

#### Patchwork

A Political System for the 21st Century

Mencius Moldbug

2008

## **Contents**

1	A Positive Vision	1
2	<b>Profit Strategies for Our New Corporate Overlords</b>	19
3	What We Have and What's So Bad About It	31
4	A Reactionary Theory of World Peace	47

iv *CONTENTS* 

## **Foreword**

This manuscript is a lightly edited compilation of the "Patchwork" series from the blog Unqualified Reservations by Mencius Moldbug. Prepared with permission from the author, who receives all royalties from sales.

vi *CONTENTS* 

## Acknowledgments

Thanks to Mencius Moldbug for granting permission to prepare and publish this document. Background cover image copyright © 2016 by Alphathon and used unmodified under the terms of the Creative Commons Attribution-ShareAlike 4.0 International license.

viii *CONTENTS* 

# Copyright

Patchwork: A Political System for the 21st Century. Copyright © 2008 by Mencius Moldbug.

X CONTENTS

### Chapter 1

#### A Positive Vision

I'm afraid Unqualified Reservations has been a bit, well, grim, of late.

One can flirt only so long with Confederate racist fascism, before eliciting a few jitters. Is our reader really going to be dragged into this horrible, subterranean universe? Is she even comfortable having it on her computer at work? And then we took this awful, bumpy ride into the eel-infested deeps of Obama Derangement Syndrome, which can't have helped matters.

So in this installment, I thought it would be nice to be positive. Therefore, let me present *Patchwork*: the Mencist vision of a political system for the 21st century. At the risk of being accused of a sales job, I will paint Patchwork in warm, glowing, Obamatronic pastels. Rather than our usual chilly, Machiavellian cynicism. Yes, I know, this is unfair. But here at UR, we're always closing.

To start the hype machine, let's just say that if anyone can build anything like Patchwork, even a tiny, crude, Third World ripoff of Patchwork, it is all over for the democratic regimes. It'll be like East Germany competing with West Germany. (Funnily enough, the financial relationship between the US and the Gulf/East Asia, the most Patchwork-like part of the world at present, is oddly reminiscent of that between the OECD and the Warsaw Pact: the latter borrow from the former to buy cheap consumer goods, supplied by the former, for the latter's serfs.)

Children growing up in the Patchwork era will learn a new name and a new history of the democratic past. They will date the period to the Dutch invasion

of England (1688), which ended the span of legitimate continuity in English government that began with William the Conqueror, replacing it with eternal, degenerate Whiggery and the quisling, "constitutional" or ceremonial Hanover princes. And they will surely call it something cool, like the *Anglo-American Interregnum*. Insulting it with the name of "democracy" will be coarse and over-the-top.

Said Interregnum, which we are of course still in, has been a period of global monotonic decline in official authority. As in the late Roman period, declining official authority, declining personal morality, and increasing public bureaucracy are observed in synchrony. This is not in any way a coincidence. The combination is an infallible symptom of the great terminal disease of the polity—leftism. Leftism is cancer. At least in its present adult, sclerotic and non-fulminating form, it is extremely slow in its progress, but the end is not in doubt.

On theoretical grounds alone—the feat has never really been achieved, at least never for good—the only cure for leftism is complete and permanent excision. Success implies complete absence of the organism from the body politic. This does not mean there are no leftists in the country; in a well-governed country which is at peace, people can think or say whatever they damned well please. It just means that, if there are for some reason leftists, their views are completely without influence on government policy. So people laugh at them, and call them names.

(Isn't this a lovely vision? A Lennonesque feat of delirious, constructive imagination? A world without leftism? Imagine! It's hard to imagine only if you have trouble imagining a Nazi John Lennon—a feat which taxes my imagination not at all. But maybe I've been reading too much Hitler. It really is a tough call to say who was more coherent, Lennon or Hitler.)

Acceptance of this goal, which I will not attempt to justify yet, but which I think Patchwork can achieve, is the difference between a conservative, i.e., a fellow who thinks he can beat melanoma with an emery board, and a full-bore reactionary such as myself. If you happen to be wrong, you have leaped the rail of sanity. So it is incumbent on us to argue carefully.

But I'm sorry. I am being intentionally abrasive again. As an extremist, I prefer this harsh, confrontational rhetoric to any kind of honeyed cozening.

The basic goal of UR, I don't mind admitting, is to convince people who are now progressives to abandon their delusions. Since progressives equate those who accept the reactionary narrative of recent history with acolytes of the Great Goat-Lord Abaddon, one must tread carefully. And if you must come as an Abaddonite, the only way to set your quarry at ease is to constantly confess your vileness. That way the progressive might even just clasp you to his heart—along with all the satanic murderers he is so keen to embrace.

(Consider, for instance, the case of Jose Luis Dorantes. Masters! Mighty masters! Lord Barack, Lady Michelle, and their new puppy too! *Father who art in heaven*, your Lordships! How have we offended you? When did we sin? What penance must we say? Which word of yours did we cross—to have a Jose Luis Dorantes inflicted on us? And how in grievous error may we repent? Another diversity-training session, perhaps, or three?)

Anyway. Obviously I am just trying to get you wound up, dear reader. I'm sorry. I know. It is crass. So let's have a look at Patchwork.

The basic idea of Patchwork is that, as the crappy governments we inherited from history are smashed, they should be replaced by a global spiderweb of tens, even hundreds, of thousands of sovereign and independent mini-countries, each governed by its own joint-stock corporation without regard to the residents' opinions. If residents don't like their government, they can and should move. The design is all "exit," no "voice."

(I'm not aware of any specific writer that has proposed *exactly* this, but it is certainly not an original or interesting idea in and of itself. I've certainly read about six zillion science-fiction books in which this is the general state of the future. The devil, however, is in the details. We will go into the details.)

The essential inspiration for Patchwork is the observation that the periods in which human civilization has flowered are the periods in which it has been most politically divided. Ancient Greece, medieval Italy, Europe until 1914, China in the Spring and Autumn Period, and so on. Burckhardt once observed that Europe was safe so long as she was not unified, and now that she is we can see exactly what he meant.

Small is good. Local is good. Different is good. We know these things. These are not controversial assertions—even in the hippest streets of Williamsburg. Heck, President Obama is probably a Slow Food man himself. (Once my

daughter, aged four months, was in a bakery in the Castro and met Alice Waters. Alice Waters smiled and told her she was very cute. Which she is—she might as well be on the Gerber bottle. And Alice Waters might as well be a duchess. Heck, Alice Waters probably *laughs* at duchesses.)

So how, exactly, did all these Obamaniacs, these whiterpeople, these Burning Man regulars, these young, hip progressives, convince themselves that when it comes to government, bigger is better? That in fact we need a world government, toot sweet? That international public opinion is all that really matters in the world, that America should lead the world, feed the world, and be governed by the world?

But somehow they did. The issues that matter to them—the composition-of-the-atmosphere question, and the like—always tend to be transnational. As big as possible. As Peter Gabriel put it, they think big thoughts. (We reactionaries, when we act locally, would rather think locally as well. Always best to think about what you're actually doing.)

This paradox is just one more stimulus for a complete replacement of the State. We have had enough. We are done with the present system of government. We want a reboot. And, anarchy being both impossible and unreactionary, we can't even talk about a reboot until we've specified what operating system to boot next.

So we can think of Patchwork as a new operating system for the world. Of course, it does not have to be installed across the entire world, although it is certainly designed to scale. But, it is easier and much more prudent to start small. Innovations in sovereignty are dangerous.

A *patchwork*—please feel free to drop the capital—is any network consisting of a large number of small but independent states. To be precise, each state's real estate is its *patch*; the sovereign corporate owner, i.e., government, of the patch is its *realm*. At least initially, each realm holds one and only one patch. In practice this may change with time, but the realm—patch structure is at least designed to be stable.

Of course, Italy in the fourteenth century was anything but stable. Anything like a patchwork needs a strong security design to ensure that it does not repeat the constitutional solecisms of feudalism, and nor will it be subject to the same pervasive violence or meet the same demise. In a worst-case scenario, we could

end up right back at liberal democracy! But don't worry—we will discuss this issue in considerable detail.

To be a reactionary is not to say we must reinstall the exact political structure of the fourteenth century tomorrow, although that would surely be an improvement on what we have now. To be a reactionary is to borrow freely across time as well as space, incorporating political designs and experience from wherever and whenever. As Nick Szabo has observed, the most interesting, detailed and elegant European forms are found in the period we call *feudal*, and thus it is only natural that a reactionary design for future government will have a somewhat feudal feel.

But Patchwork is something *new*. It will not feel like the past. It will feel like the future. The past—that is, the democratic past—will feel increasingly gray, weird, and scary. (This is how it would feel to you already, if you didn't have a bag of demotic morphine dripping into each carotid. Don't worry—we will try to get you out of the Matrix before we turn off the anesthetic.)

In the future, the fact that once, you would probably be attacked if you went into Central Park at night, will seem preposterous. The idea that millions of random people who were not even authorized to be in the country were wandering around, driving gigantic SUVs at triple-digit speeds after ten or fifteen drinks, and murdering random musicians on motorcycles, will seem as weird as the idea that a pride of wild lions would march into Carnegie Hall mid-symphony, close off all exits, and systematically slaughter the audience. Graffiti will be a matter for the museums, as will gangs, of course. The streets will have no cars or very few, they will be safe, at night they will be bright and full of lively, happy people. Wine will be cheap, restaurants will be unregulated, and fine Eskimo marijuana will be sold at Dean & DeLuca. Etc., etc., etc.

These kinds of descriptions apply to the kind of patch *I* would like to live in. They may or may not seem intriguing or attractive to anyone *else*. *You* may prefer to live in a gritty, urban patch which is corrupt, dirty, dangerous, and generally difficult to live in. If there are enough people like you, there will be a market for this lifestyle. If not—not. I suspect, however, that you are outnumbered. And I imagine the new management of Manhattan would take the distance from Dinkins to Giuliani and multiply it by ten or twenty. There would surely be no such thing as a "bad neighborhood," at least in the sense of

an unsafe one. Oh, no. Absolutely impossible.

Why hasn't this happened already? Why isn't Manhattan in 2008 half Disneyland, half Paris, half imperial Sodom? Don't you think one or two people share these tastes? But the problem is that Manhattan is not governed in the interests of Manhattan. Capital, in short, is being squandered. In the Patchwork this is most unlikely to happen.

The historical and political reasons why democratic governments are such a mess are complex. I won't go into them today. But perhaps, for a little intuitive perspective, let's introduce ourselves to Herbert Croly's *Promise of American Life*.

Croly was one of the founders of 20th-century progressivism, and of *The New Republic* in specific—a magazine never out of favor in the corridors of Washington. Observe the extent to which Croly's optimistic, energetic vision of positive change has decayed into the superficially happy, but contentless and enervating, hippie-Starbucks-Unitarian mien of his 21st-century successors at the same office. I have linked directly to Croly's conclusion, which is all you really need to read anyway. Here is a typical breathless passage:

Do we lack culture? We will "make it hum" by founding a new university in Chicago. Is American art neglected and impoverished? We will enrich it by organizing art departments in our colleges, and popularize it by lectures with lantern slides and associations for the study of its history. Is New York City ugly? Perhaps, but if we could only get the authorities to appropriate a few hundred millions for its beautification, we could make it look like a combination of Athens, Florence, and Paris. Is it desirable for the American citizen to be something of a hero? I will encourage heroes by establishing a fund whereby they shall be rewarded in cash. War is hell, is it? I will work for the abolition of hell by calling a convention and passing a resolution denouncing its iniquities. I will build at the Hague a Palace of Peace which shall be a standing rebuke to the War Lords of Europe. Here, in America, some of us have more money than we need and more good will. We will spend the money in order to establish the reign of the good, the beautiful, and the true.

"Athens, Florence, and Paris!" Imagine a progressive today saying he wanted to turn anything, let alone New York of all God's Augean stables, into "Athens, Florence, and Paris." Imagine telling Herbert Croly that in 2008, progressivism had triumphed beyond his wildest dreams, that the stick-in-the-mud isolation-ists of the Midwest were forever defeated and heard of no more, that Tammany was a schoolbook memory, that all agencies of government now operate under the close supervision of the universities and the press.

And then imagine trying to explain that despite all this, NYC looks more like a combination of Paris, East Berlin and Port au Prince. And is in many places extremely dangerous at night. What on earth would the good man tell you? What would he even begin to say? I don't know, but I'd sure as heck like to find out. "The good, the beautiful, and the true."

The patch in Patchwork that is Manhattan, however, would be the good, the beautiful, and the true. The Athens, the Florence, and the Paris. Because Athens, Florence, and Paris sell. Even imperial Sodom sells. East Berlin doesn't sell, and Port au Prince *really* doesn't sell.

The foreign, forgotten lesson we are extracting from Croly is not that progressivism is the cure for all ills, but that progressivism, the eternal poisonous chameleon, in its 1911 incarnation espoused the civic values of 1911. All the better to convince its innocent hosts that it was anything but a lethal parasite. But we are very good at reading progressive discourse, and when we read Croly we see the values of 1911, not the malignant expansion of the State that Croly was trying to justify in the names of those values.

Our lesson is just that the civic values of 1911 are the naive, obvious values of good government. (At the very least, they are far less warped than their post-1945 replacements.) Thus they are at least a fair proxy for the values of competitive government. "Athens, Florence, and Paris" sounds pretty good to me, although there has to be some kind of room for industrial death metal and heavy-duty psychedelics. But this does not mean you need to worry about being raped and killed by some barbarian thug on your way home from the club.

Anyway. Enough anecdotes and generalities. Let's take a harder engineering look at the anatomy of Patchwork. The basic engineering problem is: while

one can fantasize *ad libitum* about the way in which this system *should* be governed, how will it *actually* be governed?

