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Chapter 1 Quickstart 1.1 Preamble Are You The Kind Of Person Who Skims The Beginning Just To See Whether To Read The Entire Thing? You're In Luck. We've Prepared One Sentence, One Image, One Thousand Word, And One Essay Summaries Of The Concepts Behind Startup Societies And Network States. Just Click Those Links If You're Impatient. And Of Course, For The Full Experience, You Can Read It One Page At A Time. Speaking Of Pages, Every Section Of This Book Is Online And Shareable As An Individual Web Page. For Example, The URL To This Section Is thenetworkstate.com/preamble. This Allows You To Link Directly To Any Bit Of The Book For Discussion. Moreover, Unlike The Typical Book That's Frozen In Time, Think Of This As A Dynamic Bookapp That Gets Continuously Updated. You Can See The Latest Version Online, Or You Can Follow The Instructions At thenetworkstate.com/kindle.gif To Get The Latest Version On Your Kindle. When Reading It, Think Of This Work As A Toolbox, Not A Manifesto. You Don't Need To Agree With All Of It To Get Something Out Of It. We've Structured It In Modular Form For That Reason. Chapter 1 Is An Overview Of The Ideas. Chapters 2, 3, And 4 Present An Analysis That Leads To A Concerning Forecast For The Near Future, The Problem Of American Anarchy And Chinese Control. And Chapter 5 Presents Our Proposed Solution For Maintaining Liberal Values In An Illiberal World: Startup Societies And Network States. If You're A Partisan Of The US Establishment Or The CCP, You May Not Agree With Our Problem Statement At All. If You're An Orthodox Bitcoin Maximalist, You Likely Won't Agree With Every Aspect Of Our Proposed Solution. And If You're Coming In From Another School Of Thought, You May Only Agree With Parts Of The Problem Or Solution As We've Framed Them. Nevertheless, We Believe There's Enough Flexibility In The Idea Of The Network State That You Can Customize It And Make It Your Own. 1An Obvious Feature, Yet Missing From The Traditional Ebook Experience. 8

2. THE NETWORK STATE IN ONE SENTENCE 9 BUT WHAT EXACTLY IS A NETWORK STATE? 1.2 THE NETWORK STATE IN ONE SENTENCE IN ONE INFORMAL SENTENCE: A NETWORK STATE IS A HIGHLY ALIGNED ONLINE COMMUNITY WITH A CAPACITY FOR COLLECTIVE ACTION THAT CROWDFUNDS TERRITORY AROUND THE WORLD AND EVENTUALLY GAINS DIPLOMATIC RECOGNITION FROM PRE-EXISTING STATES. WHEN WE THINK OF A NATION STATE, WE IMMEDIATELY THINK OF THE LANDS, BUT WHEN WE THINK OF A NETWORK STATE, WE SHOULD INSTANTLY THINK OF THE MINDS. THAT IS, IF THE NATION STATE SYSTEM STARTS WITH THE MAP OF THE GLOBE AND ASSIGNS EACH PATCH OF LAND TO A SINGLE STATE, THE NETWORK STATE SYSTEM STARTS WITH THE 7+ BILLION HUMANS OF THE WORLD AND ATTRACTS EACH MIND TO ONE OR MORE NETWORKS. HERE'S A MORE COMPLEX DEFINITION THAT EXTENDS THAT CONCEPT AND PRE-EMPTIVELY COVERS MANY EDGE CASES: A NETWORK STATE IS A SOCIAL NETWORK WITH A MORAL INNOVATION, A SENSE OF NATIONAL CONSCIOUSNESS, A RECOGNIZED FOUNDER, A CAPACITY FOR COLLECTIVE ACTION, AN IN-PERSON LEVEL OF CIVILITY, AN INTEGRATED CRYPTOCURRENCY, A CONSENSUAL GOVERNMENT LIMITED BY A SOCIAL SMART CONTRACT, AN ARCHIPELAGO OF CROWDFUNDED PHYSICAL TERRITORIES, A VIRTUAL CAPITAL, AND AN ON-CHAIN CENSUS THAT PROVES A LARGE ENOUGH POPULATION, INCOME, AND REAL-ESTATE FOOTPRINT TO ATTAIN A MEASURE OF DIPLOMATIC RECOGNITION. OK, THAT'S A MOUTHFUL! IT'S LENGTHY BECAUSE THERE ARE MANY INTERNET PHENOMENA THAT SHARE SOME BUT NOT ALL OF THE PROPERTIES OF A NETWORK STATE. FOR EXAMPLE, NEITHER BITCOIN NOR FACEBOOK NOR A DAO IS A NETWORK STATE, BECAUSE EACH LACKS CERTAIN QUALITIES – LIKE DIPLOMATIC RECOGNITION – WHICH ARE CORE TO ANYTHING WE'D THINK OF AS THE NEXT VERSION OF THE NATION STATE. (IF YOU WANT TO SKIP AHEAD, WE EXPAND ON EACH PART OF THE DEFINITION IN CHAPTER 5. BUT IT'LL MAKE MORE SENSE IF YOU READ THE TEXT ALL THE WAY THROUGH. FOR WHAT IT'S WORTH, THE TECHNICAL DEFINITION OF A NATION STATE IS SIMILARLY MULTI-CLAUSAL, BECAUSE IT NEEDS TO EXCLUDE THINGS WE DON'T TYPICALLY THINK ABOUT, LIKE STATELESS NATIONS.)

