

Próspera: A Living Patchwork Zone

I. Introduction: Neoreactionary Governance and the Allure of the Patchwork

The early 21st century has witnessed the emergence of radical political philosophies that challenge the foundational tenets of modern liberal democracy. Among these, the neoreactionary movement (NRx), also known as the Dark Enlightenment, stands out for its trenchant critique of democratic governance and its advocacy for alternative, often authoritarian, societal structures. This report critically examines Próspera, a Zone for Employment and Economic Development (ZEDE) in Roatán, Honduras, as a contemporary case study of neoreactionary principles in practice. By analyzing Próspera's governance, operational model, socio-economic impacts, and strategic ambitions, this report aims to illustrate how this "startup city" serves as a living laboratory for ideals articulated within NRx thought, particularly Mencius Moldbug's concept of "Patchwork."

A. Defining Neoreaction (NRx) and the Dark Enlightenment

Neoreaction, or NRx, is a deeply anti-democratic, anti-egalitarian, and reactionary philosophical and political movement that emerged in online communities in the 2000s. It represents a fundamental rejection of Enlightenment values such as equality, individual rights, and popular sovereignty, favoring instead a return to traditional societal constructs and forms of government, including absolute monarchism and cameralism (a theory of state administration emphasizing bureaucratic efficiency and centralized control). Influenced by certain strains of libertarianism, the movement advocates for the establishment of authoritarian capitalist city-states, envisioned as competing entities vying for citizens in a market-like fashion.

Key intellectual figures associated with NRx include Curtis Yarvin, who wrote under the pseudonym Mencius Moldbug, and British philosopher Nick Land. Yarvin is credited with articulating many of the core ideas that developed into NRx thinking, while Land coined the term "Dark Enlightenment" in an essay of the same name, providing a more esoteric and accelerationist philosophical grounding for the movement.

At the heart of NRx are several core tenets. Firstly, there is a profound opposition to democracy, which is often viewed as a decadent and inherently flawed system prone to degeneration into tyranny and chaos. Secondly, NRx champions authoritarianism, proposing that societies should be governed by strong, hierarchical structures, often led by a "CEO-monarch" or organized as "gov-corps" (government corporations). This reflects a belief that concentrated power, if wielded effectively, can provide superior order and efficiency compared to democratic systems. Thirdly, NRx often implicitly or explicitly rejects egalitarianism, sometimes drawing on pseudoscientific notions of inherent human inequality to justify hierarchical social orders.

A central concept in NRx discourse is "The Cathedral," a term used to describe the perceived nexus of modern liberal institutions—including elite universities, major media outlets, and government bureaucracies—that NRx adherents believe collectively enforce a progressive, egalitarian orthodoxy and suppress dissenting thought. This "Cathedral" is seen as a primary impediment to the kind of societal restructuring NRx advocates. The libertarian critique of large, inefficient, and often rights-violating states finds resonance within NRx, but the latter takes this

critique to a more radical conclusion. Where libertarianism might seek to limit the state within a democratic framework, NRx identifies democracy itself as the fundamental problem. By framing its proposals in terms of efficiency, individual choice (albeit the choice to exit, rather than participate), and market competition, NRx can sometimes appeal to disaffected libertarians while advancing a profoundly anti-democratic and hierarchical vision. Próspera's own marketing, emphasizing "liberty and ease of business", often employs language that resonates with libertarian sensibilities, potentially obscuring its deeper alignment with more authoritarian NRx principles.

B. Mencius Moldbug's "Patchwork": A Blueprint for Post-Democratic Governance

Within the NRx intellectual landscape, Mencius Moldbug's "Patchwork" theory offers a specific, albeit dystopian, blueprint for a post-democratic world order. "Patchwork" envisions the current system of nation-states being replaced by a global network of thousands of sovereign, joint-stock republics or "gov-corps". Each "patch" would be an independent city-state, owned by its shareholders (who might be individuals, corporations, or other entities) and run by a CEO-like sovereign.

In this model, governance itself becomes a commercial enterprise. "Gov-corps" would compete to attract "customers"—residents and businesses—by offering varying packages of laws, services, and living conditions. The primary mechanism for accountability would not be democratic participation or elections within a patch, but rather the ability of individuals to "vote with their feet" by choosing to move from one patch to another if dissatisfied. Proponents claim this market-based approach to governance would lead to greater efficiency, security, and innovation, promising outcomes like clean streets, negligible crime, advanced technology (even "invincible robot armies"), and ultimately, world peace through a system of voluntary association and contractual relationships.

The "Patchwork" model, with its emphasis on competing sovereign entities, property-based power, and hierarchical structures, can be interpreted as a technologically advanced iteration of feudalism, or "techno-feudalism" as some scholars have termed it. In feudal systems, sovereignty was often fragmented, power was tied to land ownership, and individuals were subjects of local lords rather than citizens of a unified state. Similarly, in a "Patchwork" scenario, "gov-corps" would function as private fiefdoms ruled by their CEO-monarchs. Citizenship, in this context, transforms into something more akin to being a tenant or a contractual subject of the patch's owner, rather than a participant in a democratic polity with inherent rights and a voice in governance. The "vote with your feet" concept, while presented as a form of freedom, mirrors the limited options available to serfs who might flee an oppressive lord only to seek the protection of another, without fundamentally altering their subordinate status or ability to shape the rules under which they live.

C. Próspera as a Contemporary Case Study

It is against this backdrop of neoreactionary theory and the "Patchwork" vision that Próspera ZEDE, located on the island of Roatán, Honduras, emerges as a significant real-world experiment. Established under Honduran legislation that allows for Zones for Employment and Economic Development, Próspera operates with a high degree of autonomy, featuring its own legal and regulatory framework, governance structure, and economic model. As this report will

demonstrate, many of Próspera's core features align remarkably closely with the principles articulated by NRx thinkers and the "Patchwork" concept.

This report will critically analyze Próspera's architecture of power, its operational model (including its approach to law, regulation, labor, and the environment), its socio-economic impacts on local communities, its connections to elite networks, and its strategic ambitions. The central thesis is that Próspera represents a tangible manifestation of neoreactionary ideals, offering a valuable, if controversial, case study for understanding the real-world implications of attempting to implement such governance models. By grounding abstract theory in the concrete realities of Próspera's operations and the controversies surrounding it, this report seeks to illuminate the profound challenges these experiments pose to conventional notions of sovereignty, democracy, and human rights.

II. Próspera's Architecture of Power: Property, Plutocracy, and Corporate Sovereignty

Próspera's governance framework is a deliberate departure from traditional democratic models, explicitly designed to concentrate power in the hands of its corporate organizers and major property owners. This structure, which embodies the neoreactionary preference for property-weighted governance and corporate sovereignty, is foundational to its operation as a "startup city" offering "Governance as a Service."

A. Governance Structure: The Council and Honduras Próspera Inc.'s Dominance

Próspera ZEDE is formally governed by a nine-member council. However, the composition and decision-making rules of this council ensure that ultimate control rests with Honduras Próspera Inc. (HPI), the U.S.-based company that serves as the developer and "guarantor" of the ZEDE. Of the nine council members, only five are elected, while the remaining four are directly appointed by HPI. Crucially, decisions within the council require a two-thirds majority, which effectively grants HPI and its appointees veto power over any significant resolution. This structure ensures that the interests of the corporate developer are paramount in the governance of the zone.