This entire problem can be described as one of *security*. We postulate some structure of authority for the Patchwork. It sounds good. If the above propaganda is not appealing to you, all I can say is that we have very different tastes and perspectives. But is the result stable? If we set it up in some state, will it remain in that state? Stability and security are the same thing: if the structure of authority changes in any authorized way, it is not really changing at all.

The designers of the Constitution of 1789 were political engineers, too. They were neither stupid, nor ignorant, nor inexperienced. But the government they designed diverged immediately and irreversibly from the envelope in which they intended it to operate. Surely the risk of divergence is even greater for a multipolar framework—not an architecture with a good historical record of stability.

Anything like a patchwork can merge into a single centralized state. It can degenerate into an asymmetric form in which one state dominates the others. It can split into two factions which fight a civil war for the world. Individual states can turn evil and try to turn others evil. Etc. History tells us that all kinds of awful stuff can happen, and probably will.

Because of these dangers, Patchwork's philosophy of security is simple and draconian. It is built around the following axioms, which strike me as too self-evident to debate.

*First*, security is a monotonic desideratum. There is no such thing as "too secure." An encryption algorithm cannot be too strong, a fence cannot be too high, a bullet cannot be too lethal.

Second, security and liberty do not conflict. Security always wins. As Robert Peel put it, the absence of crime and disorder is the test of public safety, and in anything like the modern state the risk of private infringement on private liberties far exceeds the risk of public infringement. No cop ever stole my bicycle. And this will be far more true in the Patchwork, in which realms actually compete for business on the basis of customer service.

*Third*, security and complexity are opposites. A secure authority structure is as simple as possible, so that it is as difficult as possible to pervert it to unanticipated ends.

Bearing these principles in mind, let's separate our security overview into two parts: the internal management of realms, and the relationships between realms.

A Patchwork realm is a business—a corporation. Its capital is the patch it is sovereign over. The realm profits by making its real estate as valuable as possible—whether it is Manhattan or some ranch in Oklahoma. Even the oceans can and should be divided into patches; a naval realm is sovereign over, and profits by taxing, all economic activities within a patch of ocean.

But how should realms be administered? The answer is simple: a realm is a corporation. A sovereign corporation, granted, but a corporation nonetheless. In the 21st century, the art of corporate design is not a mystery. The corporation is owned and controlled by its anonymous shareholders (if you've ever wondered what the letters SA stand for in the name of a French or Spanish company, they mean "anonymous society"), whose interests in maximizing corporate performance are perfectly aligned. The shareholders select a chief executive, to whom all employees report, and whose decisions are final. In no cases do they make management decisions directly.

It is at least probable that this joint-stock design maximizes corporate efficiency. If there existed a more effective structure—if firms were more productive when managed not by a committee but by an executive, or by the collective decisions of their customers or employees, by separate legislative and judiciary branches, etc., etc.—we would know. Someone would have found a way to construct a firm on this design, and it would have outcompeted the rest of the stodgy old world. (In fact, I think one of the most plausible explanations of why the Industrial Revolution happened in England, not in Sung China or the Roman Empire, was that the latter two never evolved anything quite like the joint-stock company.)

Our great difficulty, though, is that history records nothing quite like a sovereign joint-stock company. Perhaps the closest examples were the chartered companies of the classical era. But even a colonial chartered company was chartered by a sovereign, though it operated outside that sovereign's realm.

Rather, I think the best way to think of a realm or sovereign corporation

<sup>&</sup>lt;sup>1</sup> Société Anonyme and Sociedad Anónima, respectively.

is as a modified version of monarchy. A royal family is to an ordinary family business as a Patchwork realm is to an ordinary, nonsovereign, public corporation. Joint-stock realms thus solve the primary historical problem of monarchical government: the vagaries of the biological process. In other words, they assure that the overall direction of the realm will always be both strong and responsible—at least, responsible in a financial sense.

A joint-stock realm simply cannot have anything comparable to a weak monarch of the classical era. Realms will certainly recruit their executives from the same talent pool large companies now draw from. How many Fortune 500 CEOs today are regularly bullied and led by coalitions of their nominal subordinates, as (for just one example) the French monarchy so often was? Zero is probably too easy an answer, but at least an approximation.

Note, however, that we are not considering anything like the watered-down "constitutional" (i.e., again, ceremonial) monarchies of the democratic period. If the joint-stock realm is like a monarchy, it is like a true, "absolute" or (most pejoratively) "divine-right monarchy."

With all due respect, dear reader, the probability that you have a sound understanding of the case for divine-right monarchy is approximately the probability that a large white goat will fall out of my ass. This means you need to read the great English exponent of absolute government, Sir Robert Filmer, and his masterpiece *Patriarcha*.

Filmer was the baddest-ass reactionary who ever lived. Frankly, he makes Carlyle look like a liberal. Just the title of *Patriarcha* is cooler than Jesus Christ himself, and the contents don't even begin to disappoint: we launch almost immediately into hardcore Anglican theology. If Filmer isn't winter beach reading, I don't know who is.

I mean, seriously, how do you justify divine-right monarchy to an atheist? Is it anything like selling refrigerators to Eskimos? Since I am both an atheist and a believer in divine-right monarchy, I'd better be able to square this circle.

One of the major doctrinal thrusts of European Christianity, in all ages and phases of its career, and certainly even in the thinly-disguised, crypto-Christian Unitarianism that has become the religion of the world's ruling class (e.g., if ever you meet a "moderate Muslim," he is really a Unitarian), is the quest to justify the political structure of the world.

What makes a king a king? Why should the king be the king? Why can't I be the king, or at least my cousin Ricky? Do we even need a king? And so on. People have strong emotional feelings about these questions to this day—at least, they have a strong emotional feeling about the last one. Not answering them is certainly not acceptable.

But Filmer, and the divine-right monarchist in general, comes as close as possible to not answering. Moreover, his reasoning is impeccable for the orthodox:

If it please God, for the correction of the prince or punishment of the people, to suffer princes to be removed and others to be placed in their rooms, either by the factions of the nobility or rebellion of the people, in all such cases the judgment of God, who hath power to give and to take away kingdoms, is most just; yet the ministry of men who execute God's judgments without commission is sinful and damnable. God doth but use and turn men's unrighteous acts to the performance of His righteous decrees.

Note that this is basically a 17th-century way of saying: "Shit happens." God being omnipotent, etc., if Dickweed over there is King, it is obviously because God wanted Dickweed to be King. And who are you to disagree with God?

But an atheist, such as myself, has a simpler way of getting to the same result. Really, what Filmer is saying, is: if you want stable government, accept the status quo as the verdict of history. There is no reason at all to inquire as to why the Bourbons are the Kings of France. The rule is arbitrary. Nonetheless, it is to the benefit of all that this arbitrary rule exists, because obedience to the rightful king is a Schelling point of nonviolent agreement. And better yet, there is no way for a political force to steer the outcome of succession—at least, nothing comparable to the role of the educational authorities in a democracy.

In other words, to put it in Patchwork terms, the relationship between realm and patch is no more, and no less, than a property right. A patch is a sovereign property, that is, one whose proprietor has no defender but itself. Nonetheless, in moral terms, we may ask: why does this realm hold that patch? And the answer, as it always is with in any system of strong property rights, will be not

"because it deserves to," but "because it does." Note that whatever the theology, Filmer's model of government captures the property-right approach perfectly.

(Also, one must admire Filmer's wicked gall in starting out by describing the "right of rebellion" as a *Catholic* heresy. Catholicism being admitted, at least by all fair historians, to be the creed of your average divine-right monarchist, as Protestantism is of vile democracy. So Filmer's move here is wildly misleading, but pure fun—not unlike comparing liberals to Mussolini. Nothing to do with anything, but it sure gets a rise out of 'em, and moves SKUs like no one's business.)

The invention of this spurious right was perhaps the first tiny crack in the philosophical girders of the classical European monarchies. Filmer deftly points out that this is an engineering error, the ancient political solecism of *imperium in imperio*—which is now, in a typical democratic propaganda maneuver, lauded as that bogus political panacea, "separation of powers":

Thirdly, [Bellarmine] concludes that, if there be a lawful cause, the multitude may change the kingdom. Here I would fain know who shall judge of this lawful cause? If the multitude—for I see nobody else can—then this is a pestilent and dangerous conclusion.

Filmer, writing for an educated audience, does not bother to remind them of the basic premise of Roman law: *nemo iudex in causa sua*. Meaning: "no man can be a judge in his own case." And no multitude, either. Pestilent indeed!

These political three-card monte tricks, in which sovereign authority is in some way divided, "limited" (obviously, no sovereign can limit itself), or otherwise weakened, in all cases for the purported purpose of securing liberty, have no more place in a Patchwork realm than they do at, say, Apple. They are spurious artifacts of the Interregnum. Their effect on both a realm and its residents is purely counterproductive. Begone with them.

In reality, no sovereign can be subject to law. This is a political perpetual motion machine. Law is not law unless it is judged and enforced. And by whom? For example, if you think a supreme court with judicial review can make government subject to law, you are obviously unfamiliar with the sordid history of American constitutional jurisprudence. All your design has achieved is to make your supreme court sovereign. Indeed if the court had only one

justice, a proper title for that justice would be "King." Sorry, kid, you haven't violated the conservation of anything.

Indeed, as Filmer points out, the unity of chief executive, chief lawmaker, and chief justice is simple, natural and elegant:

There can be no laws without a supreme power to command or make them. In all aristocracies the nobles are above the laws, and in all democracies the people. By the like reason, in a monarchy the king must of necessity be above the laws; there can be no sovereign majesty in him that is under them; that which giveth the very being to a king is the power to give laws; without this power he is but an equivocal king. It skills not which way kings come by their power, whether by election, donation, succession, or by any other means; for it is still the manner of the government by supreme power that makes them properly kings, and not the means of obtaining their crowns. Neither doth the diversity of laws nor contrary customs, whereby each kingdom differs from another, make the forms of commonweal different unless the power of making laws be in several subjects.

For the confirmation of this point, Aristotle saith that a perfect kingdom is that wherein the king rules all things according to his own will, for he that is called a king according to the law makes no kind of kingdom at all. This, it seems, also the Romans well understood to be most necessary in a monarchy; for though they were a people most greedy of liberty, yet the senate did free Augustus from all necessity of laws, that he might be free of his own authority and of absolute power over himself and over the laws, to do what he pleased and leave undone what he listed; and this decree was made while Augustus was yet absent. Accordingly we find that Ulpian, the great lawyer, delivers it for a rule of the civil law: *Princeps legibus solutus est* ("The prince is not bound by the laws").

[...]

Besides, all laws are of themselves dumb, and some or other must

be trusted with the application of them to particulars, by examining all circumstances, to pronounce when they are broken, or by whom. This work of right application of laws is not a thing easy or obvious for ordinary capacities, but requires profound abilities of nature for the beating out of the truth—witness the diversity and sometimes the contrariety of opinions of the learned judges in some difficult points. Since this is the common condition of laws, it is also most reasonable that the lawmaker should be trusted with the application or interpretation of the laws, and for this cause anciently the kings of this land have sitten personally in courts of judicature, and are still representatively present in all courts; the judges are but substituted, and called the king's justices, and their power ceaseth when the king is in place.

So much, in other words, for Montesquieu. (And note how the democratic doctrine, now assumed by all, simply twists Ulpian's axiom into its polar opposite. Hey, hippie! Who knows more about law? You, or Ulpian? I'm reminded of Einstein's gem, found on so many a Prius: "One cannot simultaneously prevent and prepare for war." Or as the Romans put it: *Si vis pacem, para bellum*. And we wonder how the world got so screwed. Stick to physics, Al.)

A Patchwork realm, or any modern corporate sovereign, is no more bound by the laws it imposes on its residents than Linden Lab is bound by the terms-of-use policy it enforces in Second Life. (In fact, it is probably less so bound, because a terms-of-use policy creates at least the vague suggestion of liability. Whereas suing a sovereign is yet another of these political solecisms.)

This is not at all to say that a Patchwork realm does not enforce the rule of law. (Except, of course, under conditions of martial law that involve a general security threat. A state of siege is an option anywhere, any time, for any reason.) To enforce a law is not to be bound by a law. These are two completely different things. I don't feel I can repeat this too often.

Patchwork realms can be expected to enforce a fair and consistent code of laws not for moral or theological reasons, not because they are compelled to do so by a superior sovereign or some other force real or imaginary, but for the same economic reasons that compel them to provide excellent customer service

in general. Real estate on which the rule of law prevails is much, much more valuable than real estate on which it doesn't, and the value of a realm is the value of its real estate.

(I suspect that in a well-run realm this is almost literally the case, because I suspect that a well-run realm makes its take via the world's fairest, least-intrusive tax: property tax. In fact, while I don't know that this has ever been tried, it is easy to design a perfectly fair and perfectly non-intrusive property tax regime. Require real estate owners to assess their own property, offering it for sale at the assessed price, and set the tax at a percentage of that price. No muss, no fuss, no IRS. Since no one can live or work without real estate, it should be straightforward to tune this self-assessed property tax (SAPT) to extract the Laffer maximum.)

To live on a Patchwork patch, you have to sign a bilateral contract with the realm. You promise to be a good boy and behave yourself. The realm promises to treat you fairly. There is an inherent asymmetry in this agreement, because you have no enforcement mechanism against the realm (just as you have no enforcement mechanism against the United States). However, a realm's compliance with its customer-service agreements is sure to be a matter of rather intense attention among residents and prospective residents. And thus among shareholders as well.

For example, I suspect that every customer-service agreement will include the right to remove oneself and one's assets from the realm, at any time, no questions asked, to any other realm that will accept the emigrant. Possibly with an exception for those involved in the criminal-justice process—but this may not even be needed. Who wants a criminal? Not another realm, surely.

