2.
- 7. Also Steinberg et al. (2012: 1534) state that The Seasteading Institute "follows a history of utopian dreamers".
- 8. Sometimes the term "realistic Utopia" can be found (e. g. Davis, 1981; Rawls, 1999; Wright, 2012) which could be considered as an oxymoron. Similarly, Bloch (1954-1959/1986) uses the term "concrete utopia". Finally, it is less important which specific term is used, but what concept is meant. In this paper, I treat seasteads as realistic.
- 9. Cf. http://www.seasteading.org/engineering/ for some interesting online papers on convincing engineering solutions for seasteads. Others, like Steinberg et al. (2012: 1533), "certainly are not suggesting that seasteads will be established at any time in the future." They see the seasteading endeavor as "[f]ueled by a cocktail of ideologies (techno-optimism, libertarian secession theories, and strains of anarcho-capitalism)" (p. 1532).
- 10. Not everybody might agree with this list. If you're interested in the main ideas of these novels, you can find short summaries in the appendix.

- Jewgenij Samjatin (1920): We (мы),
- Aldous Huxley (1932): Brave new world,
- George Orwell (1948): 1984,
- Walter M. Miller (1959): A Canticle for Leibowitz,
- Aldous Huxley (1962): Island,
- John Brunner (1968): Stand on Zanzibar,
- Ursula K. Le Guin (1971): The Lathe of Heaven,
- Stanislaw Lem (1974): The Futurological Congress,
- Ernest Callenbach (1990): Ecotopia

There are also some scholarly writings worth mentioning:<sup>11</sup>

- Platon (380 B. C.): Politeia (The State)
- Ernst Bloch (1954-1959): The Principle of Hope
- Robert Nozick (1974): Anarchy, State, Utopia
- Antonio Negri & Michael Hardt (2000): Empire

The Greek term "utopia" means "non-place" or "nowhere place". Utopias are not only spatially, but also temporally unlocated: They "have but a nebulous past and no future; they are suddenly there, and there to stay, suspended in mid-time or, rather, somewhere beyond the ordinary notions of time (Dahrendorf, 1958: 116). Utopia is considered a good and perfect world which fully embodies our moral ideas (Wright, 2012). It can, therefore, be seen as the counterpart of the real world with its ever-present sense of lack, the sense of "something is missing" (Levitas, 2003). The search for such a "place" is necessary as the hope and desire for a better life is a central aspect of the human experience (Sargent, 2006).

Contrary to this perspective, Levitas (2003) regards utopias as dangerous illusions if attempts are made actually to create such societies. The author refers to a pun that originally was coined by Thomas More: "eutopos" is the good place which *is* no place whereas "outopos" is the good place which *can be no* place. By seeking such a place, it becomes its opposite: dystopia. As utopia cannot be realized in the real world, but only within us, we can iden-

<sup>11.</sup> Ditto

<sup>12.</sup> As I argue in chapter 4.4, it is problematic to find common values among a heterogeneous group of people.

tify a shift from external structures to internal experiences in literature: a quest for the fleeting experience of happiness (Levitas, 2003).

The content, form, location, and social role of utopia vary with the material conditions in which people live (Levitas, 1979). In order to analyze different utopias from different eras and places, it is important to find out what is characteristic and determined by the era and place in each individual picture (Graus, 1967). Utopias also differ in their focus. Political or social utopias criticize current socio-economic relations and institutions, and create, through their criticism, a fictitious other relation. (Saage, 2001). In particular, we can see two extremes of political utopias: state-centered and anarchistic concepts (ibid.). There are also religious and scientific-technological utopias.

# 4 Political and Governmental Shortcomings as Drivers for Seasteads

The discussion about utopias has shown that societal and political short-comings are the drivers for imagining alternatives. This is what seasteads have in common with utopias. So, in this section, I will address a couple of problems currently or generally discussed in academia and media. The following list certainly cannot claim completeness (for further in-depth reviews on the failure of nation-states and governments, cf., for instance, Olson, 1982; Simmons, 2011; Acemoglu & Robinson, 2012; and others). My focus is on typical problems in western countries. As seasteads are regarded as an alternative to regular states, I will concentrate on government failure, not as the term usually implies in a strictly economical, but in a broader sense.

<sup>13.</sup> I probably have a German bias as this is the country of which I have the best understanding.

### 4.1 Crisis of Democracy<sup>14</sup>

#### 4.1.1 Lack of Future Orientation vs Excessive Actionism

The crisis of democracy in western nation-states has been addressed by many authors (e.g., Crouch, 2004; Rancière, 2004; and others). Some call them post-democratic societies.