Adding another layer to this structure is an unelected "Committee of Best Practices." This body, whose members are appointed by the Honduran national government, is tasked with approving Próspera's internal regulations and providing policy guidance. While this committee introduces an element of Honduran state oversight, its role appears secondary to the core decision-making power vested in the HPI-dominated council. The very existence of a corporate entity with such direct and decisive influence over a territorial jurisdiction's governing body is a stark illustration of what the user query terms "Property-Based Plutocracy."

B. Property-Weighted Governance: Voting Rights and Land Ownership

The plutocratic nature of Próspera's governance is further cemented by its system of allocating political voice based on land ownership. While physical residents of Próspera are granted a vote for some council positions, property owners—defined as "natural persons or legal entities who

are the title owners to at least one square meter of land within Próspera"—receive additional votes proportional to the amount of land they own. This mechanism directly literalizes the neoreactionary belief that political power should be weighted according to property holdings, effectively ensuring that individuals or corporations with greater capital investment wield significantly more influence in Próspera's political affairs. Such a system inherently favors wealthier stakeholders and corporate entities over individual residents who may own little or no land, fundamentally skewing political representation towards capital.

The illusion of democratic input, despite the election of five council members, is thus quite apparent. The combination of HPI's direct appointment power, its effective veto within the council, and the property-weighted voting system for landowners means that any democratic element is largely symbolic. Power is structurally and intentionally concentrated in the hands of the corporate developer and major landowners. This arrangement diverges sharply from the democratic principle of "one person, one vote" and instead aligns with the NRx idea that those with more "skin in the game"—quantified here as land ownership—should have a correspondingly greater say in governance. The design is clearly intended to safeguard investor interests above broader civic participation.

C. "Governance as a Service" (GaaS): The Corporate Operator Model

Próspera explicitly markets its operational model as "Governance as a Service" (GaaS). In this paradigm, governance is not a matter of collective self-determination by a citizenry but rather a product or service delivered by the zone's corporate operators (HPI) to its "customers" (residents and businesses). The emphasis is on efficiency, favorable taxation (Próspera touts "just four low taxes"), streamlined business registration (achievable in a day), and the provision of services such as "world-class private property protection" and security.

This GaaS model reframes the relationship between the governed and the governors into one of a consumer and a service provider. The primary measure of success becomes customer satisfaction and the ability to attract and retain businesses and affluent residents. This approach seeks to depoliticize governance, reducing it to a series of contractual obligations and service-level agreements. If "customers" are dissatisfied, their primary recourse, in line with NRx "vote with your feet" ideology , is to exit and take their "custom" elsewhere, rather than to engage in political contestation or demand systemic changes from within. This model inherently downplays the importance of internal democratic accountability and collective political agency.

D. Citizenship as a "Common Interest Community" Membership

The concept of citizenship in Próspera is significantly redefined, aligning more closely with membership in a homeowners' association or a private club than with traditional notions of political citizenship. Real estate within Próspera is governed by U.S. common law property principles, and property interests are typically subject to a "common interest community declaration". This declaration includes covenants, conditions, and restrictions that ensure compliance with Próspera ZEDE's rules.

To become a physical Resident or an eResident (a status required to own or lease property, or operate a business), individuals and legal entities must enter into an "Agreement of Coexistence" with Próspera ZEDE. This agreement contractually binds residents to Próspera's legal framework, guarantees certain service levels from the provider, and mandates the use of Próspera's default Arbitration Service Provider for resolving all legal disputes arising within the zone. The annual fees for residency vary, ranging from \$130 USD for a legal entity to \$1300

USD for a non-Honduran physical natural person resident. This contractual and fee-based foundation for residency and access to rights starkly contrasts with traditional citizenship, which is typically based on birth, naturalization, and the possession of inherent, inalienable political rights.

The "Amended Charter and Bylaws of Próspera ZEDE" serves as the "organic law" or quasi-constitution for this corporate-led governance system. This foundational document, promulgated by Próspera's Technical Secretary and subject to approval by the Honduran government's ZEDE oversight body (CAMP), solidifies the power structure favoring HPI and property owners. While amendments to this Charter are possible, including through referenda of Residents if referred by the Council, the process and the underlying framework ensure that the fundamental rules of the game are largely determined by the "service provider" rather than by a broad-based citizenry through conventional democratic mechanisms.

The following table summarizes key aspects of Próspera's governance model in comparison to typical democratic norms and highlights its alignment with neoreactionary principles.

Table 1: Próspera's Governance Structure vs. Democratic Norms

Feature	Próspera Model	Typical Democratic Norm	NRx Alignment
Council Composition	9 members: 5 elected, 4 appointed by Honduras Próspera Inc. (HPI).	Fully elected representative body based on popular suffrage.	Rule by an elite or corporate entity; skepticism of popular election.
Decision-Making Power	Requires 2/3 majority, giving HPI effective veto power.	Majority rule, with protections for minority rights, but no corporate veto over legislation.	Concentrated power in a sovereign (CEO-monarch or corporate owner).
Voting Rights	Physical residents have one vote for some positions; property owners gain additional votes per square meter of land owned.	Equal suffrage (one person, one vote).	Property-weighted voting; power proportional to stake/ownership. Plutocracy.
Basis of Residency/ "Citizenship"	Contractual ("Agreement of Coexistence"), fee-based residency, akin to a common interest community membership.	Birthright, naturalization, inherent political rights and obligations.	"Citizens" as customers or contractual parties; "voting with feet" (exit) as primary recourse. Governance as a service provided by a "gov-corp."
Accountability of Governors	Primarily to HPI (as developer/guarantor) and major landowners. Market accountability through attracting/retaining "customers." Limited Honduran oversight (CAMP).	Accountability to the electorate through regular elections and public oversight mechanisms.	Accountability to shareholders/owners of the "gov-corp"; efficiency and profitability as key metrics.

Feature	Próspera Model	Typical Democratic Norm	NRx Alignment
Source of Governing Authority/ Charter	"Amended Charter and Bylaws of Próspera ZEDE," promulgated by the Technical Secretary, approved by CAMP; rooted in ZEDE law designed for private development.	National constitution derived from popular sovereignty or broad societal consensus.	Charter established by the founders/owners of the "patch" or "gov-corp."

This systematic departure from democratic norms in favor of a corporate-plutocratic structure is not accidental but a deliberate design choice, reflecting a coherent, albeit radical, vision of governance rooted in neoreactionary thought.

III. Echoes of the Past, Visions of the Future: Neo-Colonialism and Extractive Control

Próspera's operational model, characterized by extensive autonomy, privatized essential services, and a legal framework tailored to attract foreign capital, evokes strong parallels with historical colonial enterprises and the "banana republics" of the early 20th century. Critics argue that beneath the rhetoric of innovation and efficiency lies a system designed for extractive control, potentially at the expense of local sovereignty, worker protections, and environmental integrity.