Suppose a realm unilaterally abrogates this right of emigration? It has just converted its residents into what are, in a sense, slaves. It is no longer Disneyland. It is a plantation. If it's any good with cinderblocks, barbed-wire and minefields, there is no escape. What do you say if you're stuck on this farm? You say: "Yes, Massa." A slave you are and a slave you will be forever.

This is terrible, of course. But again, the mechanism we rely on to prevent it is no implausible *deus ex machina*, no Indian rope-trick from the age of Voltaire, but the sound engineering principle of the profit motive. A realm that pulls this kind of crap cannot be trusted by anyone ever again. It is not even safe to visit.

Tourism disappears. The potential real-estate bid from immigrants disappears. And, while your residents are indeed stuck, they are also remarkably sullen and display no great interest in slaving for you. Which is a more valuable patch of real estate, today: South Korea, or North Korea? Yet before the war, the North was more industrialized and the South was more rural. Such are the profits of converting an entire country into a giant Gulag.

One of the most common errors in understanding the premodern era is the confusion of monarchy with tyranny. Nothing like Stalinism, for example, is recorded in the history of the European aristocratic era. Why? Because Stalin had to murder to stay in power. Anyone, certainly any of the Old Bolsheviks, could have taken his place. The killing machine took on a life of its own. The tyrant, the mafia boss, stands at the apex of a pyramid of power, each block in which is a person who hopes to someday kill the boss and take his job. In a tyranny, murder and madness become part of the fabric of the State. In a monarchy, however, the succession is clear, and if by some accident of law and fate there are multiple candidates, they are at least each others' relatives. This rules out neither murder nor madness, but they are the exception and not the rule.

Obviously, a joint-stock realm faces completely different problems in maintaining internal security. Internal security can be defined as the protection of the shareholders' property against all internal threats—including both residents and employees, up to and certainly including the chief executive. If the shareholders cannot dismiss the CEO of the realm by voting according to proper corporate procedures, a total security failure has occurred.

The standard Patchwork remedy for this problem is the *cryptographic chain of command*. Ultimately, power over the realm truly rests with the shareholders, because they use a secret sharing or similar cryptographic algorithm to maintain control over its root keys. Authority is then delegated to the board (if any), the CEO and other officers, and thence down into the military or other security forces. At the leaves of the tree are computerized weapons, which will not fire without cryptographic authorization.

Thus, any fragment of the security force which remains loyal to the share-holders can use its operational weapons to defeat any coalition of disloyal, and hence disarmed, employees and/or residents. Ouch! Taste the pain, traitors.

(Needless to say, the dependence of this design on 21st-century technology is ample explanation of why history has not bequeathed us anything like the joint-stock realm. It was simply not implementable—any more than our ancestors could build a suspension bridge out of limestone blocks.)

With this basic background in Filmerist government, and with the (as yet unjustified) assumption that a patch is safe against external aggression, let's start to look at what a 21st-century corporate sovereign might actually want to do.

For simplicity and for my own personal amusement, let's call the realm Friscorp, and say its patch is the present city of San Francisco—pop., about 750,000.<sup>2</sup>

Obviously, Friscorp would like to turn SF into the coolest, most hoppin', and definitely most expensive city on the planet. Call it a combination of Paris, Monaco, and Babylon. Destroying ugly postwar buildings, for example, and reconstructing them in appropriate historical styles, will definitely be high on Friscorp's agenda.

The first and touchiest problem, though, is just deciding who gets to live in San Francisco. Friscorp's answer is simple: anyone who isn't dangerous to others, and can afford to live in San Francisco. It is probably also nice if they speak English, but considering the exigencies of the second constraint, they almost certainly will. Friscorp may also import menial laborers, as Dubai does today, but they are not to be confused with the actual residents.

Here we face a slight predicament. There are quite a few people presently in San Francisco who do not meet the second constraint, are pretty iffy on the first as well, and have no labor skills to speak of. What do we do with them? Sell their slums out from under them, obviously; demo everything, spray for roaches, rodents and pit bulls, smooth the rubble out with a bulldozer or two, and possibly a little aerial bombing; erect new residential districts suitable for Russian oligarchs. Next question?

<sup>&</sup>lt;sup>2</sup>As noted in *Moldbug on Carlyle*, at the time of writing Mencius was a resident of said city:

San Francisco is not well-governed by any reasonable standard, but I live there and I can tell you that it's a pretty nice place to live.

But where do they go? Since their customer-service contract gives them the right of exit, these people—call them bezonians—can of course emigrate to any other realm in the Patchwork. This presumes, however, that said realm is willing to accept them. And why would it be? If our design does not provide for the existence of a large number of human beings whose existence anywhere is not only unprofitable, but in fact a straight-up loss, to that realm, it is simply inconsistent with reality.

The design faces an existential challenge. In Chapter 2, we'll present the shocking but ineluctable solution, and figure out the second half of our security problem: the relationships between realms.

### Chapter 2

# Profit Strategies for Our New Corporate Overlords

I fear Chapter 1, after promising an absence of *grim*, dumped a can of it down your shirt. I apologize for this, dear readers, and also for the awful, incendiary closing cliffhanger. (But fear not. We will answer the question.) UR has never been an easy ride, but I really don't mean to abuse the customer in this way. If nothing else, it repels the good and attracts the bad.

But unfortunately for those who are bored with these warm, gaseous exhalations, I've come to the conclusion that it is simply not possible to get into the meat of a UR post without a fresh introduction to the anti-democratic, and frankly authoritarian, philosophy of government for which we are so notorious. (You do know that just *reading* this blog makes you a bad person, don't you?) Unless you are a hardened longtime reader, UR is just off your political map, and anyone can click on a blog for the first time. Besides, one can never be too deprogrammed.

Most people, when they take a whack at designing a government (an engineering task at which all God's chilluns just naturally excel), tend to ask themselves: what *should* the government do? Of course this is the wrong question. The right question is: what *will* the government do?

(A great example of asking the right question, but still getting the wrong answer, is Federalist No. 10 by James Madison. It is almost funny to read Madi-

son's bogus remedies for the well-known ills of democracy, such as national size being an infallible nostrum against political parties—not unlike perusing some medieval pharmacopoeia which prescribes dried wolf dick for breast cancer.)

For example, most democratic citizens are firm believers in the concept of *limited government*. In the all-curing magic black bag of democracy, limited government is the first-line ointment. Apparently a government can prevent itself and its successors indefinite from doing bad things, just by writing a note to itself that says "don't do bad things."

Swallowing the red pill, departing the Matrix and donning our alien-detecting Ray-Bans, we realize at once that no government can limit itself. Limited government is a perpetual-motion machine: a product axiomatically fraudulent by definition. In any human organization, final authority rests with some person or persons, not with any rule, process or procedure.

This is not to say that there is no distinction between Washington and Pyongyang. What we call the "rule of law" is a good thing. But if you have an efficient engine, there is no point in marketing it as an infinitely efficient engine. The noble ideal of "limited government" or "rule of law" is a piece of political camouflage, behind which lurks a useful and effective, but certainly imperfect and not even slightly divine, corporate design: that of *judicial supremacy*. In a sentence: juridical supremacy is judicial supremacy.

Judicial supremacy is a management design in which ultimate sovereign authority rests with committees of arbitrators who are experts in proper government procedure. The design certainly has its merits. If implemented well, for example, it can reduce personal graft among employees to negligible levels. Hardly a high standard, but I am happy to be governed by a regime which has achieved it. But ultimately, judicial supremacy can become arbitrarily evil—all it takes is arbitrarily evil judges.

Is judicial supremacy, for example, superior to military supremacy? This is like asking if a rowboat is better than a sailboat. For some purposes it is, for some it isn't. In peacetime you would probably rather have the former. If you want to win a war you probably want the latter.

Neither, however, can be said to be in any sense predictable by design. A judicial kritocracy or a military dictatorship may deliver good government, or

bad government. Either can be nice or nasty. In the end, the words "judge" and "general" are just words. It is not at all difficult to imagine a process of political evolution by which they swap meanings.

(Herr Teufelsdröckh's philosophy of Clothes has never said more. Can a General command, in a Black Robe? or Justice be laid down, in Camo?—most assuredly; and the Devil too, in either! But more of *him* in short. Under the Clothes is a *Man*—who is he? How got he here? What does he at his Desk? None of these having much to do with your Design.)

Is it possible to design a structure of government which will be stable and predictable? Hopefully, of course, stably and predictably benign? History affords no evidence of it. But history affords no evidence of semiconductors, either. There is always room for something new.

The key is that word *should*. When you say your government "*should* do X," or "*should not* do Y," you are speaking in the hieratic language of democracy. You are postulating some ethereal and benign higher sovereign, which can enforce promises made by the mere government to whose whims you would otherwise be subject. In reality, while your government can certainly *promise* to do X or not to do Y, there is no power that can hold it to this promise. Or if there is, it is that power which is your real government. Your whining should be addressed to it.

The *neocameralist*<sup>1</sup> structure of Patchwork realms, which are sovereign joint-stock companies, creates a different kind of *should*. This is the profitable *should*. We can say that a realm *should* do X rather than Y, because X is more profitable than Y. Since sovereign means sovereign, nothing can *compel* the realm to do X and not Y. But, with an anonymous capital structure, we can expect administrators to be generally responsible and not make obvious stupid mistakes.

Another way to say this is that a realm is *financially responsible*. The general observation here is that, to paraphrase Tolstoy, financially responsible organizations are all alike. By definition, they do not waste money. By definition, their irresponsible counterparts do, and by definition there are an infinite number of ways to waste money. Think of a rope: a financially responsible

<sup>&</sup>lt;sup>1</sup>Neocameralism, a Moldbuggian neologism for the State as profitable corporation, is a reference to the cameralism of Frederick the Great. Neocameralism is discussed further in Chapter 3.

organization is a tight rope. It only has one shape. But if there is slack in the rope, it can flap around in all kinds of crazy ways.

It is immediately clear that the neocameralist *should*, the tight rope, is far inferior to the ethereal *should*, the magic leash of God. (Typically these days arriving in the form of *vox populi*, *vox Dei*. Or, as a cynic might put it: *vox populi*, *vox praeceptoris*.)

Given the choice between financial responsibility and moral responsibility, I will take the latter every time. If it were possible to write a set of rules on paper and require one's children and one's children's children to comply with this bible, all sorts of eternal principles for good government and healthy living could be set out.

But we cannot construct a political structure that will enforce moral responsibility. We can construct a political structure that will enforce financial responsibility. Thus neocameralism. We might say that financial responsibility is the raw material of moral responsibility. The two are not by any means identical, but they are surprisingly similar, and the gap seems bridgeable.

When we use the profitable *should*, therefore, we are in the corporate strategy department. We ask: how should a Patchwork realm, or any financially responsible government, be designed to maximize the return on its capital?

For our overall realm design, let's simplify the Anglo-American corporate model slightly. We'll have direct shareholder sovereignty, with no board of directors. The board layer strikes me as a bit of an anachronism, and it is certainly one place stuff can go wrong. Deleted. And I also dislike the term *CEO*, which seems a bit vainglorious for a sovereign organization. A softer word with a pleasant Quaker feel is *delegate*, although we will compromise on a capital. And we can call the logical holder of each share its *proprietor*.

Therefore: a Patchwork realm is governed by a Delegate, who is the proxy of the proprietors, and can be replaced by a majority of them at any time and for any reason. The Delegate exercises undivided sovereign authority, as in divine-right monarchy. I.e., in English: total power. (The Delegate is always Jewish.)

This fragile-looking design can succeed at the sovereign layer because, and only because, modern encryption technology makes it feasible. The proprietors use a secret-sharing scheme to control a root key that must regularly reauthorize

the Delegate, and thus in turn the command hierarchy of the security forces, in a pyramid leading down to cryptographic locks on individual weapons.<sup>2</sup> If the Delegate turns on the proprietors, they may have to wait a day to authorize the replacement, and another day or two before the new Delegate can organize the forces needed to have her predecessor captured and shot. Fiduciary responsibility has its price.

That modern cryptography was not available to the Most Serene Republic of Venice does not mean they wouldn't have used it if they'd had it. Since we have it, we can use it. Since the algorithms date to the 1970s, it's not surprising that history has no record of cryptographic organizational structures at the sovereign level. Since the neocameralist design for a sovereign corporation depends on them, it's not surprising that history shows us nothing of the kind. While as a reactionary I believe that the legal and political structures of old Europe, so often defamed as "feudal," are a treasure trove of sovereign organization and if restored *in toto* tomorrow would prove on balance a vast human boon, it is a slight overstatement to assume that everything old is beautiful and sweet, and anything new must suck.

For simplicity, our realm will do its books in gold.<sup>3</sup> The spectacle of a sovereign corporation that maintains accounts in its own scrip is a fascinating one, at least from a financial perspective, and we cannot write it off quite so casually as yet another 20th-century monstrosity. It is not impossible that fiat currency can be made to turn a buck. It is unlikely that the proprietors will want their dividends in it, however.

And who are the proprietors? Anyone. They are anonymous shareholders. It may be desirable, though, for a realm to enjoin its residents from holding its shares. It is not normally necessary for a company to refrain from serving its shareholders as customers, but a sovereign realm is not a normal company. A resident shareholder has a conflict of interest, because he may have an opportunity to use the power of his share to promote policies that reward him directly

<sup>&</sup>lt;sup>2</sup>If, given the realities of firearms construction, this strains credulity, consider instead the possibility of cryptographically locked robot armies.

<sup>&</sup>lt;sup>3</sup>Or, more likely, in Bitcoin, but *Patchwork* was written before Bitcoin's January 2009 release. Incidentally, it's worth noting that the monetary theory underlying Bitcoin was first published in 2006 under the pseudonym "John Law" by Moldbug himself.

but are not in the interests of his non-resident fellows. The effect is small, but better to rule it out.<sup>4</sup>

We'll also assume—assumption to be justified below—that realms exist in a competitive market in which residents can easily take their business elsewhere if they don't like the service.