Today's governments, often, aren't *proactive* anymore and don't seem to have visions and strategic roadmaps for a bright future of the nation. They only *reactively* manage the current given facts and crises from day to day and from problem to problem (Gamble, 2000). Today, it is hard to find a common political objective mankind strives for – especially a joint idea of human good or the good life (Taylor, 1992; Sandel, 2009; Suárez Müller, 2012). The lack of grand societal concepts partly stems from "endism" discourses – such as the end of history, ideology, the nation-state, etc. (Gamble, 2000). It also stems from the increasing number and extent of crises governments are confronted with; governments are so busy extinguishing fires that they have no time left for actual future-oriented policy. With crises being omnipresent, governments lose their visionary mindset over time. Crises, in many cases, result from unforeseen distant side effects of well-meant policies which stay unnoticed or ignored for a long time.

An example for unforeseen side effects: It is known that many western social security systems would nowadays collapse without cross-subsidization by taxes (Hoppe, 2001). The introduction of these systems originally was intended to provide people with more security and life quality. However, this was also a driver (among others) for an enormous decrease in the number of newborns per woman, because children weren't needed for financing the autumn of life any more. As a result, the number of contrib-

<sup>14.</sup> Please note that, despite the extensive discussion of democratic issues here and in the subsequent subchapters, it is quite likely that the first seasteads will rather resemble "monarchies" or "aristocracies" as seasteads have (one or more) proprietors who are able (and probably willing) to exercise their property rights. The owners can voluntarily, but don't have to, renounce (parts of) their property rights and delegate them to the (non-owning) inhabitants of the seastead. The governance system then could be called something like a parliamentary monarchy/aristocracy, cf. chapter 6. However, as you will also see in that chapter, *liberal* seasteads don't want to imitate national-states, but regard themselves as small political entities with as little public politics as possible.

<sup>15.</sup> Today, ethics mainly searches for good rules of acting, but it neglects the question of specific goals that we (should) strive for and what your actions are aimed at (MacIntyre, 1981; Taylor, 1992).

utors to the social security systems decreased; fewer contributors have to fund more pensioners. In other words: A policy – originally well-meant – may destroy other institutions and finally even itself. The institutions that were meant to provide security eventually lead to (possibly even more) risks. In general, the modernization process has led to a lot of such hazards and insecurities (Beck, 1992). Beck (1992) concluded that today modernization has to modernize itself, which he called being "reflexive".

This thinking reminds one of a fundamental problem with regards to medication: medicine may treat diseases, but can also have side effects which bring new imbalances to the body. These, again, can be treated with medicine which, again, will produce new side effects, and so on. This can be called a vicious circle of intervention. The conclusion that state interventions lead to side effects that then lead to the necessity for new interventions was already stated by von Mises (1929/2011): Like an oil stain on water, state interventions expand further and further. This criticism doesn't plead for the complete abolishment of activity (or medicine). However, not the cure of symptoms, but the prevention of causes should be paramount. This includes a solid assessment of future side effects.

Hoppe (2001) searches for reasons for the lack of interest in the long-range well-being of the nation and finds it in a *lack of responsibility*. He transfers the notion of the tragedy of the commons (Forster, 1833) to the state: Unlike a monarch<sup>17</sup> who *owns* the country and who, therefore, should theoretically be interested in keeping the nation "in good shape" in the long run so that he or she can pass it on to his or her heirs, a democratic government has no corresponding motivation. As a democracy is a publicly owned government, the country belongs to everybody – which means to nobody specific. Political leaders are only temporary administrators for the rather short period of four or five years plus a possible reelection. The lack of responsibility means that political decisions – even the worst ones – don't have any bad consequences for politicians (except from the fact that he/she

<sup>16.</sup> Interventions (in markets) are actions which make a difference. Setting rules and (minimum) standards is not regarded as intervention, but as setting the frame (for a market) here.

<sup>17.</sup> Hoppe (2001) doesn't plead for the reintroduction of monarchies. And as we know from history, not all monarchies were for the benefit of the people (think of Louis XIV or Henry VIII). He only argues that they are the lesser evil compared to democracies in their current shapes. The best form of society, in his view, would be a free society – with no government at all – based on property rights. These property rights are natural rights and could be defended by private insurance companies.

has to live in that very country, too). An engineer who built a bridge that collapsed will probably be confronted with compensation claims and possibly even criminal charges whereas a politician's severest penalty is his resignation (not even a dismissal) rewarded with a lifetime pension. While there are severe penalties for tax evasion by citizens there are no penalties for squandering of taxes by politicians.

#### 4.1.2 Representative Democracy: Unattached Rule by Administrators

When Rancière (2004) argues that only democracy can be considered as "politics" as everything else is mere domination, he is right. But what he means is democracy as the actual rule by the people in terms of direct democracy.

First of all, every representative democracy – today's most common model – by definition isn't rule by the people, but by politicians who were elected. This, of course, is a huge difference, especially when politicians are not bound by orders or instructions (of the people), and responsible only to their own conscience (e.g., Article 38 of the Basic Law for the Federal Republic of Germany). In other words, once elected members of a parliament don't necessarily have to represent the voters' will and certainly can't be forced to do so (they even enjoy immunity). In a governmental term – probably four or five years – much can happen, many new and unforeseen issues can occur. In all these single cases, people are not asked about their wishes and cannot decide what the government should do.