0 CHAPTER 1. QUICKSTART 1.3 THE NETWORK STATE IN ONE IMAGE A PICTURE HELPS. THE DASHBOARD ABOVE SHOWS WHAT A MILLION-PERSON NETWORK STATE LOOKS LIKE ON THE MAP. SPECIFICALLY, IT DEPICTS A NETWORK STATE WITH 1.7 MILLION PEOPLE, MORE THAN 157 BILLION DOLLARS IN ANNUAL INCOME, AND A 136 MILLION SQUARE METER FOOTPRINT. THE FIRST THING WE NOTICE IS THAT A NETWORK STATE ISN'T PHYSICALLY CENTRALIZED LIKE A NATION STATE, NOR LIMITED IN SCALE LIKE A CITY STATE. IT'S GEOGRAPHICALLY DECENTRALIZED AND CONNECTED BY THE INTERNET. THE SECOND THING WE SEE IS THAT YOU COULD FEASIBLY START THIS KIND OF COUNTRY FROM YOUR COMPUTER. THAT IS, JUST AS FACEBOOK GREW FROM ONE PERSON'S LAPTOP, A MILLION-PERSON NETWORK STATE THAT OWNS A GLOBAL ARCHIPELAGO OF PHYSICAL TERRITORY COULD START AS A ONE-PERSON STARTUP SOCIETY, AS SHOWN IN THIS GIF: thenetworkstate.com/networkstate.gif. THE THIRD THING WE SEE IS HOW CENTRAL THE REAL-TIME CENSUS IS TO THE NETWORK STATE. THE DASHBOARD SHOWN COMBINES CONCEPTS FROM COINS, COMPANIES, AND COUNTRIES TO FOCUS A SOCIETY ON GROWTH IN PEOPLE, ANNUAL INCOME, AND REAL ESTATE FOOTPRINT. CONTINUED GROWTH IS A CONTINUOUS PLEBISCITE, A VOTE OF CONFIDENCE BY THE PEOPLE INSIDE WHO REMAIN AND THOSE OUTSIDE WHO APPLY. ROUGHLY SPEAKING, A SUCCESSFUL NETWORK STATE IS ONE THAT ATTRACTS ALIGNED IMMIGRANTS, AND AN UNSUCCESSFUL NETWORK STATE IS ONE THAT LOSES THEM. THAT DOESN'T MEAN EACH NETWORK STATE MUST GROW TO INFINITY, OR THAT ALL STATES NEED ACCEPT THE SAME KIND OF PERSON, BUT THAT THE COMMUNITY OF NETWORK STATES AS A WHOLE IS FOCUSED ON BUILDING ADMIRABLE SOCIETIES THAT PEOPLE WANT TO JOIN. DIFFERENT STATES WILL FOCUS ON DIFFERENT METRICS; IMAGINE A NETWORK STATE PREMISED ON IMPROVING ITS CITIZENS' OVERALL LIFE EXPECTANCY, OR ONE AIMED AT PROVABLY RIGHT-SHIFTING THE INCOME DISTRIBUTION FOR ALL. YOU GET WHAT YOU MEASURE.