Given this setup, let's say you're the Delegate. Your patch is the city of San Francisco, and your realm is its new corporate overlord—Friscorp. Friscorp is yours. Not that you own it, of course, just that the owners have hired you to run it.

First, let's enumerate the basic principles of sovereign corporate management.

Principle one: the proprietors' sovereignty is absolute. Securing it against all enemies, foreign and domestic, is the primary fiduciary responsibility of the Delegate. Lose the patch and the realm is worthless, and so are the shares. Everything else, even profit, comes after security.

Principle two: a realm is a business, not a charity. Its goal is to maximize its discounted return on investment. If Delegate and proprietors alike somehow manage to forget this, in the long run their realm will deteriorate, develop redgiant syndrome, and become gigantic, corrupt and foul. It may even turn into a democracy.

Principle three: except in cases where it conflicts with the first or second principles, "Don't be evil" is always good business. Think of your realm as a hotel. As Mark Twain once put it: "All saints can do miracles, but few of them can keep hotel." And while many hotelkeepers can do miracles, few indeed are saints. But all are nice to the customers—at least, the 99.999% of customers who feel no need to start torching the drapery.

While our test case, San Francisco, is hardly representative of the average stitch of Earth's skin, it will probably be harder to manage than most—being both urban, and urbane. So how, as Delegate of Friscorp, would you run your town? Let's start by assuming a steady-state system, ducking as usual the prob-

<sup>&</sup>lt;sup>4</sup>For a contrary view, developed along the same lines as Patchwork but emphasizing the value of citizenshareholders and the resulting multi-generational continuity, see "Completing the Groundwork of a Feudal Hierarchy of Sovereign Corporations" and "Evolving a Feudal Stack of Sovereign Corporations." (Fortunately, the joint-stock design is flexible enough to admit both possibilities.)

lem of getting from here to there.

There are two basic tasks of a realm: managing the residents, and surviving in the big bad world. Let's take these one at a time.

Any hominid, hominoid, or other bipedal ape present on Friscorp's patch is a *resident*. The basic idea of a realm is that the proprietors profit by providing the residents with a pleasant place to live, be happy, and of course be productive. Basically, if you're not nice to the hominids, they'll leave, the proprietors won't have a business, and you won't have a job.

It is difficult for those of us who grew up under democracy to juxtapose this fact, which is an incentive rather than a constraint, with the fact that as Delegate of Friscorp, you exercise undivided sovereignty over San Francisco. You have no constraint. Your residents are as ants in your kitchen. No combination of them can possibly oppose you. Not even if they all come together in one big angry mob, screaming, jumping up and down, waving their little signs and throwing rocks and gravel. All will be massacred by your invincible robot armies. *Pour la canaille: Faut la mitraille!*<sup>5</sup>

And even without any such cause for complaint, if it would be profitable to just spray the whole city down, exterminating the current crop of worthless bipeds and replacing them with a more upscale crowd, you will. And if you don't, your proprietors will fire you and hire a new Delegate with a clue. Terrifying! At least from the San Franciscans' perspective.

But we can nip this grimness right here: it won't be profitable. Why exterminate, when you can enslave? (It won't be profitable to enslave, either. But see further.) Once again, Patchwork residents do not rely on imaginary constraints to feel secure in the icy, lethal jaws of a sovereign state which could slaughter them all. They rely on real incentives. While the incentives may not be 100% reliable, they at least exist.

A realm signs a formal contract, or *covenant*, with all responsible residents. The deal is this: the resident agrees not to misbehave, and the realm agrees not to mistreat him. Definitions of each are set down in great detail. In case of conflict, the realm appoints an arbitrator to hear the case. All cases can be appealed up to the Delegate, who has the power not only to interpret the

<sup>&</sup>lt;sup>5</sup>"For the mob: Use grapeshot." The quote is usually attributed to Arthur Wellesley, 1st Duke of Wellington, though Carlyle attributes it to Victor-François, 2nd duc de Broglie.

covenant but also—being sovereign—to suspend it.

This process is called "law." It is not a novelty. A realm may adopt and/or modify any of the old Continental, British or American systems of law. If a common-law system is adopted, precedent should be rolled back to 1900 at the latest, and probably more like 1800. The democratic era has corrupted everything, law being no exception.

The covenant has two sides, but the sides are not equal. The realm, having sovereign power, can compel the resident to comply with all promises. Since San Francisco is not an Islamic state, it does not ask its residents to agree that their hand will be cut off if they steal. But it could. And San Francisco, likewise, can promise not to cut off its residents' hands until it is blue in the face—but, since it is a sovereign state, no one can enforce this promise against it.

For exactly this reason, however, San Francisco must guard its reputation. It does this by living up to its promises, as much as possible. If it is forced by unexpected, understandable circumstances to invoke *force majeure*, people will probably understand. If it breaks its own promises all the time and for no good reason, amputating hands willy-nilly after swearing up and down that life and limb are sacred, it will not be viewed as a safe place to live, and no one will want to live there. Congratulations on your new burned-out ruin. The views, at least, remain spectacular. Your replacement can probably find a way to salvage some tiny fraction of his employers' capital by turning the place into some kind of eco-park.

To live in or even just visit San Francisco, a hominid must either sign the covenant, or be a dependent of some guardian who has signed the covenant. I.e., your hominid must either be responsible, or have someone who is responsible for it. San Francisco is a city, not a zoo. The signer of the covenant, the responsible party, is the *subject*.

In the covenant, the realm promises to protect the subject's person, property and dependents. It indemnifies the subject against crime, and pays unrecoverable tort claims. There is no such thing as perfect security, and bad things can happen to anyone anywhere, but Friscorp considers all disturbances of the peace to be its problem and its fault.

And most important, Friscorp guarantees your right to depart from the city with person, property and dependents, unless of course you are fleeing legal

proceedings. (And maybe even if you are—of course, you would have to find another patch willing to take you.)

In return, the subject promises not to disturb the peace of San Francisco, or permit his or her dependents to do so. (I favor the ancient Roman design, in which the guardian is responsible for the actions of his dependents, and holds the authority of *patria potestas* over them. Authority and responsibility, as usual, being unified. Not quite a fractal or hierarchical sovereignty, but close. Friscorp has no business case for interfering in its subjects' family lives.)

Residents of a Patchwork realm have no security or privacy against the realm. There is no possible conflict in the matter: not being malignant, the government is not a threat to its residents, and since it is sovereign they are not a threat to it. This absence of conflict allows the government to enforce a much higher level of peaceful interaction between residents.

All residents, even temporary visitors, carry an ID card with RFID response. All are genotyped and iris-scanned. Public places and transportation systems track everyone. Security cameras are ubiquitous. Every car knows where it is and who is sitting in it, and tells the authorities both. Residents cannot use this data to snoop into each others' lives, but Friscorp can use it to monitor society at an almost arbitrarily detailed level.

In return, residents experience a complete absence of crime—at least at the level of present-day Japan, and ideally much lower. (San Francisco has no need of Yakuza.) Residents also experience a complete lack of security theater—to board a plane, they walk right on. Friscorp has no reason to tolerate the presence of dangerous or unidentified hominids at large in its city, any more than it would tolerate leopards on the loose.

Strong identification and tracking of residents also mitigates one of the most obvious problems with the Patchwork approach, the inconvenience of constantly crossing borders in a world of small sovereignties. What does a resident do if she lives in San Francisco and wants to drive to Berkeley, which is a different country? Is there a checkpoint on the Bay Bridge?

Not at all. She just drives to Berkeley. Her car knows who is in it, and the authorities of both SF and Berkeley know where it is. If she is for some reason not authorized to enter Berkeley, all sorts of alarms will flash. If she persists, she will be of course detained. Having a scalpel, Patchwork feels no need to

whack anyone with a club.

One way to see internal security in a Patchwork realm is as a compromise between two sorts of Orwellianism. In the sense that the realm is (effectively) omniscient and omnipotent, it would fit most peoples' definition of "Orwellian."

In return for its Orwellian powers of observation and action, however, Friscorp has no interest at all in the other half of Orwellianism: the psychological manipulation of public opinion as a device for regime stabilization. The realm cares what its residents do. It does not care what they think. It is difficult to express the importance of this freedom to those who have found a way to live without it.

There is one problem, though, which is the problem I mentioned in Chapter 1: the problem of adults who are not productive members of society. In our little Newspeak we call them *wards of the realm*. A ward is any resident who is not capable of earning a living, is not accepted as a dependent by any guardian, and is not wanted by any other patch.

The initial conversion of our present, democratic, and of course completely dysfunctional San Francisco into the realm of Friscorp will produce quite a few wards. At least relative to the number we would expect to emerge in a healthy society. But there will always be black sheep, and there will always be wards.

As Delegate of San Francisco, what should you do with these people? I think the answer is clear: alternative energy. Since wards are liabilities, there is no business case for retaining them in their present, ambulatory form. Therefore, the most profitable disposition for this dubious form of capital is to convert them into biodiesel, which can help power the Muni buses.

Okay, just kidding. This is the sort of naive Randian thinking which appeals instantly to a geek like me, but of course has nothing to do with real life. The trouble with the biodiesel solution is that no one would want to live in a city whose public transportation was fueled, even just partly, by the distilled remains of its late underclass.

However, it helps us describe the problem we are trying to solve. Our goal, in short, is a *humane alternative to genocide*. That is: the ideal solution achieves the same result as mass murder (the removal of undesirable elements from society), but without any of the moral stigma. Perfection cannot be achieved on

both these counts, but we can get closer than most might think.

The best humane alternative to genocide I can think of is not to liquidate the wards—either metaphorically or literally—but to *virtualize* them. A virtualized human is in permanent solitary confinement, waxed like a bee larva into a cell which is sealed except for emergencies. This would drive him insane, except that the cell contains an immersive virtual-reality interface which allows him to experience a rich, fulfilling life in a completely imaginary world.<sup>6</sup>

The virtual worlds of today are already exciting enough to distract many away from their real lives. They will only get better. Nor is productive employment precluded in this scenario—for example, wards can perform manual labor through telepresence. As members of society, however, they might as well not exist. And because cells are sealed and need no guards, virtualization should be much cheaper than present-day imprisonment.

I like virtualization because it can be made to scale. I don't think there is any scenario under which San Francisco is burdened with more than a few thousand wards. Many other regions of the earth, however, contain large numbers of human beings whose existence may well prove an unequivocal liability to the owners of any ground on which they would reside. If so, they can be virtualized, creating giant human Wachowski honeycombs of former bezonians, whose shantytowns can be cleared and redeveloped as villas for retired oil-company executives.

Of course, virtualization is a drastic alternative and itself unlikely to happen. Charity is just too popular these days. Before anyone becomes a ward of the realm, any person or organization is free to adopt him as a dependent as a matter of mutual agreement. His new guardian is (a) responsible for his actions, and (b) free to tell him what to do: the ideal relationship for any attempt at rehabilitation. (It's basically what the Salvation Army does now, I believe.) If all else fails, there's always the honeycomb.

I think this problem gives a flavor of the kind of thinking we would expect in an entrepreneurial sovereign. The result is quite foreign to the democratic philosophy of government, obviously, and it takes some imagination to picture. But I seriously doubt that many who had a chance to live in this future would

<sup>&</sup>lt;sup>6</sup>This *virtual option* (while obviously a bit trolly) addresses a real problem, which Moldbug discusses further in "The dire problem and the virtual option" and "Sam Altman is not a blithering idiot."

have much interest in restoring the past.

Libertarians in particular may have a great deal of trouble understanding how an authoritarian, omnipotent and omniscient sovereign can be expected to create a free society. The fundamental diagnosis of libertarianism—that today's democratic governments are much larger and much more intrusive than they should be—is obviously correct. The remedy proposed, however, does not have anything like a track record of success.

In fact, I believe the libertarian opposition to sovereignty, dating back to Locke, is a major cause of modern big government. Our present establishments, not to mention our tax rates, dwarf any divine-right monarchy in history. The attempt to limit the state, if it has any result, tends to result in an additional layer of complexity which weakens it and makes it more inefficient. This inefficiency gives it both the need and the excuse to expand.

So we may ask: why does the post office suck? Not because it is sovereign, but because it is not financially responsible. Its freedom to be wasteful and inefficient is what gives it that familiar Aeroflot feel. (The bankrupt airlines, such as United, feel more like Aeroflot every year.) When we postulate a sovereign authority which *is* financially responsible, like a Patchwork realm, we have no reason to expect it to display these pathologies of government. In particular, we cannot expect it to waste resources in order to pointlessly annoy its residents, a form of inefficiency in which democratic regimes seem to positively revel.

The sight of a financially responsible sovereign, even the thought-experiment of one, is a good lesson for libertarians, because it reminds us what a healthy government actually is. Today's democratic megastates are to healthy sovereigns as liver cancer is to liver. If you find liver cells invading every other organ and crushing them all into goo, it is only natural to think that the cure might be a drug that was lethal to liver cells. But you actually need a liver. You need to kill the cancer, not the liver.

## Chapter 3

## What We Have and What's So Bad About It

I started this story with the assumption that everyone reading it would already be a hardened veteran of UR's brutal, disorienting assaults on everything that is good and decent and true. This is obviously a counterfactual. And even for many hardened veterans, I fear, Patchwork has proved a rough ride.

Here at UR we have a very different approach from most who would like to "change the world." Rather than actually trying to market our designs, presumably by making them sound familiar, appealing and benevolent, we apply anti-spin. We strip off the fairing and present the cold, gritty gears of the naked machine. Our tone is at best neutral, at worst acid and nihilistic.

Why? Well, for one, it's just more fun. Let's be clear about this: UR is a blog. UR is not a cult, it is not a subversive underground organization, it is *certainly* not a political party. It is something I write for fun, and you read for fun. UR is part of the entertainment industry.