But the indirectness, in many so-called democratic states, is often even more significant, especially in *multiparty*<sup>18</sup> systems when voters can only elect parties and no party reaches the absolute majority. In this case, parties are able to form coalitions the citizens possibly never wanted. In coalition negotiations – which are not open to the public and which not seldom are horse trades – the people aren't present and have no influence. As a consequence, the political agenda for the coming government term might also not represent the voters' will. And, as already stated above, governments cannot be forced to stick to their presented plans.

<sup>18.</sup> The problem of unwanted coalitions isn't a problem in many countries which, more or less, are two-party systems. This might be an advantage from this perspective. But this also means that the number of options for the voters is very limited.

There are as many kinds of politics as there are societal issues. So, even in a representative democracy it would make sense to be able to vote specific individuals into specific positions. But the voters can't elect ministers – who are responsible for factual issues in their departments – individually. The government can only be elected in a bundle, and often it is unknown which politician is intended for which office before the election takes place. In this way, both the people who form the government and what the political agendas are, from the voter's point of view, are completely random. Governments could just as well be formed by rolling the dice.

A democracy, in the true sense of the word – meaning rule by the people – can only be a direct democracy working with petitions and referenda. Some – especially politicians who want to keep their jobs – argue that direct democracy would suffer from the incompetence of the voters: The low level of maturity of the citizens in general and especially their lack of specialist expertise prohibits direct political decisions and, thus, direct democracy. Apart from the fact that this statement is quite arrogant considering the lack of expertise among politicians and their bad decisions made in the past, I don't understand why, then, the level of maturity is high enough for voting rights (without, for instance, a test of political maturity).

In a democracy, every citizen has the right to express his or her opinion and vote regardless of his or her expertise; a vast part of the population therefore can be considered as an influenceable mob (Rancière, 2004); a more restrained formulation would be that the voter isn't rational (Caplan, 2007). But from this point of view, which is better or worse: the people being tricked into voting on specific persons or on specific topics? The only difference is that when they vote on topics, they have a noteworthy chance to participate in politics. When they vote on people, they delegate this right to others.

Another argument against direct democracy is that it's associated with high coordination costs and efforts. However, with the possibilities that today's information technology affords, there is no excuse not to realize a direct E-or M-democracy (cf. Mossey & Manoharan in this volume): People could broach and vote on issues on specific platforms. For every political matter,

<sup>19.</sup> Switzerland is the country that is the closest to the ancient Germanic "thing" and Athenian democracies. A problem of the large number of referenda, however, is the low turnout.

an online referendum could be held with transaction costs close to zero. People could vote with their smartphones. Security aspects are lame excuses: online banking, electronic signatures, etc. have been working fine for quite a time now. With people voting directly on political issues, politicians wouldn't have to negotiate (or horse-trade) behind closed doors, but all decisions could be made by the people. The state actually wouldn't need a government, but only an administration which translates the poll results into action.

#### 4.1.3 Democratic Show: Rule by ... Even Someone Else

But the problem of politics being unattached to the citizens' will goes even further. The programmatic passiveness of governments mentioned in chapter 4.1.1 doesn't leave a void or a political vacuum. Political programs are created *by others* instead.

In election campaigns, competing teams of public affairs and public relations professionals set the agendas of topics that are discussed; the voters only passively and apathetically react to this media spectacle (Crouch, 2004). Election campaigns are first and foremost sensationalistic entertainment.

Elections may indeed lead to governments being voted out of office; however, elections have, more or less, no serious consequences, especially as the political differences between parties, except (sometimes) in times of crisis, become more and more marginal. In today's consensual democracy the desire for dispute made room for the desire for consent (Rancière, 2004). This consent, however, often can only be found in the least common denominator.

Once in office, members of parliament are bound to the party discipline. Generally, the power of the representatives in parliaments decreases in favor of the power of *commissions and expert groups* (Rancière, 2004). We can experience this, for instance, in the European Union in which the so-called parliament, even by definition, is no legislative body.

Related to that, some argue that whole governments of nation-states decline in their significance – for the benefit of supranational entities such as the "Empire" (Hard & Negri, 2000, who argue that not the nation-state, but the

'Empire' is today's leading power entity. According to them, it consists of the USA and the G8, supranational organizations (IMF, WTO, NGOs, etc.), multinational corporations, and other influential players). From this perspective, western democracies are only sham democracies whereas real policy takes place behind closed doors and is negotiated with lobbyists and other influential stakeholders or pressure groups (Hoppe, 2011; Crouch, 2004) who exert their influence on decision makers because they are, more or less, interested in using the state with its gushing tax revenues as a selfservice store.