A. Parallels to "Banana Republics" and Colonial Enterprises

The comparison of Próspera to "banana republics" is not merely rhetorical; it points to structural similarities in how power, resources, and sovereignty are configured. Historically, "banana republics" were characterized by foreign corporations wielding immense economic and political power within nominally sovereign states, often with the complicity of local elites, leading to extractive economies and minimal democratic input for the general populace. Próspera, as a corporate-managed ZEDE, mirrors this dynamic by creating a semi-autonomous enclave where a private, foreign-backed entity (Honduras Próspera Inc.) exercises significant governmental functions.

Scholarly analyses reinforce this perspective, suggesting that Próspera's institutional framework is more akin to colonial administration than to a libertarian utopia built on free association. The argument is that Próspera, much like colonial Singapore relied on the British Empire, depends on external economic and legal power—such as international investment treaties like CAFTA-DR and the implicit backing of powerful international actors—to sustain its autonomy and enforce its claims against the host state. This reliance on external power to create and maintain an economic enclave within a developing nation is a hallmark of neo-colonial relationships. Critics explicitly label Próspera "the latest iteration of colonialism", a jurisdiction designed more for the benefit of wealthy international investors and those seeking to evade regulations in their home countries than for the sustainable development of Honduras or the empowerment of its citizens. The ZEDE framework itself, by allowing private companies to establish their own laws and governance systems, is viewed as a mechanism for ceding

national sovereignty.

B. Privatized Security and Judiciary

A key feature of Próspera's autonomy, and one that strengthens the colonial parallel, is the privatization of security and judicial functions. The ZEDE enabling legislation explicitly permitted these zones to establish their own police forces and common-law courts, operating independently of the Honduran national systems and not subject to appeal to the Honduran Supreme Court for many matters. In practice, Próspera employs private armed guards to provide security within its jurisdiction, rather than relying on national police forces.

Dispute resolution is similarly privatized. The Próspera Arbitration Center (PAC) serves as the default mechanism for resolving contractual disputes and other legal matters arising within the ZEDE. This arbitration system, staffed by arbiters primarily from common law jurisdictions outside Honduras, operates under Próspera's own legal codes. While Próspera remains subject to Honduran criminal law, the extensive privatization of civil and commercial dispute resolution effectively creates a parallel justice system tailored to the needs of businesses and investors within the enclave. This delegation of core state functions—security and justice—to private entities is a profound expression of the "sovereignty as commodity" model. National sovereignty, traditionally understood as the indivisible authority of the state over its territory and legal system, is effectively partitioned and parts of it are outsourced to a private corporation. This is justified by proponents through promises of efficiency and economic development, a narrative frequently employed in historical colonial concessions and contemporary special economic zones that grant extensive privileges to foreign investors.

C. Labor Laws: "Regulatory Efficiency" vs. Dismantled Protections

Próspera's approach to labor regulation is presented by its proponents as an innovative model that benefits both employers and employees. Officially, the Próspera Labor Statute allows for the formation of unions, purportedly "more freely than anywhere else in the world", and mandates a minimum wage that is 10-25% higher than the Honduran national minimum. A key feature is the replacement of standard Honduran employer obligations with a "portable labor benefit fund" owned by the employees, which is claimed to empower workers while offering cost savings to employers.

However, a closer examination reveals features that could significantly weaken worker protections in the name of "regulatory efficiency." "At-will employment" is the default employment relationship in Próspera, meaning either party can terminate the contract with or without cause, unless otherwise specified by statute or agreement. While a duty of good faith and fair dealing is owed by both parties, at-will employment inherently reduces job security compared to systems with stronger dismissal protections. Furthermore, while unions can be formed, "closed shop" agreements (requiring union membership as a condition of employment) are deemed "presumptively unenforceable," and union protests are subject to restrictions, such as not being allowed to trespass. Non-statutory employees, a category that can include individuals applying independent judgment or those with flexible schedules, are not required to receive certain benefits stipulated in the Próspera Labor Statute, such as the Próspera Labor Premium or overtime pay.

Critics argue that such ZEDEs, with their emphasis on attracting investment through deregulation, are designed to empower wealthy owners to mistreat workers and suppress wages. The historical context of "banana republics" is rife with examples of severe labor

exploitation by foreign corporations operating with minimal oversight. The term "labor flexibility," often used to describe systems like Próspera's, can serve as a euphemism for reducing regulations perceived as burdensome by employers, such as strong union rights, stringent dismissal protections, and comprehensive mandatory benefits. While Próspera offers a higher nominal minimum wage, the simultaneous introduction of at-will employment and weakened union leverage shifts the balance of power towards employers. The portable labor benefit fund, while potentially offering some individual financial security, may not adequately compensate for the loss of collective bargaining strength or the broader statutory protections common in more traditionally regulated labor markets. This approach aligns with a "regulatory efficiency" narrative that often views robust worker protections as impediments to investment and economic growth.

D. Environmental Regulations and Oversight

Próspera's official position is one of commitment to environmental stewardship. The zone has enacted a Coral Reef Protection Statute and a Hazard Precaution Statute, which all residents and businesses must comply with. Uniquely, Próspera claims that these environmental protections can be enforced not only by governmental agencies but by any Resident, theoretically creating a high threshold for accountability.

Regulatory compliance, including for environmental matters, is primarily managed through a system of insurance providers rather than traditional bureaucratic agencies. Businesses operating in designated "Regulated Industries" are required to secure appropriate regulated industry insurance, which includes provisions for inspections and compliance checks.

Despite these stated commitments, significant concerns remain. Critics fear that ZEDEs, driven by the imperative to attract capital, may allow for the despoiling of the environment. The general critique of ZEDEs lacking transparency and robust accountability mechanisms extends to environmental oversight. The historical precedent of colonial enterprises and extractive industries prioritizing resource exploitation over environmental protection in developing countries serves as a cautionary tale.

The reliance on insurance providers as the primary regulators is a novel approach consistent with market-based NRx ideals. However, this model may inherently prioritize insurable risks—those that can lead to quantifiable financial liabilities for the insurer—over broader, long-term, or diffuse environmental concerns that are difficult to insure against or attribute to a single entity. For example, gradual loss of biodiversity, cumulative pollution effects, or the disruption of local ecosystems might not trigger immediate or substantial insurance claims but can have severe long-term environmental and social consequences. An insurance-based regulatory system, while potentially "efficient" in managing certain types of financial risk for businesses and insurers, could thus possess significant blind spots regarding critical public interest environmental concerns that traditional government regulation, with its broader mandate, aims to address. The documented instances of deforestation due to Próspera's construction, even after the ZEDE law's repeal, and reports of disruption to local water supplies suggest that the practical application of Próspera's environmental model may not align with its stated ideals.

IV. The Networked Enclave: Elite Connections and Ideological Underpinnings

Próspera is not an isolated phenomenon but rather a node in a broader transnational network of

individuals, capital, and organizations promoting alternative governance models. Its development and promotion are deeply intertwined with influential figures from the worlds of technology, venture capital, and libertarian/neoreactionary thought, as well as concerted efforts to gain political legitimacy and influence.