But if there is a strategy behind the anti-spin, it is to maximize the quality of UR's audience, by minimizing the quantity. (Long posts help with this, too.) UR will not appeal to your heart. It will only appeal to your head. Which must then often overcome the stomach. To put it simply: if you don't understand UR, you are very unlikely to believe it. And this is better for both of us.

On the other hand, there is no need to be mysterious. So, now that I've

started to introduce this terrifying alternative, let me go back and explain why it's needed. Call it a prequel.

Let's start with a point of agreement: our goal, as people who live in a civilized modern society, is a system of government which is *responsible*. Good government is responsible government. The equivalence is a tautology. The question is: how shall we secure for ourselves the blessings of responsible government? Or as Pope put it:

For forms of government let fools contest;

Whate'er is best administer'd is best:

Unless you had quite an unusual education, you grew up believing that the problem is solved: constitutional democracy is the best mechanism for producing responsible government. It certainly produces something. Let's call this something, whatever it is, *moral responsibility*.

Here at UR, we see constitutional democracy as a sort of large hydatid cyst,<sup>1</sup> cuddled gently in the skull alongside one's actual neural tissue. The intrepid reader, with the instruments this blog provides, can extract the creature in the comfort and privacy of her own shower stall. As the neurosurgeon, Dr. Ahmad, notes: "The space was filled with saline at the end of operation."

Which is certainly one option. But it leaves the patient a bit of a nihilist. The obvious drop-in replacement is royalism, of course—royalism is really just reverting the changes, as we say in my line of work. So here at UR we give it up for all royalists. (Fill the cavity with gold. This will be young Jasmeen's college fund, as well as her skull ballast.)

For example, I have no hesitation in calling for the King of Thailand to throw off the reins of the transnationalists, obey the wishes of the people, and return the country to full independence and royal government. I have also previously noted that any corporate descendant of the old Union of England, Scotland and Ireland, including but not limited to West Virginia, is entitled to restore the Stuarts through the Princes of Liechtenstein. If you wonder what this would mean for you, personally, try the simple exercise of reading your quality local fishrag for a month, noting the top headline, and asking: "How would Hereditary Prince Alois handle this?"

<sup>&</sup>lt;sup>1</sup>The linked video graphically depicts the surgical removal of a hydatid cyst.

But royalism, even if you stick a "neo-" on the front, is just too old-fashioned to appeal to some. So we also offer an extra decorative touch, available for a mere \$19.95, in which the customer can fill her cyst's void with our own synthetic organ of government. We call it *neocameralism*, and it is very fresh.

Neocameralism informs the surrounding neural tissue that the best mechanism for producing responsibility in government is for governments to be administered as sovereign joint-stock corporations, controlled absolutely by their shareholders, who hold the master encryption keys for the government's invincible robot armies. At some risk of oxymoronism, this could be even be described as *private government*. It creates quite a different form of responsibility—*financial* responsibility.

Of course, it's entirely possible that our so-called "cyst" could be a *healthy, normal lobe of your brain*. That our sinister, unapproved product could in fact *insert* a strange translucent, globelike parasite, which will control your destiny and lead you to an awful end. Ha ha! Yes, young Jedi, we are asking you to choose. Wield the red saber for the first time! Then visit our Sith Library, and learn the truth about this so-called "Council." You already know what they say about us.

In other words, the *financial responsibility* created by joint-stock sovereignty would be much more desirable, in terms of quality of life for most residents, than the *moral responsibility* which we presently enjoy thanks to constitutional democracy. Or so I assert.

But this is a dangerous assertion, because history teaches us very quickly that there are many worse things than constitutional democracy. I claim to be encouraging you to exchange the path of evil for the road of enlightenment, but I could be doing just the opposite. And even if I'm not, the surgery I recommend is traumatic by definition. The procedure has never been attempted, let alone tested, and the implant is something I whipped up in my garage out of spare helicopter parts. On the other hand, do you really want to go through life with a worm in your head?

So let's get down to details, and compare the *moral responsibility* of constitutional democracy with the *financial responsibility* of the sovereign joint-stock company. I think we can all agree that these are both legitimate forms of responsibility, and that they are very different. After 2008, no one can possibly

accuse constitutional democracy of being a financially responsible form of government. Likewise, the neocameralist state is amoral by definition.

I don't think there is much contest on the financial side of the ledger. Let's consider morality.

The constitutional democratic state is an apparently immortal, monotonically expanding, and nontrivially morbid mass of personnel which proclaims itself the instrument of a single purpose: to inflict good upon the world. For traditional countries this affliction was at least limited to specified borders, but in the case of USG since 1945 it knows no bound. Washington operates on the principle of universal benevolence. Its ultimate aim is to benefit all people, anywhere and for all time. Doubtless if aliens were found on Jupiter, concern for their welfare would soon be felt on the Potomac.

A joint-stock sovereign is a clean, lean and mean revenue-extracting machine. Its goal: loot. Any well-run Patchwork realm is congenitally dedicated to the good old Marxist ideal of *exploitation*. It has no intrinsic sympathy for the aged, the crippled, the deformed, the useless. Into the biodiesel vats with them! Gold coins literally wrung from the hides of the unfortunate will cascade into the piggybanks of our obese, cigar-chomping shareholders.

Obviously, whatever you think of democracy, this is unacceptable. To mollify the conscience of the increasingly appalled reader, let me explain the logic of philanthropy in the financially responsible city-state. We will return to the broader contest of morals in a moment.

Government is like a nuclear reactor or a stem cell: perfect when it works properly, and lethal when it doesn't. Like both, any design for a sovereign institution must depend on multiple independent safety mechanisms. If all safeguards fail, something unacceptable will happen—by definition. If all but one fail, the result may not be desirable, but it will not be unacceptable.

So let's look at the safety mechanisms that prevent the healthy Patchwork city-state from turning into its evil twin, with the biodiesel vats. By my count, there are three.

The outermost mechanism is mere PR. "Don't be evil" is the automatic slogan of every private government. At the sovereign level, Google's motto would not even be a winner, because to even mention evil is suspicious—like a sign outside a restaurant, promising an absence of rats.

At least in normal conditions of inter-patch peace and harmony, every Patchwork realm should positively exude rectitude and benevolence. This will of course infect its corporate culture. Perhaps it is possible to imagine Disneyland committing genocide. But it would have to be a very different Disneyland than the one we have right now. They would certainly have to replace at least half the employees.

At the financial level the realm must remember, however, that its concern is not with actual benevolence, but simply with the *appearance* of benevolence. Fortunately, image is cheap. Not screwing up image is cheaper—it costs you nothing, as long you don't screw up. And, best of all, evil, while it really screws up image, just isn't that profitable.

Once you factor in even a tiny image effect, it is surprisingly difficult to devise any scenario that generates ROI out of pure, balls-to-the-wall, straight-out evil. For example, we'll be lucky if we can squeeze \$25 worth of industrial fats out of Granny's cadaver. They say no publicity is bad publicity—but they lie. So why not just run our buses on dinosaurs, the old-fashioned way, and keep Granny in her pen with the automatic monkey-chow dispenser?

Perhaps you see mere PR as a weak line of defense, and it would be hard to disagree. Fortunately, it is only one of three. But the factor is real: a sovereign is a sovereign, and no government can be entirely without paternal graces. No one in a sane society will be rendered into diesel, or even be allowed to starve to death for lack of productive earning power. Perhaps there are enough Randians on the planet for one city-state, but probably not two. Otherwise, it just won't happen, and keeping it from happening is just one of the realm's many business expenses. Granny's monkey-chow skims off the merest tablespoon of the rich butter which the realm churns metaphorically, rather than literally, from its residents' hard-working flesh.

We arrive at the next safety barrier: mere private philanthropy.

It is interesting to note the way in which one sniffs at mere private philanthropy. This is the thinking of the twentieth century, the century of welfare. This was a word with only positive connotations—until the twentieth century got its hands on it.

Another word for private philanthropy, with different negative connotations, is *charity*. Charity was of course one of the principal obligations of the

medieval ecclesiastical establishment, the other two being education and adult instruction. In consonance with the general 20th-century pattern in which State has captured the role of Church, thus effecting the merger of the two by different means, most of us today perceive charity as a sovereign function.

And thus we trivialize any charitable establishment which is fully outside the State, as only the most hard-line of unreconstructed ecclesiasts are today. (Nonprofits in the US today tend to fund themselves via a mix of donations with government grants, contracts, etc.)

However, we can measure the demand for charity (meaning, of course, the demand for the production of philanthropy, not for its services) by the benchmark of government itself. Americans today by and large consider their taxes neither too high nor too low, and certainly the left half of the electorate is inclined to feel that Washington should raise even more revenue to do even more. Since Americans also see their government as a general-purpose agency for the doing of good—a sovereign charity—we can measure their demand for philanthropy by noting the absence of significant political resistance to their present tax rate. (Moreover, if you are critical of this methodology, note than any assertion that present tax rates are obtained by chicanery, rather than genuine consent, hardly constitutes a defense of modern democracy.)

The traditional contribution for charity was of course the tithe, or ten percent of income. It was over a century into Washington's existence before it figured out how to exact anything like a tithe, but eventually as it morphed into the Church of Everything it mitigated this deficiency. Unfortunately, there is no word which is as cool as "tithe," but means "40%." In any case, even in the brutal, inefficient, and decidedly untechnological Middle Ages, 10% has been considered an ample level of productivity for a civilized society to donate to the needs of the unfortunate.

Furthermore, private charity has enormous advantages over welfare. The voluntary nature of the contact between provider and recipient frees the former to assume authority, informal or formal, over the latter. If you don't want to be ordered around, you are free to starve, or at least go to prison. In prison you will certainly be ordered around. If you are not competent to provide for your own existence, you become by definition a dependent of whomever is willing to provide for you.

And with dependency comes authority, the *patria potestas*. Since you are not responsible for yourself, whatever charitable agency or other party has taken charge of you is now your legal guardian, putting you essentially in the position of a child. Moreover, your guardian is also responsible for any offenses you may commit. There are no irresponsible or feral humans in a Patchwork realm, unless this is some perverse lifestyle feature it sees fit to provide.

As we can see, the second safety barrier is considerably stronger than the third. Moreover, we are about to arrive at the first safety barrier, which cements the second and can be regarded as a complete refutation of social democracy.

Consider the thinking of the social democrat. To him, as previously mentioned, government is a sovereign and universal charity. Its purpose is to use its resources to do good works. These resources are derived, obviously, from the same source as with all governments—taxation. The wisdom of the people, through the magic of democracy, guides said sovereign and universal charity to use its resources efficiently for good works, not inefficiently for evil works. (Or, worst, efficiently for evil works.) This is our vaunted *moral responsibility*.

Any neocameralist who wanders by can observe that this system is easy to improve, in two ways.

One, the people are not wise and the magic of democracy does not exist. Therefore, we should not rely on the wisdom of the people for anything, and we should eliminate the superfluous electoral component of the design.

Specifically, we should *definitely* not rely on the wisdom of the people to either (a) formulate public policy, or (b) allocate budgets. Fortunately, this point is hardly debatable. If you listen to NPR you already believe that budget and policy should be held virginal from the awful contamination of politics, and if you don't listen to NPR your opinion is of negligible importance in the budget and policy process.

Once this change is applied, allocations for good works as a percentage of disposable spending are constant. So, for example, the environment gets 10% of USG's disposable spending (i.e., spending which is not essential to the production of future revenue), AIDS gets 5%, education of children with Down's syndrome gets 3%, the spiny echidna gets 1%, or whatever.

Note that (a) these figures are relatively constant anyway, due to the natural push and pull of the budgeting process (my mother did budget and policy at

DOE, so I do know a thing or two about "zero-based budgeting," that unicorn of the Potomac); and (b) keeping them actually constant eliminates a very, very large number of meetings. If "change" must be provided for, a leftover slice of the budget can be allocated to a miscellaneous fund.

But wait! There is another name for "disposable spending." The name is *profit*. And these "shares" of the budget also seem… familiar.

In fact, we have improved our constitutional democracy so completely that we have turned it into a neocameralist joint-stock company. And we have not harmed the funding or organization of charity even slightly. To the contrary—we have freed it from bushels of red tape.

The trick is that we've converted an argument about what the government should do, into an argument about who should hold the government's shares. But this decision is way above my pay grade, because the initial share allocation must be performed by whoever actually creates the government. While this is completely independent of the design, I'm pretty confident that any conversion of a constitutional democracy into a joint-stock corporation will include a high level of continuity from charitable budget allocations in the democracy, to share allocations in the corporation.

Consider an indubitably worthy recipient of philanthropic funding, NIH. NIH's budget is \$30 billion or so. If we separate NIH completely from the State and convert its budget, for which it must fight every year, into State shares producing dividends or other payments of \$30 billion every year, what has changed?

NIH is happier, because it now has \$30 billion with no strings attached. Certainly the guidance of Congress, or whatever, does not assist NIH in doing its job. Quite the contrary! The less political and bureaucratic interference it receives, the better. We have just reduced this to zero, so NIH is happy. Moreover, it is even happier because this payment stream is presumably produced by shares, bonds, or other negotiable instruments, which NIH can sell and diversify. Thus creating a well-structured endowment for the long-term funding of biomedical research.

As for the payers of the \$30 billion, they pay whatever they pay. So this transformation—which can be applied to any charity or entitlement, at least any which does not depend on the sovereign authority of the state in order to do

its good works—is a Pareto optimization. And it eliminates the phenomenon of official charity, the hallmark of social democracy. QED.

Again, it is easy to apply this fix to entitlements, such as Social Security or Medicare. For Social Security, it is Granny rather than NIH which is owed a payment stream. For Medicare, the State can go from providing medical care to purchasing an insurance policy, and from purchasing an insurance policy to providing the payment stream needed to purchase a policy. Both these changes are Pareto optimizations, and they end up back at financial responsibility.