#### 4.1.4 (In)justice in Voting Rights

Another fundamental problem of democracy nobody seems to have a solution for is the idea of the (absolute) majority as the dominant voting modality. Far-reaching political decisions can be made by the scantiest majority, i.e. half of the voters plus one person. As a result, (almost) the other half of the voters plus every citizen not eligible to vote<sup>20</sup> (especially children) get an outcome they didn't want or they were not allowed to vote on. Yet they have to live with it. Take the 2016 Brexit referendum as an example: 51.9% of the voters wanted to leave the European Union which means that 48.9% wanted to stay. I don't want to argue in favor of or against the actual decision here. My point just is that almost half of the population, every second voter and more than every second citizen are confronted with a situation they didn't want.<sup>21</sup> Some argue that a demarchy would be better that this kind of democracy. In a demarchy, also called sortation, politicians aren't elected, but randomly selected from a pool of candidates.

<sup>20.</sup> Plus the increasing number of nonvoters. I mention them only in a footnote, because - unless hindered from voting without their own fault - they cannot blame someone else for not using their voting right.

<sup>21.</sup> Just on a side note: Polycentric law would be a solution for such cases. Its main argument is that territorial entities shouldn't have only one provider - the state - for only one legal system as this is a monopoly. Inhabitants of the territory should rather be able to choose between different legal systems. In the case of Brexit, this would mean: Every UK citizen can individually decide for himself/herself if he/she wants to be an EU member. Those who want to be EU members have all the rights (e.g., freedom of movement, exemption from customs, voting rights for the EU parliament, etc.) and duties (e.g., extra taxes or fees for funding EU institutions and their employees or subsidies for other EU countries) that come with that membership. Those who don't want to be EU members have neither rights nor duties associated with the EU. This wouldn't only work in theory, but also in practice - again: With today's information technology, this would be feasible.

Related to the aforementioned problem of majorities, there is a risk or even tendency of democracy turning into an ochlocracy - the rule by the populace or "mob" which doesn't aim at the common good any more, but acts in favor of individual interests of sections of the population. In many of today's democracies, we can recognize a diminishing orientation towards the well-being of the society at large and find a collection of individual wills instead (MacIntyre, 1981). The lobbyist problem was already mentioned above. However, there is not only the risk of small groups influencing policy. Considering the inequality of income distribution amongst citizens (Gini coefficient > 0) and the equality of voting rights, redistribution of income by taxes and subsidies of all kinds can be regarded as a powerful tool to buy votes with election gifts - not even at the own (private) expense of the politicians (or their parties) who promise them, but at the taxpayers' expense. By exploiting the interest of the masses to gain an effortless (additional) income - which, of course, is a completely rational concern – there is a built-in risk of a shift to the left inherent in democracy.

Today's democracies are widely regarded as the best governmental system many generations had to fight for. One voter, one vote – this is just. But justice is a complicated topic.

Let's choose a teleological approach and start with the simple, but important observation that justice is not a natural phenomenon but a human construct (Walzer, 1983). This becomes very obvious when you watch an animal documentary on TV: The fast and strong animals hunt and eat the slow and weak. Even within a species, you see that scarce "goods" such as food or mates exist. Mates go to those who are superior to others. What you often see on the screen is pure brutality – and it certainly has nothing to do with justice. Justice is a cultural achievement of mankind. I certainly don't want to argue in a social-Darwinian way, so I add: Justice is a *desirable* cultural achievement. Unlike animals, human beings are able to go beyond the level of mere categories of utility and harmfulness and consider justice and injustice (Rancière, 1995).

However, there is not only one answer to what is just. Justice covers different areas (such as criminal law, paying taxes, political influence, etc.) or "spheres" as Walzer (1983) calls them – and in each area there are different

ways to organize justice. There is no imperative need – and maybe not even the possibility – for a homogeneous distribution principle.

Equality is a fundamental humanistic idea<sup>22</sup> when it comes to justice – it is also a major idea when it comes to income and wealth distribution which isn't considered here. When you listen to political discussions closely, it becomes clear that there are different interpretations and statements of what equality means.

The simplest statement is: All human beings are equal or should be equal in the sense that differences should be eliminated. Equal in which aspects? Are they or can they be equal in their knowledge, intelligence and abilities? Certainly not. Genetics, social circumstances, their own commitment, and - last but not least - pure luck are responsible for huge differences between human beings. Possibly these capacities are subject to normal or Gaussian distribution – or the bell curve may even be sharper. If human beings where all the same we wouldn't have grades in school, different jobs, different payments, etc. So the statement that all human beings are or can be equal is obviously wrong.

What human rights imply is the idea that all individuals should be treated as equal before the law. No matter which sex(uality), skin color, political or religious conviction or how much money an individual has, he or she is to be treated equally. I cannot find any argument against this. If the laws are just and righteous themselves, 23 they should apply to all equally. Moral equality demands that people treat each other with equal concern and respect (Dworkin, 1977).