A. Founders and Leadership

The primary architect and public face of Próspera is Erick Brimen. A Venezuelan-born wealth fund manager and CEO of the investment firm NeWay Capital, Brimen conceived of Próspera and serves as its CEO. He has articulated the vision for Próspera as a "poverty relief initiative" for Honduras, designed to foster economic growth and opportunity. Brimen formally applied for the charter city status in Honduras in 2017. The project itself is legally spearheaded by Honduras Próspera Inc., a company incorporated in Delaware, USA, which acts as the promoter, organizer, and effective controlling entity of the Próspera ZEDE.

B. Key Investors and Financial Backing

Próspera's development has been fueled by substantial investment from a coterie of high-profile venture capitalists and technology entrepreneurs, many of whom are known for their libertarian or unconventional political views. Among the most prominent backers are Peter Thiel (co-founder of PayPal and Palantir), Marc Andreessen (co-founder of Netscape and the venture capital firm Andreessen Horowitz), and Balaji Srinivasan (former CTO of Coinbase and a vocal proponent of "network states"). These individuals have reportedly invested in Próspera through Pronomos Capital, a venture capital firm specifically focused on funding the creation of new cities and charter city-like projects.

Other significant investors include Tim Draper of Draper Associates, known for his early investments in tech companies and his advocacy for Bitcoin and "free-market" governance solutions, and Brian Armstrong, CEO of Coinbase, whose company's venture arm, Coinbase Ventures, made a strategic investment in Próspera in early 2025. Venture capital firms such as BoostVC and North Island Ventures are also among Próspera's financial supporters.

Collectively, these investors have injected significant capital into the project, with Próspera claiming over \$100 million invested to catalyze economic growth, and PitchBook reporting a total of \$71.6 million raised through various funding rounds by March 2025.

C. Connections to Libertarian/NRx Movements and Charter City Initiatives

Próspera is explicitly situated within the broader charter city movement, an idea popularized by Nobel laureate economist Paul Romer. Romer initially proposed charter cities as a way for developing countries to import good governance and spur economic development by ceding territory to a well-governed guarantor nation or entity. Próspera has been described as a modern iteration of this model and has received influence from organizations like the Charter Cities Institute (CCI), a Washington D.C.-based think tank that promotes the development of such special jurisdictions worldwide. Erick Brimen himself has engaged with the charter city discourse, framing Próspera as a pioneering example.

However, Paul Romer has since become a vocal critic of Próspera's trajectory, stating that its developers have "lost their way" and that the project resembles a "gated community" focused on

self-interest rather than genuine development for Honduras. This divergence highlights a tension between the original, more development-oriented vision of charter cities and the more radical, libertarian or NRx-aligned interpretations that emphasize exit, deregulation, and corporate sovereignty.

The deep involvement of figures like Peter Thiel, who has openly expressed skepticism about the compatibility of freedom and democracy and has financially supported NRx thinkers, and Balaji Srinivasan, an advocate for crypto-based societies and "network states" that operate independently of traditional nation-states, underscores Próspera's ideological alignment with these more extreme currents of thought. While direct links to Patri Friedman's seasteading and charter city initiatives are not extensively detailed in the provided material specifically concerning Próspera, the project clearly operates within the same intellectual and financial ecosystem that Friedman helped to cultivate. This network of "exit" proponents shares a common goal: to create alternative jurisdictions that allow individuals and capital to escape the perceived constraints of existing nation-state governance. They leverage their financial resources, technological expertise, and political connections to advance this agenda globally.

D. Political Influence and Connections (e.g., Trump Administration)

Próspera's backers have not limited their efforts to development within Honduras; they have actively sought to cultivate political influence in the United States to support their project and the broader ZEDE concept. Representatives from Próspera have reportedly been involved in drafting legislation for "Freedom Cities" in the U.S.—a concept promoted during the Trump administration—and have met with administration officials to advance this agenda. Stephen Moore, a former economic advisor to Donald Trump and a contributor to Project 2025, has been identified as an ally of Próspera.

Erick Brimen himself undertook a "strategy tour" in Washington D.C. in late 2024, during which he claimed to have achieved "bipartisan endorsement" for the ZEDE model and expressed anticipation for a "material change in U.S. policy" favorable to such zones. This lobbying effort appears to have borne some fruit. Following the Honduran government's repeal of the ZEDE law under President Xiomara Castro, U.S. Senators Bill Hagerty (R-TN) and Ben Cardin (D-MD) sent a letter to the Biden administration condemning the Honduran government's actions. Furthermore, the U.S. Ambassador to Honduras publicly criticized the Castro government for measures perceived as reducing investment incentives.

These instances of political engagement and pressure highlight the geopolitical dimensions of projects like Próspera. They demonstrate how private investment initiatives, when endowed with special legal status and backed by powerful international actors and capital, can seek to influence the policies of sovereign host nations and even leverage the foreign policy apparatus of their home countries (in this case, the U.S.) to protect their interests. This dynamic is particularly acute when the host nation is smaller and economically less powerful, creating an asymmetry that echoes historical patterns of foreign corporate and state influence in developing countries. The synergy between certain segments of tech capital and NRx/libertarian ideals is evident here. The tech industry's frequent emphasis on "disruption" and its sometimes impatient stance towards existing regulatory frameworks finds common cause with NRx's radical vision of governance optimized for "efficiency" and technological advancement, often at the expense of democratic processes or social equity. Próspera's explicit focus on attracting technology, cryptocurrency, and biotechnology companies is a clear manifestation of this alignment.

The following table provides a summary of key actors and networks associated with Próspera, illustrating their roles, ideological leanings, and actions.

Table 2: Key Actors and Networks Associated with Próspera

Individual/Entity	Role/Affiliation	Known Ideological Leanings/Statements	Key Actions/Investments in Próspera	Evidence
Erick Brimen	Founder & CEO of Próspera; CEO of NeWay Capital	Pro-charter city; frames Próspera as "poverty relief" and promoting "economic freedom."	Conceived and leads Próspera; applied for ZEDE status; lobbying in U.S.	
Honduras Próspera Inc.	U.S. (Delaware) company; Promoter & Organizer of Próspera ZEDE	Corporate entity focused on developing Próspera.	Holds veto power in Próspera Council; litigant in ISDS case against Honduras.	
Peter Thiel	Co-founder of PayPal, Palantir; Venture Capitalist (Founders Fund, Pronomos Capital)	Libertarian; critical of democracy; supporter of NRx thinkers.	Investor in Próspera via Pronomos Capital.	
Marc Andreessen	Co-founder of Netscape; Venture Capitalist (Andreessen Horowitz, Pronomos Capital)	Pro-technology; influential in Silicon Valley.	Investor in Próspera via Pronomos Capital.	
Balaji Srinivasan	Former CTO of Coinbase; Angel Investor; Proponent of "network states"	Pro-crypto; advocate for decentralized/alternative governance.	Investor in Próspera; public endorsements.	
Tim Draper	Venture Capitalist (Draper Associates)	Pro-Bitcoin; advocate for "free-market" governance.	Investor in Próspera; public endorsements.	
Coinbase Ventures	Corporate venture arm of Coinbase	Focus on crypto economy and economic freedom.	Strategic investor in Próspera.	
Pronomos Capital	Venture capital firm focused on charter cities	Invests in new city/governance projects.	Key investment vehicle for Thiel, Andreessen in Próspera.	
Charter Cities Institute (CCI)	Non-profit promoting charter cities	Advocates for charter city model globally.	Influenced Próspera's development.	
U.S. Political	U.S. Senators;	Varied; support for	Lobbied on behalf	

Individual/Entity	Role/Affiliation	Known Ideological Leanings/Statements	Key Actions/Investments in Próspera	Evidence
Figures (e.g., Sens. Hagerty, Cardin; Stephen Moore)	former Trump economic advisor	investor rights, "Freedom Cities."	of Próspera; advocated for ZEDE-like models in U.S.	