Therefore: if you are setting up something like a Patchwork realm, and you are worried that its residents will not donate sufficient alms to fund good works, assign some percentage of the realm's shares (or bonds, or other securities) to those same good works. Problem solved. So why do we have social democracy? Ah. If only it would tell us.

So. Having refuted the hypothesis that democracy is what it says it is, let's have a look at what it actually is.

Being a completely uneducated person, I do not know Latin or Greek. But I do have a favorite Latin word: *imperium*. As in "imperialist," of course, and other such Maoist terms of abuse. As I am already on record as a reactionary, I will cheerfully confess to being an imperialist as well.

*Imperium* is a cognate of the English word *empire*. But the two are not synonyms: *empire* in English has shifted to imply the international relationship also known as suzerainty, i.e., the relationship between Washington and its puppet states. Which is pretty cool, but which is at best a special case of *imperium*, which is better translated as *command* or *authority*. Similarly, the Roman title of *Imperator*, which became our *Emperor*, is best translated as *Commander*, and originally just meant "general."

To hold *imperium* is to command, to hold sovereignty. Sovereignty, as we saw in Chapter 2, is not sovereignty unless it is above the law. In any organization we can identify the *summum imperium*, or power of final decision. At least at a civilian level, this is generally held by either an individual or a small committee. For example, in the United States, this committee is called the "Supreme Court." In the Soviet Union it was called the "Politburo." Of course these two institutions had very little else in common, but they both held the *summum imperium*.

If you doubt this analysis, note that only the justices' own consciences, which have oft proved fickle, force them to obey any code of conduct whatsoever. They could order Barack Obama to stand on his head and snap a Polaroid of his own rectum in order to be inaugurated. He would have to comply, and I am quite confident that he is capable of doing so.

Despite all protests to the contrary, constitutional democracy has neither squared the circle nor solved the old Roman problem of *ipsos custodes*. Whatever the names and rituals, real power in the state can always be tracked. Let's look in more detail at the power structure of constitutional democracy, using our old friend USG as the example. (Its clones around the world differ little.)

Imperium always comes in layers of delegation, in which one power relinquishes decisions to another. At the top level—level zero, as it were—is always the military. The US military is of course a large and diverse entity, but imagine it could find some way to agree unanimously that sovereignty, the *summum imperium*, would revert to some specific office in the Pentagon. SOCOM is a good candidate.

What would people do? What could they do? They would say: "Duh, okay. We welcome our new green-beret overlords. Sure. Frankly, we were a little electioned-out, anyway. And Professor Bernanke no longer enjoys our complete confidence. So, yeah, whatever. Could we resume normal programming now? I was watching VH-1, here."

Ergo, the military in all countries and at all times enjoys the *summum imperium*. In a state in which normal civil—military relations pertain, the military is completely passive, and delegates its authority completely. In a few less-devolved states, such as modern Turkey, it still exercises genuine reserve power, and may have some influence on civil decisions. (Sadly, the fabled deep state may be on the decline since the Ergenekon purge.)

I am sorry to report to critics of the American right, such as Naomi Wolf, that the United States does not in fact have a "deep state." However, if the American right wanted to actually get off its butt and do something, it could find many worse manuals than her latest. Of course it will execute no such coup, at least no time soon. Ever since Defoe wrote the *Shortest-Way*, the conspiracy theories of leftists have been the best guide to what the right should do, but won't.

The next layer of imperium in a democratic state—layer one—is, of course,

the *electorate*. I.e., the people who vote. My belief that the electorate holds a high degree of imperium is not at all inconsistent with my belief that the influence of elections on public policy is generally small. The same after all can be said of the military, whose vote is final but at present unexercised.

The electorate and the military are layers one and zero, because the military can resist anyone in the contest for sovereignty, and the electorate can resist everyone but the military. For example, control of 51 senators and the Presidency is sufficient to defeat all other institutions in USG, because it is sufficient to pack the Supreme Court. Obviously, the electorate can achieve this.

It may not even need the senators. Consider the case of a Presidential candidate whose platform is plain about her plans: if elected, she will suspend all other institutions and rule as a dictator. Suppose Sarah Palin, for example, ran on this platform in 2012. Suppose she won. Does anyone doubt that Washington would obey her every personal whim—exactly as it obeyed, say, FDR's? I suppose it would depend on whether Governor Palin has the natural knack of *imperium*, and we can't know this unless we actually see her in action. But I actually suspect she might.

We move to the next stage: level two, ultimate civil authority. The *summum imperium* here rests, as mentioned, in the Supreme Court, and more generally the judicial system. Judges try to avoid actually formulating public policy, however, typically delegating this task to executive agencies. Domestic and (rarely) foreign policy is sometimes altered, in broad strokes, by Congress. There are also various differences depending on whether the President is a Democrat or a Republican, but we are down to minutiae at this point.

When we look at the remarkable stability of Washington, even in pursuing paths which to the outside eye are plainly, even comically, counterproductive, we have to focus our attention first on level one: the electorate. The opinion of the electorate is exactly what it is supposed to be: the hinge of power in the United States today. Level zero is passive. Level two cannot resist level one.

Therefore, to understand the forces directing the actions of Washington today, we have to understand one thing: the relationship between levels one and two, the electorate and the (mostly) permanent government.

Who are these voters, anyway? There are innumerable ways to classify the American voter, at least half of which UR has already indulged in. But I hate

to repeat myself, so let's try to come up with something new.

One way to ask how American voters will vote is to consider what they are trying to accomplish when they go to the ballot box. Obviously, they are making an altruistic attempt to affect the direction of government policy. (The attempt is altruistic because no voter seriously expects his or her vote to affect his or her life.) Obviously, few of them have anything near an understanding of what Washington actually is—most have only a dim grasp of even the official story. But still, they are thinking something when they fill in the box for the R or the D. What is it?

There are basically three ways in which American voters—or voters anywhere in the world, for that matter—conceptualize their participation in democracy. From the bottom up, we can label these modes *tribal*, *populist*, and *institutionalist*.

*Tribal* voters vote on the basis of ethnic and familial identity. In one very legitimate sense, they are the most rational voters around. A tribal voter is acting collectively to benefit his or her tribe. This group can be hereditary, adoptive, occupational, etc., as long as it feels some sort of collective cohesion or *asabiyya*.

In a civilized, stable democracy, only a minority of voters can be tribal. If you want to see a democracy with a tribal majority, I give you South Africa. As a minority, tribal voting blocs generally serve as vote banks for more dominant players. The tribal bloc or blocs become clients of whichever party is strong enough to buy their votes. This can be done as straight-out, lawless graft, or by steering various benefits—payments, loans, jobs, etc.—to members and/or leaders of the tribe.

Our second group of voters is the *populist* group. When populists vote, they are trying to compel the government to act in accordance with their own beliefs, generally derived from a mixture of common sense, tradition and personal experience, of what is right for a government to do.

Populists voters are people who genuinely believe in democracy. They believe that the way Washington works is that the people elect a President, who "runs the country." I once had an email exchange with a very successful, and quite erudite, populist political blogger who did not understand that President Bush cannot fire a State Department employee just because that employee is

openly trying to sabotage White House initiatives.

This is an excellent example of the level of complete structural misconception that a populist voter can entertain when attempting to vote. If populists had any idea at all of how Washington actually works, they would not continue to participate in the increasingly farcical elections by which they repeatedly endorse it.

The fact of the matter is that Washington as it exists today, 21st-century Washington, is designed to resist populist politics in roughly the same way that a lighthouse is designed to resist waves. The entire thrust of 20th-century American government has been to separate public policy from politics, i.e., to eliminate the menace of democracy. If you read about what American politics was a century ago, this program—originally the program of the Mugwumps, and then of various flavors of liberal and progressive, including of course the New Deal—is perfectly understandable.

The problem is basically solved. Populist resistance, à la Poujadisme, no longer exists in Washington's test facilities in Western Europe, now governed largely by a central administration which has no discernible ties to any democratic election. At present, the primary distinction between the EU and the late Soviet Union is that the latter was much more Russian, thus exhibiting a mixture of incompetence and brutality that is hard to duplicate west of the Elbe. But give it a few years.

Populism still has a solid position in the American political system, but it is fading rapidly, as is the importance of politics. The Obama administration seems set to be an almost entirely ceremonial one—at least, the President-elect has displayed no strong evidence of any fixed opinions on any subject. Even the populism of the Bush administration is greatly overstated; a significant minority of the American foreign-policy establishment supported the invasion of Iraq, which was neither an explosion of jingoist fervor, nor the President's personal whim, nor the conspiracy of some Texan "deep state."

The basic advantage of populism is that, if the claimed virtues of democracy are anywhere, they are here. Common sense and plain thinking, in a reasonably intelligent brain, are remarkably immune to the ethereal delusions that so easily infect the brilliant and educated. However, common sense cannot exist without tradition. The best traditions of the American populist voter are steadily being

eroded by an educational system that populists do not control, and his worst traditions are steadily being exacerbated by churches and talk-radio networks that populists do control.

The entire political structure of the American populist tradition is set up to select for ignorance and stupidity, and select against organization and cohesion. Thus it is simultaneously undesirable and ineffective, and even those of us who like myself sympathize with it to a considerable degree are often slightly relieved to see it lose, as it always does.

Even when populists win Presidential elections, they simply have no way to control Washington. Even with Congress and the Presidency, the White House has no real authority over the civil service, who outside the military are institutionalist by definition. The "Reagan Revolution" started out as a populist tsunami designed to smash the New Deal, and turned into nothing at all. Nixon's "silent majority" met an even more inglorious fate. At most a few token populist policies can be advanced. Populists can of course disrupt the institutional bowels of the state, leading to a sort of policy constipation, but like the old House of Lords, their only real power is to delay.

Since populists have no idea of any of this, they participate enthusiastically in the sham. Sometimes they win a little, but in the end they always lose. And they are such gentlemen about it, too. Somehow no one has ever explained to Middle America that if you don't know who the sucker at the table is, the sucker is you.

And finally we come to our ruling class, the institutionalists. Institutionalism, as previously mentioned, is an essentially aristocratic belief system. The institutionalist voter votes not because she believes government policies should be decided at the ballot box, but because she believes they shouldn't.

Rather, she believes that government policies should be determined by a set of official and quasiofficial agencies which have earned her trust permanently and completely, the way a good Catholic trusts the Vatican. Following the analogy, here at UR we refer to this meta-institution as the Cathedral.<sup>2</sup> The Cathedral consists of the educational organs: public schools, the universities

<sup>&</sup>lt;sup>2</sup>This terminology is not meant to disparage real cathedrals; the main rhetorical point is that members of the Cathedral are, despite their avowed secularism and faux egalitarianism, in effect a theocratic priestly class.

and the press.<sup>3</sup> Its spires are the Ivy League and the New York Times, whose faculty and news desk respectively are endowed with an almost pure connection to the Inner Light—lesser institutions, of course, following their lead.

It is not that the institutionalist voter does not believe in democracy. She does believe in democracy. She believes passionately in democracy. But her democracy is very different from the democracy of her mortal enemy, the populist.

To the institutionalist, the way democracy works is that democracy depends on the educated voter. The voter is to be educated by institutionalists, of course, because institutionalists are right. Some level of ignorance and recalcitrance can be expected, and there will always be dissent, but through this cycle of education and election we are always advancing into the future. The reason we have elected officials is not so that they can manage the government, a task which must of course be left to the experts (who are institutionalists, of course). Rather, officials such as the President are essentially educational figures, participating in a public discourse in which the "bully pulpit"—an oddly revealing term—delivers further education. In turn, by electing a good President, the voters demonstrate the depth of their educated wisdom. *Und so weiter*.

Note the function of populist and tribal voters in the institutionalist's mind. The populist electorate supplies the bogeyman. The fear of a populist takeover, which is theoretically always a possibility and has even happened once or twice in history (e.g., Nazi Germany), can keep even the most jaded of institutionalist voters coming back to the polls. Even though it never seems to actually happen. Moreover, the populists are barraged by a flood of institutionalist messages more or less from birth to death. They are naturally resistant, but the programming wears them down over time.

Meanwhile, the tribals, who are votes for rent, will always support the institutionalist bloc (and may even make up a majority of their support, though at a certain level this becomes dangerous). Their votes are guaranteed in exchange for permanent government programs, administered by institutionalists, that render them dependent on the Cathedral's rule for their lives and livelihoods.

As for the institution itself—the Cathedral—it is, except in its majestic ex-

<sup>&</sup>lt;sup>3</sup>The entertainment industry arguably belongs on this list as well.

tent and intricacy, not unusual by any historical standard. The Cathedral is a selective aristocracy, which is more or less the way China was run for about 2500 years. It is also the way the Soviet Union was run, the way the Catholic Church was run, the way China today is run, and the way Nazi Germany probably would have been run if we still had a Nazi Germany to kick around. As in all these institutions, rank and place in it is in high demand, and those who rise to the top are men and women of no mean capacity.

However, there is just one little problem: the Cathedral is not *responsible*. At least, if it is responsible, we cannot detect any mechanism by which it is responsible.

What compels the Cathedral to devise and promulgate good and effective policies, rather than evil or counterproductive ones? If there is an answer to this question, I cannot discern it. If there is an external or internal mechanism which can correct any errors which may occur in the Cathedral—for example, a completely corrupt and meretricious field of learning, a discipline of institutionalized crackpottery, as Lysenko created in Russia—I cannot find it.

I cannot even identify some reserved power which can remove the Cathedral if it goes completely off the rails. Certainly nothing short of a titanic populist explosion or a military coup can dislodge institutionalism for good. The first cure may be worse than the disease, and the second is a complete unknown and shows no signs of being a real possibility. And while the Cathedral's energumens, levels one and two in concert, hold their lock on power, it is free to go as far off the rails as it wants.