- 22. The questions of being human and personhood are as old as our existence and the discussion about them fills libraries. It probably can be stated that the peak of both this discussion and the humancentered design of the world can be found in humanism. This intellectual movement stresses the undoubted dominance of humankind in the world. It is very optimistic about the nature of human beings, assuming as it does that we all have a huge potential and that we have the obligation to work on our optimal personal development. The ideal of humanistic or Humboldtian "Bildung" (which goes beyond "education") was conceptualized then. Humanistic ideas also influenced the human rights which today are codified in the United Nations' Universal Declaration of Human Rights (1948) and are also part of many state constitutions. As all perspectives and movements, also humanism, although still dominant today, has been criticized, especially in recent decades (e.g., Heidegger, 1946/2002; Sloterdijk, 1999; Gray, 2002; and others). As a consequence, all social institutions based on humanistic values and assumptions can be and are being challenged.
- 23. Which is not self-evident.

Equal treatment, in practice, has lots of frontiers. There is criticism that equality implies only individuals. This conviction is only comprehensible from a humanistic, not to say human-centered worldview. Why is it prohibited to kill another human being, but allowed to kill an animal?<sup>24</sup> Animal rights protagonists such as Singer (1979), Nussbaum (2006), Donaldson & Kymlicka (2011), and others, plead for an approximation of human and animal law. Singer (1979) argues that the concept of "person", not of human being, should be the mainstay of considering.<sup>25</sup> But even if we stick to the idea that only human beings are subject to justice, from a capability-based rather than contractualistic perspective, there are still groups not treated equally – such as the disabled (Nussbaum (2006) disagrees with Singer (1979)) or citizens of certain nationalities (especially those from developing countries).

The idea of equality meaning being treated equally often is not limited to the law (and thus the state), but also to the private sector. This can be seen especially in the domain of discrimination. Anti-discrimination law, originally, was intended as a right of defense against prejudicial judgement by the state because of the group or class an individual belongs to (or is assumed to belong to). But over time the good idea was expanded in two ways: It was extended to the private sector and also extended to cover more and more people. First it was applied to people who have weaknesses or disabilities for which they are not at fault; then it covered all kinds of minorities (immigrants, homosexuals, sects, etc.); it finally appears that all individuals with characteristics below a certain (but undefined) level – thus the majority – can refer to discrimination and have special claims for protection – in other words: better rights.

In this regard, Etzioni's (1993) critique of "rights inflation" (p. 5) rings true. Today many people claim their "rights" which, in fact, often are no rights in a legal sense, but only personal needs they want to be satisfied (also cf. MacIntyre, 1981) and for which they don't want to give anything in return. Especially in welfare states many citizens are socialized in this claims-orientation (as opposed to achieve-

<sup>24.</sup> Human beings mostly kill animals, because they need food. But think of this: What if another species needs human beings as food? Do they have the "right" to kill them because of the need? By the way: I'm no vegetarian. My point here is only that what is called justice is no natural fact, but only a human(-centered) concept.

<sup>25.</sup> The author was heavily criticized by other scholars and the media.

ment). Among them especially, those who feel discriminated against have good chances of getting their claims satisfied. With this development, a dangerous shift in the meaning of rights and justice has occurred.

Many theories of justice have been presented and discussed by scholars. We can't portray and discuss all of them here. However, I'd like to focus on *social exchange* as a solid basic concept of justice that is not only convincing in an ethically abstract way, but also focusses on the *individual perception and feeling of justice*.

As social exchange theory (Homans, 1958; Blau, 1964; Emerson, 1976; et al.) states, exchange between human beings can be considered as the basic concept in social sciences and, concomitantly, in social life. Social exchange is the exchange of goods in their broadest meaning as things or activities that are good in terms of being beneficial or valuable for someone. A dyadic exchange will take place, if, in a subjective, mostly unconscious cost-benefit analysis, both individuals consider the exchange as beneficial or at least no individual is placed in a worse position than before (Pareto optimum). Later theorists also focused on exchanges beyond dyads as in groups. As we know from the concept of bounded rationality (Simon, 1956), the cost benefit analysis will, in most cases, not only be subjective, but also subject to unclear and changing individual goals and priorities and will depend on lacking and fuzzy knowledge and assumptions. In addition to that, many cognitive biases will occur in this "analysis" and lead to objectively wrong decisions. However, the only thing that counts in judging if an exchange is good or bad is the subjective feeling.

Social exchange theory provides us with a basic idea of justice – the fair exchange. The feeling of perception of an exchange being fair is important for the persistence of the social relation. This is not only the case within dyads, but also in organizations. For instance, employees will only stay within a company as long as they have the feeling that there is a fair relation between their work contributions and the rewards (payment, recognition, praise) they get in return (Barnard, 1938; Simon, 1947, similarly: Akerlof & Yellen, 1990). The same idea probably is true in the case of states – even if a state citizenship isn't the same as the membership in an organization, as living in a state/country implies deep cultural and social issues and foreign citizenships cannot be gained easily. Yet brain drains and exoduses of

entrepreneurs happen between states according to the life circumstances (rewards) offered to citizens.