This network, with its substantial financial resources, technological prowess, and political connections, is a formidable force in promoting and defending projects like Próspera, often framing them as innovative solutions while downplaying the significant social, political, and ethical questions they raise.

V. The Price of "Innovation": Community Disruption and Local Resistance

While Próspera is marketed by its proponents as a beacon of innovation and economic opportunity, its establishment and operation have been fraught with conflict and have exacted a significant toll on local Honduran communities. The pursuit of this experimental governance model has led to documented impacts including displacement fears, environmental concerns, and a profound lack of consultation, fueling widespread local and national resistance.

A. Documented Impacts on Local Honduran Communities

The most acute impacts have been felt by the residents of Crawfish Rock, a predominantly Afro-Indigenous Garifuna fishing village that neighbors the Próspera ZEDE on the island of Roatán. From the outset, community members have reported a profound lack of prior consultation and consent regarding the project's establishment and scope. Venessa Cárdenas, a prominent local activist and community leader from Crawfish Rock, has repeatedly emphasized that residents were not informed or asked for their consent before Próspera began its operations, a direct violation of their right to free, prior, and informed consultation, particularly relevant for Indigenous and Afro-descendant communities.

This lack of transparency has fueled significant fear and anxiety, particularly concerning land rights and potential displacement. Próspera's initial expansion plans appeared to encroach upon Crawfish Rock's traditional lands, and the original ZEDE law contained provisions that could allow for the expropriation of land for ZEDE development. Although Próspera officials have publicly stated they would not invoke these expropriation clauses, such assurances have provided little comfort to a community facing the prospect of losing ancestral lands and their way of life. Luisa Connor, president of the Crawfish Rock community council, has voiced these fears, stating, "We will be the first to lose what we have".

Beyond land concerns, the presence of Próspera has reportedly led to increased social tensions and even threats against those who oppose the project. The general coordinator of ARCAH (Alternativa de Reivindicación Comunitaria y Ambientalista de Honduras), an organization critical of ZEDes, reported receiving threats from police and ZEDE members. The community of Crawfish Rock is described as having lost faith and trust in outsiders, living with constant stress due to the uncertainty surrounding their future.

Environmental impacts are also a significant concern. Reports indicate ongoing deforestation

resulting from Próspera's construction activities, which controversially continued even after the Honduran Congress repealed the ZEDE enabling law. There have also been allegations of Próspera's operations disrupting the water supply of a neighboring town. These environmental issues, coupled with the social disruptions, paint a picture where the "innovation" promised by Próspera comes at a high externalized cost to the local environment and pre-existing communities. The benefits of Próspera, such as profits for its international investors and opportunities for a select group of residents and businesses, appear to accrue to a limited few, while the negative impacts—displacement fears, social division, environmental stress, and challenges to local autonomy—are disproportionately borne by the surrounding Honduran population. This pattern of privatizing gains while socializing or externalizing losses is a common critique of such enclave development projects.

B. The National Coalition Against ZEDES and Other Opposition Movements

The concerns raised by Crawfish Rock are not isolated. Opposition to Próspera and the broader ZEDE framework has been widespread and organized across Honduras. Various communities, labor unions, Indigenous groups, human rights organizations, academics, and civil society actors have united to form the "National Movement Against the ZEDES and for Sovereignty". This coalition has been instrumental in mobilizing public opinion and political action against the ZEDES, with over 180 municipalities across Honduras declaring themselves "ZEDE-free" in a symbolic rejection of the model.

The core arguments of the opposition center on the assertion that ZEDES represent a fundamental violation of Honduran national sovereignty by ceding territorial control and governmental functions to private, often foreign, entities. Critics contend that the ZEDE framework is unconstitutional, undermines democratic governance, and poses serious threats to human rights, particularly the land rights of Indigenous, Afro-descendant, and campesino communities who may lack formal titles to their ancestral lands. There are also strong concerns about the potential for ZEDES to become havens for illicit financial activities, exploitation of workers, and environmental degradation due to their lack of transparency and robust public oversight.

The United Nations High Commissioner for Human Rights expressed formal concerns in 2021 that the ZEDE law posed "serious risks" to Honduras's ability to guarantee the human rights of its citizens and could lead to the ZEDES controlling a significant portion of national territory. This international concern lent further weight to the arguments of domestic opposition movements. The resistance to Próspera and other ZEDES can thus be understood not merely as a localized "not in my backyard" (NIMBY) reaction, but as a principled defense of Honduran national sovereignty, democratic self-determination, and fundamental human rights against what is perceived as a form of neo-colonial encroachment facilitated by a flawed legal framework. The unanimous vote by the Honduran Congress in April 2022 to repeal the ZEDE law was a direct reflection of this widespread national sentiment, even though Próspera continues to challenge this repeal through international arbitration.

C. Testimony of Local Activists like Venessa Cárdenas

The human dimension of this conflict is powerfully conveyed through the testimonies of local activists. Venessa Cárdenas has been a particularly articulate voice for the Crawfish Rock

community. In interviews and public statements, she has described the profound stress and uncertainty faced by residents: "We don't know when our home will be taken from us". Cárdenas consistently highlights the community's fundamental right to be consulted before any such project is implemented on or near their lands—a right she states was unequivocally denied in the case of Próspera. Her testimony, and that of other local leaders like Luisa Connor, serves as a critical counter-narrative to Próspera's official discourse of progress and opportunity, grounding the abstract debates about sovereignty and governance in the lived experiences of those most directly affected. These voices underscore the deep social and cultural disruptions that can accompany such large-scale, externally imposed development projects, particularly when they fail to engage meaningfully with existing communities.

VI. Regulatory Theatre and the Monetization of Sovereignty

Próspera's claim to innovation extends significantly to its legal and regulatory framework, which is characterized by a "choose-your-own-regulations" model, privatized dispute resolution, and a system where regulatory oversight is largely delegated to insurance providers. While proponents laud this as a flexible, efficient, and business-friendly approach, critics decry it as "regulatory capture by design" and a form of "accountability theater" that ultimately serves to monetize aspects of Honduran sovereignty for the benefit of private investors. The ongoing legal battles between Próspera and the Honduran state further highlight the contentious nature of this experiment.