Thus, there is no responsibility. The chain of guardians stretches up to Harvard, where it is tied to nothing and is guarded by itself. Consider the possibility, for example, that the people we call "economists" in fact know nothing at all about economics. Is this farfetched? After October 2008, can we call this farfetched? And if it isn't, what other worms are in your brain?

## **Chapter 4**

## A Reactionary Theory of World Peace

UR is hardly the first to propose a theory of world peace. So why bother? What could possibly be new?

History records quite a few previous attempts at world peace, some of which even worked pretty well in practice. For example, one was called the "Roman Empire," another was called the "Qing Dynasty," a third was called the "British Empire." All three being extinct, and therefore not *entirely* successful. But there's no denying that in their day they turned out quite a bit of peace.

But the world of 2008 has its own theory of world peace. Which everyone believes, as usual. This theory, which needless to say I think is utter crap, owes most of its arguments to Kant's essay on *Perpetual Peace*. In practice it more deserves its most parochial name: *Pax Americana*. (For an amusing personal history of the mapping from Kant to Turtle Bay, try my fellow Brown alumnus Michael Soussan.)

We will go into this whole strange theory of the *Pax Americana*, in just a bit. But our first question has to be: does this *Pax Americana* work? Well, in some ways, yes. The 2008 that history sent us to contains less carnage, surely, than many other 2008s which chance might have produced. On the other hand, when I open my friendly local newspaper, I am seldom greeted with pictures of smiling, happy children. I feel, dear reader, that we could do better.

And, more importantly, my general impression is not that this system, this *Pax Americana*, is getting better over time. I am not an old man but I was not born yesterday, and I was listening to the BBC and reading the IHT and *The Economist* well before I had hair in my pits, and my general feeling is that across history as I have seen it, basically since the fall of the Berlin Wall, the world order that was created in 1945 has not been becoming a more and more cohesive, harmonious, efficient and effective operation. I think it is quite incontestable that the entire planet, in 2008, is safe for democracy. Indeed it is clearly safe for nothing but. Yet I notice no particular absence of conflict, armed or otherwise, nor anything like a decrease. Rather the contrary, actually.

This, to me, spells entropy. What peace we have is mostly stable. But it is not perfectly stable. Whatever disorder it has seems good at escalating itself.

Since, as a good citizen, you are familiar with the theory of global warming, you are familiar with what is needed to take slowly rising curves and project them into the late 21st century. Citizen, if I share your concern for the gaseous composition of the atmosphere, can you please share my concern for the breakdown of the thin membrane that distinguishes our world from Jimmy Cliff's? "Mango season bad this year."

So our theory of peace is a little different. It is reactionary rather than progressive, which means that it is designed to work with hominids not as they should be, angels without wings, but as they are: bipedal land apes.

Progressive thinkers throughout history differ widely on the means by which said land apes can be converted into angels, philosophers, or (ideally) angelic philosophers—much as no two alchemists agree on how to synthesize gold. For instance, Kant, taking the popular "null-hypothesis" or sugar-pill strategy, roots his claim for the inherent peaceability of republican government in the following logic:

Now the republican constitution apart from the soundness of its origin, since it arose from the pure source of the concept of right, has also the prospect of attaining the desired result, namely, perpetual peace. And the reason is this. If, as must be so under this constitution, the consent of the subjects is required to determine whether there shall be war or not, nothing is more natural than that

they should weigh the matter well, before undertaking such a bad business. For in decreeing war, they would of necessity be resolving to bring down the miseries of war upon their country. This implies: they must fight themselves; they must hand over the costs of the war out of their own property; they must do their poor best to make good the devastation which it leaves behind; and finally, as a crowning ill, they have to accept a burden of debt which will embitter even peace itself, and which they can never pay off on account of the new wars which are always impending. On the other hand, in a government where the subject is not a citizen holding a vote (i.e., in a constitution which is not republican), the plunging into war is the least serious thing in the world. For the ruler is not a citizen, but the owner of the state, and does not lose a whit by the war, while he goes on enjoying the delights of his table or sport, or of his pleasure palaces and gala days. He can therefore decide on war for the most trifling reasons, as if it were a kind of pleasure party.

In other words, Kant is assuming that since voters are generally reasonable people, they will vote for reasonable governments that will act reasonably, and only undertake reasonable wars.

The modern reader, reading this, must quickly remind herself that Immanuel Kant was not a fool. In 1795 the world's experience with democracy (a word Kant, like almost everyone at the time, considered a slur; in *Perpetual Peace* he goes to great, hilariously spurious lengths to distinguish "democracy" from his beloved republicanism) was minimal. The French Revolution could be dismissed as an aberration, and the follies of the late colonies in the Articles of Confederation period were no doubt no better known in Königsberg in 1795 than to us today.

So it was easy for Kant to make the fatal assumption that the People, in their new capacity as rulers, would display the same common sense in considering problems of government as they had when no one cared what they thought. (Kant was biased in this matter by the success of England, whose glory at that time was attributed on the Continent to its constitution's new democratic elements—rather than its corrupt medieval survivals, which turned out to actually be the glue that held the Whig aristocracy together. If Kant could see the results of the Reform Bills of 1832 and 1867, he might well sing a different tune.)

Kant reasons: people are generally reasonable. As they are—except when unreasonable. If you entrust them with the power of government, you create an easy exploitation target for an oligarchy that controls the State by directing the opinions of the people. Such oligarchies come in two categories: conscious cults and conspiracies, in which at least some top echelons of believers is insincere and consciously malicious, and true religions, in which everyone can be sincere. The former are bad, and the latter are worse.

And the most effective. (Ours is the modern iteration of mainline or ecumenical Protestantism; I call it *Universalism*. See, e.g., Charter for Compassion for a brutal, syrupy dose.) And such religions, which may be polytheistic, monotheistic or atheistic, have no reason at all to maintain the reasonableness of the minds they control—at least on the subject of government.

In fact, the parasite must be able to profit at the expense of the host: it must at least convince the host to fund the parasite and ban or discredit its competitors. Thus Kant's whole argument about self-interest is void and can be discarded, destroying his theory of republican virtue and thus his entire preposterous edifice of peace.

An edifice that has worked, basically, like ass. Again, experience confirms logic. Empirically, the expected outcome of a Kantian republican federation is that either (a) the federation becomes a mega-state of its own (which is, of course, ideal, because bigger is always better), (b) the federation breaks in half and creates a massive civil war (in which the good guys always win), or (c) the federation never has any real existence and quickly becomes at best a joke, at worst a festering glob of pompous, corrupt sinecures (but still a symbol of human progress and unity).

Thankfully, the result of the last two attempts has been (c1) and (c2). Do we need to pull the lever again? No, I think not.

But the basic armature of Kant's argument is solid, and we will reuse it. The argument is that warfare is not a policy to which a responsible sovereign will resort without good reason. Kant's fallacy is in equating "republican" with "re-

sponsible," and lacking the imagination to see that popular government has the power to produce far more irresponsible leadership than the classical monarchies he knew, with their little family spats and mild, fancy-dress wars.

The world of Frederick the Great and Louis XV, while Kant was no doubt a keen judge of its imperfections, exhibited a quality of order which we of the *Pax Americana* can only imagine. What would Paris be, if the regime that created Versailles had the technology of 2008? A kind of supernova. A place as far above Paris today, as Paris today is above Kinshasa. Certainly, the center of the world, even if you plopped it down in Siberia.

Why don't we have this now? How did things come to such a pass? Before we get into reactionary world peace, let's try and figure out this *Pax Americana*. Kant had no trouble in describing the obvious principle its name suggests:

Nevertheless it is the desire of every state, or of its ruler, to attain to a permanent condition of peace in this very way; that is to say, by subjecting the whole world as far as possible to its sway.

Amen. The great fraud of our current "international community" is its preposterous disguise as a Kantian federation of equals. In reality, the "international community" is Washington and her clients—at least, when it is in proper working order. It sometimes approaches such order, but never seems to quite reach it.

The agencies in foreign capitals which we call "governments" are fascinating entities in many ways. Each is different, but in general what they are is clear. There is no accepted English term for the relationship, although "client" or even "puppet" state is close.<sup>1</sup>

We do see something like sovereignty in the post-Communist world: Russia, China, plus the Iran-Syria-Venezuela axis. Russia and China treat each

<sup>&</sup>lt;sup>1</sup>In *An Open Letter to Open-Minded Progressives*, Moldbug introduces the term "muppet state" to describe this sort of relationship:

A muppet state is not quite a puppet state. It delivers a far more lifelike impression of individual identity. It has not just an invisible hand supporting it from below, but invisible strings pulling it from above. In fact, muppet states often appear quite hostile to their masters. There are a variety of reasons for this—one is internal conflict within the master state, which we'll get to in a bit—but the simplest is just camouflage.

other as sovereigns, and they are clearly intent on preserving some of their sovereign independence, although the imbalanced financial relationships with the Western world that they find themselves in are clear no-nos. Nonetheless, they are generally quite submissive toward the US, an approach which is probably prudent. Iran, Syria and Venezuela are in the position of perpetual hostility that Russia occupied in the heyday of the Cold War, one which is arguably inconsistent with true sovereignty (since the hostile regimes are so dependent on the continuation of the conflict), but one which certainly separates them from the rest of America's sheep.

As for the rest of these "governments"? In many ways, these agencies really do resemble actual sovereign authorities. This is certainly their *formal* status. However, if you were to describe them as locally-staffed branches of the State Department, you would be also be grasping at a truth.

The official role of State is not supervisory, but advisory, a distinction we discuss in some detail below. Nonetheless, it is undeniable that the function of a US mission to a non-US country is not comparable to the function of a non-US mission to the US. I am quite confident that the French Embassy, for example, expends very little effort on telling the US how to reform its financial system.

This is all very confusing. What, exactly, is the difference between supervising and advising? Is Washington supposed to be running the world, or isn't it? Please allow me to explain.

Perhaps you've wondered how a perspective that considers "imperialism" and "American exceptionalism" taboos reminiscent of the Big H himself can produce phrases such as:

The possible decline in America's power does not mean that the United States would not remain powerful. This country can and must continue to lead.

or, more gloriously (Chauncey Depew would be proud),

And to all those watching tonight from beyond our shores, from parliaments and palaces to those who are huddled around radios in the forgotten corners of our world: our stories are singular, but our destiny is shared, and a new dawn of American leadership is at hand.

Is Washington supposed to be ruling the world? Is Washington supposed to be leading the world? Is there a difference between "leading" and "ruling?" If you replace "lead" with "rule" above—*a new dawn of American rule is at hand*—you definitely don't have a line that either the President or the Times could be imagined uttering.

So there must be some difference. But what is it?

Clearly, if America "leads," its relationship with those it is leading must be anything but equal. Neither the Times nor President Obama will tell us that, while America should "lead" Europe, Europe should also "lead" America. Not even such scoundrels can torture English so.

Any unequal relationship between any two parties, be they sovereigns, colleagues or family members, must involve some combination of two models of control. Call them *authority* and *dependence*.

A holds *authority* over B if B must obey A's instructions. Authority is executive control, as practiced in the workplace, in the (traditional) family, and of course in the military chain of command. Recall from Chapter 3 the Latin translation: *imperium*.

B is *dependent* on A if A is gratuitously assisting B. And why would A do that? The relationship is the ancient one of *patronage*, of course. A is the patron, B is the client. This is one of the oldest forms of alliance in the book—I'm pretty sure chimpanzees practice it.

Note that, in most cases, the two go together. For example, your relationship with your thirteen-year-old includes both A and B, authority and dependence. She eats your food; you tell her what to do.

The analogy suggests the unusual nature of dependence without authority. Ordinarily, if A is rational, A will insist on authority along with the dependence. No authority, no gratuities. Can this break down with the thirteen-year-old? Absolutely, but a complete breakdown requires fairly bad parenting as well as, of course, a bad child.

But what we see in the *Pax Americana*—at least, its mainstream or Barackian form, not its renegade, crypto-imperialist Bushitler morph—is exactly that. For example, Pakistan is dependent on Washington, and yet Washington cannot say: get rid of Lakshar-e-Taiba and the like. Washington can certainly not say: clean up your streets, get rid of the madrassas, seal the border, etc., etc.,

and in general start behaving as if the Raj was back on.

Because Pakistan is sovereign. At least, it is *supposed* to be sovereign. Yet if the US cut off the flow of dollars, Lord only knows what the country would turn into. Whatever that is, it surely has nothing to do with what Pakistan is now. (The other day, I was talking to a friend of mine, thoroughly Westernized but with parents in the Pakistani middle class, and he was describing how in the cities of Pakistan there are many attractive colonial-era neighborhoods that, in the lives of those now living, have fallen into complete disrepair and become slums. Funnily enough, very similar phenomena can be observed in, say, Ohio.)

So why doesn't Washington simply tell it: obey, or no more dollars? Well, the answer is not simple. The answer has to do with the internals of Washington, the structural conflict between Pentagon and State, the history of Pakistan and of the British Empire, etc., etc., etc. We could be at this for some time. But note, again, the analogy to the thirteen-year-old. Why won't your daughter obey? Why don't you make her? Well, it's complicated. It is always complicated.

Suffice it to say that American citizens gain nothing at all from this bizarre pseudo-empire. It might be useful to have all these "allies," perhaps, if we were in a war against somebody. And also if they would fight, and stuff. Neither of these things seems to be true. We do trade with them, but this does not require us to manage their governments, or in fact care at all how they are managed internally.

Conclusion: American foreign policy for the last sixty years has produced neither security nor anything else for Americans. Nor, I believe, has it been particularly good for the rest of the world, which would otherwise have to defend itself and behave responsibly as an independent sovereign. For Foggy Bottom, however, it has been a windfall. Every year it is paid more and more to supervise a giant squalling world of thirteen-year-olds who dress like ho's and bring guns to school, and the next four years promise to be especially rich.