In addition to that, *equity theory* argues that the *feeling* of fairness doesn't only depend on one's own "exchange rate", but also on the exchanges of others to whom one compares oneself (Adams, 1965): An employee will stay in an organization and will be motivated to work if they perceive the relation between their contributions and rewards and those of their colleagues as roughly equitable. If this equity is impaired, people will at least be demotivated, mentally resign or really leave the organization. These findings are supported by different empirical studies (e. g., Alewell & Niklisch, 2009). For this utilitarian approach, it should again be mentioned that the cost-benefit calculations aren't performed in a mathematically exact manner but rather subconsciously, imprecisely, and subjectively.

Again, this notion can probably be transferred to states: A citizen perceives – or feels – himself/herself as being treated justly, if (a) the relationship between his/her contributions to society (work, taxes, etc.) and his/her rewards from the state (rights, subsidies, etc.) is fair and (b) this relationship is more or less comparable to the relationships of other citizens:

(a) value(my contributions) ≈ value(my rewards)

$$(b) \frac{value(my\ contributions)}{value(my\ rewards)} \approx \frac{value(others'\ contributions)}{value(others'\ rewards)}$$

The consideration of contributions and rewards has the advantage that it implies a *dynamic* perspective of justice. Many theories of justice simply focus on possessions and neglect action (Walzer, 1983) such as exchange, a dynamic process proposed here. Equity theory is also consistent with the common claim that rights (cf. rewards) and obligations (cf. contributions) should have an appropriate relationship (e. g., Etzioni 1993).<sup>26</sup>

It should be stressed that I apply these equations on the backdrop of the nation-state and especially to voting rights, not to society. There are areas in society that are not and cannot be subject to an exchange rationale – such

<sup>26.</sup> Especially, the costs of individual failures should not be communized (while the gains of individual successes stay privatized).

as raising and educating one's own children, caring for sick or old family members, etc. (Sandel, 2009).

If the equity concept is accepted, this would lead to substantial consequences:

Typical contributions by citizens to a typical state are: taxes, compulsory duties (like military service, services as lay judges, etc.), and voluntary and selfless services for the public good. Typical rewards for citizens from a state are: subsidies, the right to vote or other legal<sup>27</sup> rights of political influence, and orders of merit or other awards.

The equity theory suggests that these contributions should, in sum, equal these rewards, and that this contribution-reward-ratio should be equally distributed among citizens. Walzer's (1983) spheres-of-justice concept may argue that all these contributions and rewards form distinct spheres in which different distribution rules apply ("complex equality"). However, finally and in sum, the subjective feeling<sup>28</sup> of a fair exchange (to some extent at least) has to be present – otherwise people will react with demotivation and withdrawal which would lead to a societal disintegration or even collapse.

If you look at a typical current western state, you won't find this equity being realized. For example, pick taxes<sup>29</sup> and voting rights<sup>30</sup> from this list: They have a one-person-one-vote electoral system, but a progressive income tax system. A just system according to equity theory would require *either* a poll tax in a one-person-one-vote electoral system (everybody is equal) *or* a census suffrage in a progressive income tax system (people differ in their capabilities and performance), i.e. people who pay higher taxes have more voting rights. No matter which idea you prefer, they are both just – and western states, in this theoretical view, currently have no fair relationships between payable taxes and voting rights.

Interestingly, in many industrialized states, we can find a media reporting tendency and thus a public perception that suggests that it's not the high

<sup>27.</sup> I add "legal" in order to exclude illegitimate political influence such as lobbying behind closed doors.

<sup>28.</sup> However, subjective feelings will differ from individual to individual.

<sup>29.</sup> I would say that unremunerated services for the public good are to be regarded as substitutes to taxes.

<sup>30.</sup> It probably is appropriate to consider orders of merit and other awards as negligible.

tax payers who feel treated unjustly (who give more contributions compared to their received rewards), but the low (or no) tax payers (who get more rewards compared to their given contributions) instead. They argue that high tax payers should pay even more taxes because they can afford to (spherical distribution measure: performance) and it would be fair to redistribute wealth. This is an excellent example for emotivism, i.e. today's cultural reality that value statements ("this is good") have no objective or rational base, but are solely expressions of subjective preference ("I like this") and especially utility ("this is good for me") (MacIntyre, 1981).

In a representative democracy, from the politicians' point of view, it is *rational* to favor the needs and interests of the low tax payers and subsidy receivers because they form the vast majority of the population and, therefore, the voters (cf. the Gaussian distribution mentioned above). It is rational if the goal is *reelection*. It is irrational if the goal is the nation's economic growth (or at least not shrinkage), prosperity, and well-being. As ensuring his or her reelection this way is nothing else than buying future political power by misusing current political power and misusing others' resources, this is both immoral and illegitimate.

Equity theory focuses on *exchange* rather than *redistribution* as many other theories of justice do. The commonality of both concepts is that ownership of goods is transferred. However, the big difference is that exchange is *voluntary* whereas redistribution is *enforced*.