A. "Choose-Your-Own-Regs" and Auditing: Regulatory Capture by Design?

A cornerstone of Próspera's appeal to businesses is its unique regulatory environment. Companies operating within the ZEDE are not automatically subject to a fixed set of Honduran regulations. Instead, they can choose their governing regulatory framework from several options: they may adopt the existing industry-specific regulations of any of approximately thirty "Best Practices Countries" (including sub-national jurisdictions); they can propose their own customized "Optimal Regulation" for approval by Próspera ZEDE authorities; they can operate under previously approved Optimal Regulations; or they can opt to function exclusively under the Roatán Common Law Code. This "choose-your-own-regulations" model is marketed as offering unparalleled flexibility.

Regulatory compliance and oversight are also structured unconventionally. Instead of relying on traditional government agencies, Próspera primarily delegates these functions to insurance providers. Businesses in "Regulated Industries" (such as finance, healthcare, construction, etc.) are required to obtain "regulatory insurance" from a qualified insurer. This insurance policy is intended to ensure financial capacity for restitution in case of liability and includes provisions for inspections and compliance checks by the insurer.

The auditing mechanism involves two main components. Firstly, businesses with a "final endorsement" on their regulatory insurance policy must periodically furnish certifications of compliance. These certifications are prepared by an attorney or an expert in the relevant field, chosen and paid for by the business itself. To ensure diligence, these compliance certifiers can be held personally liable for treble damages if they are found to have committed fraud in their

certification. Secondly, the regulatory insurer conducts periodic random compliance audits, the costs of which are also charged back to the regulated business.

This entire system, while presented as innovative, has drawn sharp criticism as potentially constituting "regulatory capture by design" [User Query]. The concept of regulatory capture, as theorized by economists like George Stigler, describes situations where regulatory agencies, intended to serve the public interest, come to be dominated by the industries they are charged with regulating. In Próspera's case, the regulators *are* private, profit-motivated entities (insurers) or individuals directly paid by the regulated businesses (compliance certifiers). This raises fundamental questions about independence and the potential for business interests to be prioritized over broader public good, environmental protection, or worker safety. While the threat of liability for fraudulent certification exists, the primary client relationship for the certifier is with the business being audited, creating an inherent potential conflict of interest. Similarly, insurers' primary motivation is to manage their own financial risk and profitability, which may align with ensuring some level of compliance to avoid payouts, but may not extend to enforcing standards that protect non-monetizable public interests or address systemic risks that fall outside the scope of their policies. This structure can create an "accountability theater," where the processes of oversight are performed but may lack the robust independence, public mandate, and comprehensive scope of traditional state-based regulatory enforcement.

B. Próspera's Legal Code and Privatized Dispute Resolution

Próspera operates under its own distinct legal system for civil and commercial matters, while remaining subject to Honduran national criminal law and international treaties to which Honduras is a party. The foundation of Próspera's civil and commercial law is common law, with the "Roatán Common Law Code" (RCLC) adopting U.S. common law restatements and model U.S. business codes. Specific legal areas, such as trust law, are governed by adopted U.S. legal standards like the Restatement of Trusts Third and the Uniform Statutory Trust Entity Act. While the user query mentioned an influence of Nevada corporate law, and Nevada is known for its corporation-friendly statutes, the provided documents more broadly specify U.S. common law and model acts as the basis. The foundational legal document for Próspera's governance is its "Amended Charter and Bylaws of Próspera ZEDE," which functions as a quasi-constitution for the zone.

Dispute resolution within Próspera is predominantly handled through private, binding international arbitration. The Próspera Arbitration Center (PAC) is designated as the default arbitration service provider for all contractual disputes arising within the ZEDE, unless otherwise stipulated by the parties. The PAC's arbiters are primarily legal experts from common law jurisdictions such as Australia, Europe, and the United States, rather than from Honduras. Awards issued by the PAC are intended to be enforceable internationally under conventions like the New York Convention. This privatized system of justice, operating parallel to and largely independent of the Honduran national court system for civil and commercial matters, further underscores Próspera's autonomy.

The establishment of such a parallel legal system, where businesses can choose their regulatory framework and disputes are resolved by private arbitrators applying a bespoke legal code, leads to a situation of complex legal pluralism within Honduran territory. Proponents might argue this offers flexibility, efficiency, and legal certainty attractive to international investors. However, it can also be viewed as a fragmentation of the national legal order. This fragmentation can undermine the principle of equality before the law for Honduran citizens and businesses operating outside the ZEDE, potentially creating a perception of a two-tiered justice

system where participants in the enclave benefit from rules and enforcement mechanisms not available to others. Such fragmentation can also lead to jurisdictional complexities and weaken the overall coherence and authority of the national rule of law.

C. Legal Battles with Honduras and Claims of Legal Stability

The very existence and operational model of Próspera have led to significant legal and political confrontations with the Honduran state. In April 2022, the newly elected government of President Xiomara Castro, who had campaigned on a promise to repeal the ZEDE law, fulfilled this pledge. The Honduran Congress unanimously voted to repeal the legislation that enabled the creation of ZEDEs, with President Castro denouncing these zones as a violation of national sovereignty and even referring to Próspera as a creation of a "narco-regime" (a reference to the previous administration under which the ZEDE law was passed, whose president was later convicted on drug trafficking charges in the U.S.).

In response to this repeal, Honduras Próspera Inc. and its affiliates initiated an Investor-State Dispute Settlement (ISDS) claim against the Republic of Honduras for nearly \$11 billion (a sum representing a substantial portion of Honduras's GDP). The claim, filed under the Dominican Republic-Central America Free Trade Agreement (CAFTA-DR), alleges that Honduras's actions violated legal stability guarantees and expropriated Próspera's investments and future profits. Próspera contends that it is protected by a 50-year legal stability agreement signed with the Honduran state and by international investment law.

The legal battle is ongoing. An ICSID (International Centre for Settlement of Investment Disputes) tribunal rejected Honduras's preliminary objection that Próspera had failed to exhaust local remedies, allowing the multi-billion dollar claim to proceed. Complicating matters further, in 2024, the Supreme Court of Honduras declared the original 2013 constitutional amendments that enabled the ZEDE framework to be unconstitutional *ab initio* (from the beginning), effectively nullifying the legal basis for ZEDEs under Honduran law.

This situation starkly illustrates how international investment law can be deployed by subnational, privately-governed enclaves like Próspera to shield their autonomy and resist changes in national law, even when those changes are mandated by democratic processes or constitutional rulings by the host state's highest court. The ISDS mechanism, originally intended to protect foreign investors from arbitrary or discriminatory state actions, is here being used to challenge a sovereign state's ability to legislate in what it deems its national interest and to uphold its own constitutional order. This effectively elevates investor rights, as defined in international treaties, above national sovereignty and democratic decision-making, potentially "locking in" the special status of such enclaves and making it exceedingly difficult and costly for host states to alter or dismantle them, irrespective of domestic legal or political imperatives. The following table summarizes the key legal and political challenges Próspera has faced in Honduras.