Washington cannot actually *administer* its conquered territories, much less derive revenue from them. And their governments degrade, because they are neither sovereign nor supervised. Their job is to implement policies designed at Harvard and approved in Washington. Except in countries with strong traditions of historical probity in state service, the civil servants steal. They have nothing else to do, and there is no prospect of the state becoming a genuine, independent

authority.

What does Washington get out of this? Two things. One, the privilege of feeling like a big stud. Of course this applies only to a few people who work inside the Beltway, or who are influential enough in policy studies that their policies actually get adopted. But contributing to actual policies that are actually adopted, even just in some ridiculous forgery of a country in Nowhere, Africa, is an unmistakable feeling. Not only does it provide employment, it makes one's gonads grow by at least a millimeter or two. Many will fight hard for this sensation.

The relationship of dependency and advice is particularly pernicious. Dependency allows American universities to populate the top layers of all foreign institutions with their graduates, largely because those graduates have American connections and thus links to the baskets of dollars which fall out of the sky.

But advice is not supervision, it does not want to be supervision, and it never will be supervision. If the American Embassy tells a foreign "government" what to do, it can usually expect quite a bit of balking and recalcitrance. Absolute orders will generally be complied with, but will greatly increase the general recalcitrance level. Foreigners are people too, like to have their own power, and don't like to be ordered around.

Moreover, the United States is not the British Empire. It is in the business of having clients, whom it pretends to be responsible for and provides large quantities of often unwanted advice to. Ideally, when the advice is good it is listened to and when it is bad it is ignored, but this can go the other way around as well. The State Department is not in the business of providing supervision, and must constantly work hard to prevent the dysfunctional model of advice and dependency from actually turning into responsible, authoritative supervision.

(This is especially problematic because the latter runs the risk of involving the Pentagon, that ancient enemy, which happens to be full of people who just *love* giving orders. The threat that the international community will turn into the Arlington Redneck Empire, perhaps with the Carnegie Endowment for International Peace replaced by the Erik Prince Foundation for World Domination, may not actually be a real one—but if you are the sort of person who needs to be kept up at night, it can probably keep you up.)

Two, Americans *care* about foreign public opinion. I used to ask people why they were for Obama, and what I heard—often from people who didn't care at all about politics, normally—was that he would improve America's image in the "eyes of the world." It is generally a waste of time to engage anyone on why the "eyes of the world" should matter, or how exactly they got to pointing in the direction that they generally point in.

Here we must be thankful to the Wikipedians, for the term *meat puppet*. To be quite frank: invading Elbonia, replacing its government with Elbonian dignitaries of a perspective congenial to oneself, and announcing that Elbonia has joined the family of free nations, is not a way to convert one's opinion, plus Elbonia's opinion, into two opinions.

At least, rationally. But the democratic voter is always responsible to consensus. And the absurd concept of "international public opinion," which since 1945 always of course just tracks the public opinion of the most fashionable people in the United States, persuades a fair number of voters. Thus, by shaping the opinions of people outside the US, one can influence votes inside it. The people who do this work do not, of course, think in such Machiavellian terms, but their results benefit from the Machiavellian logic just the same.

This is the purpose of America's pseudo-empire of patronage, in which the money always flows outward and the Mohamed Attas flow only inward: to provide a large number of unnecessary jobs to America's ruling class, the smartest and most sophisticated people in the country, and those most able to obtain alternative employment. And also to gain the set of votes that are needed to keep the policy running, as well as to sustain other policies aligned with it. In short, like most of what Washington is today: a self-licking ice-cream cone.

But because of the multiple frauds essential to this forgery, Washington's "sway" is peculiarly insidious as compared to its Roman, Chinese or British predecessors, who when they ruled a conquered land ruled it honestly, making no attempt to disguise the nature of the relationship.

America's client states, especially outside the core European and Asian dominions (i.e., in the "Third World," a term whose inventors did not predict its present connotations), deliver quality-of-government metrics that would have shocked any Roman procurator, Chinese mandarin or British district commissioner. Even when these possessions are at "peace," graft, banditry, and sheer

incompetence are the rule rather than the exception. And "peace" is not always the rule.

(For example, were you surprised when, seeing the pictures on TV, you noticed that even in the old downtown of Bombay, a place chock-full of beautiful Raj-era buildings like the Taj Hotel, the streets were full of garbage? Or do you think that this is because the local authorities are so thrifty and impoverished, that they prefer to invest their few rupees on educating the poor?)

This is the current system of the world: a disaster. Absurd in every detail. It lives, it works in a sense, it even is mostly peaceful, but it is held together by chewing-gum and I don't trust it to last another decade. Look—I said this about our financial system. Was I wrong?

But anyway. As usual, I have spent most of this chapter berating what we have now, because what we have now is so gigantic and fascinating. By comparison, my preferred approach—the reactionary theory of world peace, if you will—is simple to the point of stupidity.

The reactionary theory of world peace states that *peace* is best defined as *security*. That's all. We are just equating two words. And we can add a third: *order*. Peace, security, and order are all the same thing. That's the theory. It even sounds cool—if not as cool as Brazil's *ordem e progresso*.

What use is this creepy-sounding triangle—*peace*, *security*, *and order*? (Doesn't this just sound like the motto of a 21st-century secret-police force? And it may well yet be.)

Here is one: note that if you believe in peace, you believe that peace is an absolute good. It is not a Goldilocks good. No one believes that you can have not enough peace, just right peace, and too much peace. No one says, with St. Augustine: give me world peace, but not just yet. The more peace you have, the better. Concepts such as *freedom* are in the same class.

But if peace, security, and order are all the same thing, there must be equivalents of absolute peace: absolute security, and absolute order. Strangely enough, whatever word you exchange "absolute" for in these phrases either means nothing, or still sounds creepy—total security, for example, is not in any way an improvement. Suppose, for example, that John McCain had run for President on a platform of absolute order? "As President, I will impose absolute order." No, I just can't see it happening.

(This is due to your democratic programming, which first and foremost defends democracy—the strategy of symbiont and parasite alike. The democrat is not willing to equate peace with security and order. He does not like security and order, because either total security or absolute order in the end conflicts with democracy.)

The peaceful, reactionary world of Patchwork is a world populated entirely by rational absolute sovereigns: states which are managed competently and coherently for financial benefit alone. This world can be created on a subset of the entire planet, of course, though then it needs plans for defending itself against the rest of said planet.

Within Patchwork, peace, security and order are most definitely the same thing. Of course, a realm is designed to maintain absolute or near-absolute levels of internal security and order. Society within a Patchwork realm has none of the running sores of the democratic era: there are no slums or dirty streets, no gangs, and no politics. Japan or Singapore would be the closest analogies today, though both of course are quite imperfect.

We can define a rational absolute sovereign, such as a Patchwork realm, as *orderly*. Such a sovereign is controlled centrally from a single point, by competent administration acting for a purely financial purpose. All its motivations come from its desire to produce return on equity. If predation is more profitable than cooperation, it will predate. If cooperation is more profitable, it will cooperate. (Obviously, the goal is to design a framework in which cooperation is always more profitable.)

(Note that all these criteria remain absolute. The administration cannot be too competent, its purposes cannot be too neutral, its responsiveness to the proprietors too complete, etc., etc.)

Patchwork is at peace if every realm in it is *secure*: i.e., it is orderly, and it maintains absolute control over its patch. Once again, no realm can ever be too secure, just as peace is always better than war and no society can be too peaceful.

Between realms, our goal is to achieve the same or nearly the same level of stability, without building anything like a centralized authority that would impose it. A centralized or federalized authority with the power of judgment or enforcement is itself the government—and if you try to split judgment and

enforcement into competing agencies, you are just asking for trouble.<sup>2</sup>

Patchwork has no central authority or community of realms. It has conventions, such as rules protecting shared resources (the atmosphere, the oceans and the fish in them, orbital space, etc.) from any abuse that would be collectively uneconomic. Sometimes people need to get together and update these rules, as with any system of rules, but they are only occasional delegates and do not constitute any sort of permanent organization. Sometimes realms must vote on these changes, but this is a rare event indeed. Turning the entire system into One Big State is a failure mode, not a goal.

So, for example, let's say a coalition of demented realms are taken over by administrations which, for some reason, are affrighted with the perils of global warming. (Stipulating that global warming is a pile of nonsense—if not, substitute something else which is.) They round up a majority and manage to change the rules for the atmosphere, imposing carbon credits or some such absurdity.

Is that something that could happen in an Patchwork world? Sure. What should the realms in the minority do? Go along with it, I'm afraid. This is the level of imperfection I think is acceptable in a design that remains basically peaceful—it is aggression in a sense, but of an inherently unprofitable form.

What we don't want to see is a situation in which we get civil war, we get predation by some patches on other patches, we get standing internal alliances, we get patron—client relationships, etc., etc., and all the nasty structures that arose under the old international order. A bit of overzealous pollution control is a strain the system can handle.

Our goal is thus to get, at the level of Patchwork as a whole, as close to

Perhaps the most significant fallacious principle in the Anglo-American democratic mind is the principle of division of authority—immortalized by Montesquieu as the separation of powers. Montesquieu, of course, was an Anglophile, and he was head-over-heels in love with the supposed balance of powers created by the "Glorious" Revolution of 1688. To refute this principle, it should be sufficient to note that in the Britain of 2009, only one—at most—of Montesquieu's three powers still has any power at all.

I.e., the House of Commons—the Crown and the House of Lords having faded to mere symbolic significance. The "at most" caveat refers to the transfer of power (familiar to readers of the Crossman diaries or viewers of *Yes Minister*) from Commons to the Civil Service.

<sup>&</sup>lt;sup>2</sup>As Moldbug notes in A Gentle Introduction to Unqualified Reservations:

total security as we can. This is also *complete stability*. Ideally, politics is at a complete end, as is war as a means of political endeavor. Except through free and peaceful transfers of shares, there should be no further changes in power. Each realm in each patch should last forever. Frankly, if this isn't world peace, I don't know what is. I hope it's not too much peace for anyone.

(Transfers of shares that constitute a merger into bigger and bigger patches, eventually ending in a one-patch world, should be blocked in some way. Since realms do not control their shares, this cannot be done by restricting share transfers. However, it can be done by including a promise of independent ownership in the realm's resident covenant. Like any other item in the covenant, it can be violated, but usually not profitably.)

The basic secret of inter-realm relations in Patchwork is that it is much, much easier to construct rules for a community of rational or orderly sovereigns than for a community of irrational ones. Therefore, even in a world which contains both rational and irrational sovereigns, it is rational for rational sovereigns to have different rules for other rational sovereigns. This set, whether or not it covers the planet or is even geographically contiguous, constitutes Patchwork. At least if it is working as designed, there should be only one.

Orderly sovereigns deal with each other in a very different way, because orderly sovereigns are sovereigns for whom *deterrence always works*. Therefore, it is extremely easy to discourage predation: it can be deterred either (a) through collective disapproval—which might become quite costly, especially if the disapproval of other realms leads to the disapproval of one's present residents, as it almost certainly would; or (b), all else failing, military retaliation.

Military retaliation is important because, in real life, it is rather hard to make war profitable, and rather easy to make it unprofitable. While there is no shortage of rational sovereigns in history, history's profitable wars are often best explained in terms of irrationality. For example, while Hitler's conquests of Czechoslovakia, Poland and France may have been in themselves profitable, each of these three countries was more or less a client state of Great Britain, and counted irrationally on British assistance against Germany. As a result, not only did they not defend themselves, they were not prepared to even try to defend themselves.

Among rational sovereigns, the theoretical military confrontations which

would otherwise occur between Patchwork realms, and which there is no authority to prevent, will just not happen. Armaments will be gradually de-escalated, each side of each border prepared to inflict an adequate level of pain on the other in the event of any attempt at aggression. At the end of the process, cross-border security cooperation between any two sovereigns will be at the same level as that between any two "countries" in the democratic world today, and security forces will revert to police forces.

Of course, this process of complete de-escalation can only happen in an all-Patchwork world. Irrational sovereigns can be aggressive in arbitrary ways for arbitrarily crazy reasons, and they are not necessarily deterrable. Against the rest of the world, Patchwork is at least expected to stick together, possibly even forming joint security institutions—which are temporary, of course, based on the specific threat.

The general attitude of Patchwork toward the world outside is *neutrality*. This of course was the staple of American foreign policy for a century, which might well be described as one of the only things Washington has ever done right. No more need be said about this well-known approach, due of course to George Washington himself. The rules of neutrality are well-understood under classical (19th-century) international law, a considerable improvement on its 20th-century successor.

Patchwork will defend itself from the rest of the world, but never attack. It will trade if allowed, not if otherwise. Basically, it will keep its head down and try its best to avoid surrendering sovereignty in any way. It will try to keep its trade balanced, avoid accepting loans in currencies it cannot print, maintain resource, food and energy independence to whatever extent possible, etc., etc., etc. Its advantage is in its vitality and economic efficiency, and it will maintain this.

Especially, each realm and Patchwork as a whole will do their best to avoid any compromise of sovereignty. A slice of sovereignty is what each shareholder in each realm holds, and it is not to be surrendered for any reason. And while there may be a theoretical incentive for individual realms to free-ride in defending the whole, surely the loss of reputation capital exceeds any potential profit to ride freely.

I'm sure that, to many democrats, Patchwork seems like a design for per-

manent global tyranny. This is just something we'll have to work through. However, it is indisputable that, at least if it works as planned, Patchwork will produce world peace. And it is certainly reactionary! Just think of it as a cross between the Holy Alliance, the Hanseatic League, and the National Basketball Association—with all the advantages of each, and the downsides of none.