### 4.2 Governmental Mismanagement and Nation-State Deficits

The democratic shortcomings and especially the problem of a lack of long-term orientation and corresponding responsibility lead to poor economic development. In particular, states plunged into debt over the decades (e.g., Hoppe, 2011). The bank bailouts and stimulus programs since 2008 have (only) significantly intensified debt levels. However, states had been generating deficits long before, even during economic booms. Politicians willingly engage in deficit spending during recession, but ignore the equally important Keynesian demand for discipline and saving during economic upswing. A thriving economy seems to encourage politicians to spend even more, as the public wallet is filled.

No private household and no firm could permanently live beyond their means. However, the simplest economic rule – that revenues, at least in the long run, always have to exceed expenditures – doesn't seem to be obvious for governments.

However, the rule always applies. And it's not only a purely theoretical rule conceived by unworldly economists − it's a natural law: Nobody can give away more than they have. Nothing (e.g., a tree) can give away more (e.g., fruits) than it has. Loans can only temporarily enable an individual or entity to spend more than they have. In the long term, the law "revenues ≥ expenditures" always applies. Ultimately, violation of this will unfailingly and with no exception lead to bankruptcy. Whether it takes the shape of insolvency, inflation, or another − the bill will always be paid by the citizens, maybe not by today's, but by future generations.

State deficits don't just result from populist election gifts, illegitimate return services for electoral support, often failing prestige projects (politicians' monuments), and well-meant job creation schemes. States have, over the decades, been undertaking more and more *tasks* and interfering in more and more areas of life. These tasks are associated with payment obligations that not only sustain during recession and, thus, periods of shrinking state revenues, but have the tendency to even rise over time. A textbook example are the rising pension obligations due to ageing societies – fewer working contributors have to fund a growing army of pensioners.

In the run-up to state bankruptcy, the scope of action for state administration to fulfil its defined tasks becomes more and more restricted. Expenditures are vastly determined by past decisions and resulting structures and systems. We can already experience outdated infrastructures and less reliable energy supply. In state-funded schools and universities (e. g., in Germany), we can see infrastructural decay and a shortage of teachers and professors (as measured by the instructor-student ratio). If we regard education and research as investments, we won't gain even appropriate let alone attractive returns. We can see the risks of overburdened and shrinking social systems, especially in terms of worse medical care and poverty risks in old age. We can even see (e. g., in France) a decreasing ability to fight crime and terrorism and to guarantee safety to citizens – one of the most fundamental core tasks of the state.

But not only does the scope of action for regular state administration become more and more restricted – so does the scope of action for politics. The amounts of money at the government's free disposal, if they exist at all (without new debt), have shrunk to a marginal percentage of the state budget. If you understand politics as creation or design, this means there actually is nearly no room left for political decisions. If the decision-making scope tends to zero, it is actually hard to argue for the raison d'être of decision-makers.

Oversized state debts that are completely incommensurate with tax revenues don't only lead to cut-backs in public services, but also to a substantial risk of expropriation. Private assets have been confiscated to reduce state debts more than once. Measures such as forced mortgages, forced loans, and forced sales of gold (at a low price) should be remembered. Another way out of exorbitant state debts, of course – as history has proved, is hyperinflation, which also is just another form of expropriation.

#### 4.3 Oppressive Nation-States

Excessive threats to citizens are not limited to financial matters. Many states tend to expand the spheres of control over their citizens. Politicians aren't interested in reducing their or the nation-state's power (Friedman & Taylor, 2012). On the contrary, we can note states increasingly attacking privacy – by taking not only the political bodies ("zoon politikon") but also the citizens' "bare lives" into political account (Agamben, 1995).

We can acknowledge an increase and tightening of surveillance, profiling, and screening of citizens (Lyon, 2003; id., 2015). 'Disciplinary institutions' such as prisons and schools (Foucault, 1977) lose their borders and expand their control mechanisms to the whole society (Hardt & Negri, 2000). The basic idea here is that of Bentham's (1798) 'panopticon' as a prison design: Not an army of watchmen, but only a single watchman sitting in a tower with blinded windows in the middle of a circular building is able to see all surrounding cells – whereas the inmates cannot know if they are currently observed and thus probably behave in the desired way at any time. Thus, control doesn't necessarily have to be directly exercised all the time, but is substituted by the potential of *omnipresent*, *anonymous control*.

The fact that this postmodern control mechanism is ubiquitous can, for instance, be seen in the form of telecommunications data retention – which exists in many states now. In this way, citizens know their web surfing behavior is tracked all the time and, hence, they (more) probably will behave in the desired manner. Seen from another perspective, citizens are placed under a general suspicion.

Margalit (1996) would probably speak of 'indecent' societies in which the states humiliate their citizens.<sup>31</sup> However, in other states, oppression is far more explicit and obvious with widespread political persecution and discrimination. As one of the consequences, we currently can witness streams of refugees worldwide.