Table 3: Summary of Legal and Political Challenges to Próspera in Honduras

Issue/Dispute	Key Actors Involved	Key Arguments/Claims	Status/Outcome (as of latest info)	Source(s)
Repeal of ZEDE Law	Honduran Gov't (President Castro, Congress) vs. Honduras Próspera Inc.	Gov't: ZEDEs violate national sovereignty, unconstitutional. Próspera: Repeal	ZEDE Law repealed by Honduran Congress (April 2022). Próspera	

Issue/Dispute	Key Actors Involved	Key Arguments/Claims	Status/Outcome (as of latest info)	Source(s)
		violates legal stability agreements & investor rights.	continues to operate, citing legal stability.	
Constitutional Challenge to ZEDE Framework	Honduran Supreme Court	ZEDE framework (2013 constitutional amendments) violated Honduran Constitution (sovereignty).	Honduran Supreme Court declared ZEDE framework unconstitutional <i>ab initio</i> (2024).	
ISDS Claim by Honduras Próspera Inc. against Honduras	Honduras Próspera Inc., et al. vs. Republic of Honduras (ICSID Tribunal)	Próspera: Claims nearly \$11 billion for expropriation and violation of CAFTA-DR due to ZEDE law repeal. Honduras: Argued failure to exhaust local remedies.	ICSID Tribunal rejected Honduras's preliminary objection (Feb 2025); case proceeding.	
Local Community Opposition & Protests	Crawfish Rock community, National Movement Against ZEDEs vs. Próspera ZEDE	Community: Lack of consultation, displacement fears, land rights violations, environmental concerns. Próspera: Project brings development and operates legally.	Ongoing local and national opposition; legal challenges to ZEDE framework.	

These legal and political battles underscore the profound tensions between Próspera's model of privatized governance and the sovereignty and democratic integrity of the Honduran state.

VII. Strategic Ambitions: From Periphery to Center

Próspera's vision extends far beyond its current enclave in Roatán, Honduras. It is part of a broader, ambitious strategy to develop and proliferate its model of governance globally, targeting regions in both the developing world ("periphery") and, ultimately, aiming to establish footholds in developed nations ("center"). This expansionist agenda is often cloaked in the language of "freedom," "innovation," and "economic opportunity," which critics argue serves as camouflage for a more problematic reality of technocratic secession and the monetization of sovereignty.

A. Stated Expansion Plans: Honduras, Africa, California,

Mediterranean

Within Honduras itself, Próspera envisions a network of interconnected "Prosperity Hubs." Beyond its initial site in Roatán, plans include a satellite location near the mainland city of La Ceiba, with a longer-term ambition to expand across Honduras's north coast. To facilitate connectivity between these potentially noncontiguous enclaves, Próspera has floated futuristic ideas such as developing an affordable air taxi system using Vertical Take-Off and Landing (VTOL) drones.

Próspera's international ambitions are even more expansive. A strategic investment announcement from Coinbase Ventures in early 2025 explicitly stated a shared mission with Próspera to increase economic freedom globally, with specific mentions of potential operations "in Africa, Latin America, or in the United States through Freedom Cities". This aligns with reports that ZEDE-like entities and charter city projects are being proposed or are in early stages of development in various locations, including California and Nigeria. Pronomos Capital, a key venture firm backing Próspera and associated with Peter Thiel and Marc Andreessen, also invests in a portfolio of similar projects worldwide. These include "Itana" (described as "Africa's Silicon Valley") in Nigeria, "Yung Drung City" in South Asia, "Praxis Society" (which is explicitly "building a new city in the Mediterranean"), "Small Farm Cities" in Africa, "Afropolitan" (a network focused on the African diaspora), and "Metropolis" in Palau. The "East Solano Plan" in California, backed by real estate corporations, aims to create a large, privatized urban development. Próspera's own white paper had previously identified Guatemala, the Dominican Republic, and Haiti as potential countries for expansion, should they adopt ZEDE-like legal frameworks.

This global network of interconnected projects and investors indicates a coordinated effort to establish multiple exemplars of these alternative governance models across diverse geopolitical contexts.

B. The Broader Strategy: Developing Governance Models in the Periphery for Export

The pattern of these expansion plans suggests a deliberate strategy: to first develop and refine these governance models in "peripheral" countries—often nations with weaker regulatory environments, greater political instability, or more acute needs for foreign investment—and then to "port" these tested models to "central," more developed nations [User Query]. Próspera's active involvement in promoting the "Freedom Cities" initiative in the United States is a clear example of this strategy in action. The goal is to create ZEDE-like autonomous zones on U.S. federal land, which would be exempt from many existing state and federal laws and regulations. The underlying logic is that if these projects can demonstrate "success" in challenging environments like Honduras—success typically defined in terms of attracting capital, fostering rapid economic growth within the enclave, and showcasing technological innovation—they can serve as compelling "proofs-of-concept." This, in turn, could be used to persuade policymakers and publics in more developed countries to adopt similar frameworks, ostensibly to enhance competitiveness or unlock innovation. This approach of "governance arbitrage"—seeking out jurisdictions of least resistance to establish initial enclaves—is a strategic means to a larger end: the creation of a global competitive market for governance models, which could pressure even established states to adopt more deregulated, investor-friendly frameworks. However, this strategy carries significant ethical implications, as it essentially involves using vulnerable

populations and nations as "beta testers" for experimental governance systems that entail substantial risks, as evidenced by the conflicts and community disruption in Honduras. The lessons learned, and the damages potentially incurred in these "peripheral" testbeds, are then intended to inform more "refined" versions for export to the "center," often without full accountability for the impacts on the initial host communities.

C. Language as Camouflage: Deconstructing "Freedom," "Innovation," "Opportunity"

A critical component of Próspera's strategy and appeal is its carefully crafted rhetoric. Official communications and marketing materials consistently emphasize terms like "freedom" (particularly economic freedom), "innovation," "ease of doing business," "economic opportunity," and "prosperity". The project has even been framed by its founder as a "poverty relief initiative" for Honduras. The very term "startup city" reframes the complex political and social endeavor of governance in the more palatable and dynamic language of the technology and business worlds, potentially downplaying the profound political and social transformations involved. Critics, however, argue that this positive and aspirational language serves as a "camouflage" [User Query] for a much more problematic reality. They contend that what Próspera truly represents is a form of "technocratic secession," where sovereignty is effectively monetized and sold to the highest bidder, leading to the creation of elite enclaves that operate largely outside democratic accountability. Labels such as "crypto-colonialism" and comparisons to extractive colonial enterprises suggest a system designed for exploitation and the entrenchment of investor interests, rather than for genuine, inclusive, and sustainable development for the host nation. The documented fears of displacement, lack of consultation with local communities, and concerns over environmental and labor standards stand in stark contrast to the utopian promises of universal benefit.

This rhetoric of "liberation" and "unleashing human potential" often masks a more elitist project. The "freedom" offered appears to be primarily the freedom for capital and certain classes of entrepreneurs to operate with minimal regulatory friction, rather than a broader political or social freedom for all, particularly the pre-existing and often marginalized local populations. As Paul Romer, an early proponent of charter cities who later became critical of Próspera, described it, such projects can devolve into "gated communities" where developers are "just trying to isolate themselves and do what's best for them". The high costs of residency or meaningful participation in Próspera, coupled with the anxieties of neighboring communities, suggest that the "opportunity" it creates is far from universally accessible or equitably distributed.