### 4.4 Nation-State Failure: Problem Summary

"The state exists for the people, not the people for the state." – Carlo Schmid formulated this first article in the 1948 Herrenchiemsee draft for the "Basic law for a federation of German states". Regrettably, this sentence wasn't included in the final version of Germany's Basic Law. As the argumentation above has shown, today Reagan, in his inauguration speech held on 20 January 1981, can again be cited when he said that the governments aren't the solution, but the problem.

The remarks stated above imply fundamental systemic issues of nationstate failure. Let me try to sum them up:

- 1. Many so-called democratic systems aren't really democratic in the true meaning of the word: rule by the people. Firstly, they are governments by elected *temporary administrators*, not the people. Secondly, even these 'representative' systems, nowadays, are degenerate, post-democratic systems with small but influential *pressure groups* dictating political will at the expense of the general public.
- 2. Therefore, democratic systems today lack a *long-range* orientation towards the well-being of the citizens.

<sup>31.</sup> In a 'decent' society, its state institutions don't humiliate the citizens (Margalit, 1996). The author focusses on a philosophia negativa, i.e. not on ensuring the good and justice, but on avoiding evil and injustice.

- 3. Any democratic decision may lead to the situation that almost *half* of the citizens are confronted with an *undesired outcome*.
- 4. In political entities which consist of *diverse groups* with different values and goals, it is hard to find a *consensus*. As a consequence, this leads to compromises which only imply the *least common denominator* or even a complete political *standstill*.
- 5. Large political entities are harder to manage than smaller ones. Costs (including subsequent costs) of political decisions and their implementation are higher in larger than in smaller political entities. Political decisions in larger political entities are rather irreversible or their revision is more expensive compared with smaller ones.
- 6. Political decisions and their implementation often imply unforeseen or ignored, undesirable, distant *side effects*.

## 5 Fight or Flight: Withdrawal from Society?

Some smile at seastead or space colonialization theorists and proponents as escapists.<sup>32</sup> Well, there are three ways of coping with the political<sup>33</sup> adversities and risks at hand: You can (1) be resigned, accept them and, where possible, adapt to them; (2) try to change or even fight them; or (3) refuse allegiance and withdraw from them.

Everybody can choose his or her way of coping with the given situation. Most will choose the first option, maybe not even deliberately, but because of convenience or lack of capability. Those individuals who want to live a pro-active<sup>34</sup> life changing the world for the good wouldn't opt for this solution. They would try to change the current status quo or try a complete fresh start.

However, as I have already stated, we have seen many attempts at "reforms" in the last decades but no real changes. All these attempts were either nipped in the bud or had such an insignificant extent that they are not worth mentioning. It seems that political "reforms", which often are associ-

<sup>32. &</sup>quot;Indeed, the entire seasteading venture might easily be written off as an impractical fantasy of social misfits and political dreamers who would like to make their own states" (Steinberg et al., 2012: 1533).

<sup>33.</sup> In the case of space colonialization, ecological threats (including mankind becoming an endangered species) can be added.

<sup>34.</sup> Cf. next chapter.

ated with big efforts and costs, usually lead only to slightest changes within a system that more or less stays the same. As nation-states, we are caught in a trap of path-dependent structural rigidities.<sup>35</sup> Big system changes can only be archived in big crises (bigger than the 2007/2008 financial crisis) (cf. Klein 2008) or even (world) wars. While some might consider this as an option, seasteaders are looking for a peaceful solution.

So what can we do? In the following, I will first take the perspective of the individual. When we talk about withdrawal from society,<sup>36</sup> we might think of Thoreau's (1854) "Walden" or other hermits, i.e. living alone all by one-self. While this might be a solution for a few, most people couldn't do this, at least not for a very long time (even Thoreau returned to society after two years, two months, and two days). Therefore, I will argue for a "community of shared values" as a solution between the two extremes: the hermit on one end and the nation-state on the other end.

#### 5.1 The Pro-Active, Productive Individual

The individual is the mainstay for many social scientists and, of course, for liberals and libertarians.

In social sciences, especially economics and psychology (not so much in sociology), the methodological individualism can be regarded as the dominant perspective for describing and explaining social phenomena today. It argues that the individual, with his motives, knowledge and abilities, should be the starting point for any social hypothesizing (e. g. von Hayek, 1948; von Mises, 1949; Arrow, 1994; Hodgson, 2007).

The wording "should be" makes clear that this is a normative claim in philosophy of science. There doesn't seem to be an objective way to decide if this approach is "correct". In other words, it is a chosen, an axiomatic perspective.

<sup>35.</sup> Gamble (2000) describes the widely spread perception that citizens don't seem to be able to control their fate any more, especially not through politics, because of the independent existence of restricting social institutions which have arisen and grown by technology and globalization.

<sup>36.</sup> Even Hardt & Negri (2000) plead for a complete refusal or withdrawal from systems (in their case: the "Empire") that claim total power and control.