VIII. Conclusion: Próspera as a Living Laboratory for Neoreactionary Ideals – Implications and Future Trajectories

Próspera ZEDE in Honduras stands as a significant and controversial real-world experiment, embodying many core tenets of neoreactionary (NRx) political thought, particularly the "Patchwork" vision of competing, privately-governed enclaves. Its operational model, characterized by property-based plutocracy, corporate sovereignty, privatized services, and a bespoke legal-regulatory framework, offers a tangible case study of what NRx principles look like when implemented. The implications of such projects extend far beyond their immediate

geographical boundaries, raising profound questions about the future of sovereignty, democracy, and human rights in an increasingly interconnected and ideologically contested world.

A. Synthesis of Findings: Próspera's Embodiment of NRx Principles

This report has detailed how Próspera's architecture of power directly reflects NRx ideals. Its governance structure, dominated by the corporate developer Honduras Próspera Inc. and weighted by land ownership, replaces democratic accountability with a plutocratic system where capital investment dictates political influence. The "Governance as a Service" model, treating residents and businesses as "customers" of a corporate provider, aligns with the NRx concept of "gov-corps." The privatized judiciary and security apparatus, coupled with the "choose-your-own-regulations" system, further manifest the NRx preference for market-based mechanisms and minimal state interference, as traditionally understood. The very language used to promote Próspera—emphasizing "freedom" and "innovation" while downplaying political rights—serves to normalize these radical departures from democratic norms.

However, Próspera is not a pure instantiation of NRx theory operating in a vacuum. It exists within the sovereign territory of Honduras and remains, at least formally, subject to Honduran criminal law and certain national oversight mechanisms, such as the Committee of Best Practices (CAMP) which must approve some of its rules. These represent practical compromises and points of friction with the host state, leading to ongoing legal and political battles. The project's reliance on international investment treaties like CAFTA-DR to defend its autonomy also reveals an interesting paradox: these "exit" strategies from national governance often depend on the very international legal frameworks created and enforced by nation-states. This highlights an inherent contradiction where supposedly "stateless" or "post-state" ideals require the scaffolding of existing state power and inter-state agreements for their establishment and survival, as observed in the reliance on state-created ZEDE laws and international treaties.

B. Broader Implications for Sovereignty, Democracy, and Human Rights

The Próspera experiment, and the broader movement for charter cities and private governance zones, poses significant challenges to established international norms. Firstly, it directly confronts traditional Westphalian sovereignty, which posits the nation-state as the ultimate authority within its territory. By carving out autonomous enclaves with their own laws, courts, and regulatory systems, projects like Próspera fragment national sovereignty and create complex jurisdictional ambiguities.

Secondly, the proliferation of such models could lead to a serious erosion of democratic norms and accountability. If governance is increasingly treated as a private service rather than a public trust, and if political power is explicitly tied to wealth and property rather than equal citizenship, the foundations of democratic society are undermined. The "vote with your feet" model, while offering a form of choice for a mobile elite, offers little recourse for those unable or unwilling to relocate, and negates the importance of collective voice and democratic participation in shaping one's own community.

Thirdly, the prioritization of investor interests and regulatory flexibility inherent in these models raises substantial risks for human rights. This is particularly true for economic, social, and cultural rights, as well as the land rights and environmental protections of local and Indigenous

communities who may find their traditional claims and lifestyles threatened by these new developments, as evidenced by the experiences in and around Próspera. The United Nations' concerns about ZEDEs impacting human rights in Honduras underscore this risk.

C. The Future of "Patchwork" Zones: Viability, Resistance, and Co-optation

The long-term viability of projects like Próspera remains uncertain. They face significant headwinds, including robust local and national resistance, ongoing legal challenges that question their fundamental constitutionality, and a dependence on continued external political and financial support from a relatively small network of ideological backers. The intense controversy surrounding Próspera in Honduras may serve as a cautionary tale for other nations considering similar arrangements.

However, the ideas underpinning these zones are likely to persist. Even if specific projects falter, the underlying NRx and radical libertarian ideologies promoting "exit" and private governance will continue to find proponents. There is also a risk that elements of these models—such as extreme deregulation or the privatization of specific governance functions—could be co-opted and adapted by mainstream political or corporate actors seeking economic advantages, even without a full subscription to the NRx worldview. The concept of Special Economic Zones (SEZs) is already widely accepted; Próspera and its ilk represent an attempt to push the boundaries of SEZ autonomy to an extreme, potentially normalizing more radical forms of governance under a familiar label.

The rise of Próspera-like entities signifies a broader ideological contest over the future of governance. It pits a "Patchwork" vision of fragmented sovereignty and competing private enclaves against models that emphasize global cooperation, the strengthening of democratic institutions, and the universal application of human rights to address shared planetary challenges such as climate change, pandemics, and economic inequality. The Próspera experiment, and the responses it generates, is a microcosm of this larger struggle.

D. Recommendations for Policymakers, Civil Society, and Researchers

In light of the challenges and implications posed by projects like Próspera, several recommendations are pertinent:

- **For Policymakers:** National governments and international bodies must develop robust legal and regulatory frameworks to govern the establishment and operation of SEZs, charter cities, and other autonomous governance zones. These frameworks must ensure that such zones fully uphold internationally recognized human rights, adhere to stringent environmental standards, maintain labor protections consistent with ILO conventions, and operate with transparency and democratic accountability to both their residents and the host nation. Extreme caution should be exercised before ceding core sovereign powers to private entities, and any such delegation must be subject to rigorous public scrutiny and democratic consent. Mechanisms for effective oversight and the ability for host nations to reclaim delegated authorities without facing prohibitive international legal penalties are crucial.
- **For Civil Society:** International and national civil society organizations have a vital role to play in monitoring these experimental governance zones, supporting local communities

whose rights and livelihoods may be affected, and advocating for transparency and accountability. Raising public awareness about the broader ideological underpinnings and potential long-term consequences of these models is essential to fostering informed public debate. Building transnational networks of solidarity and information-sharing can help to counter the well-funded and internationally coordinated efforts of "Patchwork" proponents.

- **For Researchers:** There is a pressing need for continued, critical, and interdisciplinary research on charter cities, ZEDEs, neoreactionary thought, and related private governance movements. Longitudinal studies of existing projects like Próspera are necessary to empirically assess their socio-economic, political, and environmental impacts over time. Comparative analysis of different models and their outcomes can provide valuable lessons. Furthermore, research should critically examine the legal and ethical implications of these experiments, particularly concerning issues of sovereignty, democratic legitimacy, and human rights in the 21st century.

Próspera is more than just a development project; it is a bold, ideologically driven attempt to reshape the very nature of governance. Its trajectory, and the responses it elicits, will offer important insights into the ongoing contestation over how human societies will organize themselves in an era of rapid technological change and profound political questioning.

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