THE NETWORK STATE IN ONE THOUSAND WORDS 11 1.4 The Network State IN ONE THOUSAND WORDS Technology HAS ALLOWED US TO START NEW COMPANIES, NEW COMMUNITIES, AND NEW CURRENCIES. BUT CAN WE USE IT TO CREATE NEW CITIES, OR EVEN NEW COUNTRIES? A KEY CONCEPT IS TO GO CLOUD FIRST, LAND LAST — BUT NOT LAND NEVER — BY STARTING WITH AN ONLINE COMMUNITY AND THEN MATERIALIZING IT INTO THE PHYSICAL WORLD. WE GET THERE IN SEVEN STEPS: 1. FOUND A STARTUP SOCIETY. THIS IS SIMPLY AN ONLINE COMMUNITY WITH ASPIRATIONS OF SOMETHING GREATER. ANYONE CAN FOUND ONE, JUST LIKE ANYONE CAN FOUND A COMPANY OR CRYPTOCURRENCY.² AND THE FOUNDER'S LEGITIMACY COMES FROM WHETHER PEOPLE OPT TO FOLLOW THEM. 2. ORGANIZE IT INTO A GROUP CAPABLE OF COLLECTIVE ACTION. GIVEN A SUFFICIENTLY DEDICATED ONLINE COMMUNITY, THE NEXT STEP IS TO ORGANIZE IT INTO A NETWORK UNION. UNLIKE A SOCIAL NETWORK, A NETWORK UNION HAS A PURPOSE: IT COORDINATES ITS MEMBERS FOR THEIR MUTUAL BENEFIT. AND UNLIKE A TRADITIONAL UNION, A NETWORK UNION IS NOT SET UP SOLELY IN OPPOSITION TO A PARTICULAR CORPORATION, SO IT CAN TAKE A VARIETY OF DIFFERENT COLLECTIVE ACTIONS.³ UNIONIZATION IS A KEY STEP BECAUSE IT TURNS AN OTHERWISE INEFFECTIVE ONLINE COMMUNITY INTO A GROUP OF PEOPLE WORKING TOGETHER FOR A COMMON CAUSE. 3. BUILD TRUST OFFLINE AND A CRYPTOECONOMY ONLINE. BEGIN HOLDING IN-PERSON MEETINGS IN THE PHYSICAL WORLD, OF INCREASING SCALE AND DURATION, WHILE SIMULTANEOUSLY BUILDING AN INTERNAL ECONOMY USING CRYPTOCURRENCY. 2 NOTE HOWEVER THAT JUST AS ONE DOES NOT SIMPLY "START A PUBLIC COMPANY," ONE DOES NOT SIMPLY "START A NETWORK STATE." INSTEAD, YOU BEGIN WITH A STARTUP SOCIETY, WHICH IS TO A NETWORK STATE WHAT A STARTUP IS TO GOOGLE. IT'S THE EMBRYONIC FORM. 3 ACTIONS INCLUDE: CROWDFUNDING, JOB PLACEMENT, BULK PURCHASING, AND COLLECTIVE BARGAINING WITH CORPORATIONS AND STATES. NOTE THAT A NETWORK UNION IS A USEFUL ENDPOINT IN ITS OWN RIGHT. JUST AS SMALL BUSINESSES CAN PROVIDE VALUE TO CUSTOMERS WITHOUT GOING PUBLIC, NETWORK UNIONS CAN PROVIDE VALUE TO MEMBERS WITHOUT BECOMING NETWORK STATES.

2 CHAPTER 1. QUICKSTART 4. CRowdfund PHysical NOdes. ONce SUfficient TRust HAS BEEN BUilt AND FUNds
AVE BEEN ACCumulated, STart CRowdfunding APartments, HOuses, AND EVEN TOWns TO BRing DIgital Cltizen
s INTO THE PHysical World Wlthin REal CO-living COmmunities. 5. DIgItally COConnect PHysical COmmuniti
es. LIink THESE PHysical NOdes TOgether INTO A NETwork ARchipelago, A SET OF DIgItally COConnected PHys
ical TERRitories DIstributed ARound THE World. NOdes OF THE NETwork ARchipelago RANGE FRom ONE-perso
n APart- MENTS TO IN-person COmmunities OF ARbitrary SIze. PHysical ACCess IS GRanted BY HOLDing A W
Eb3 CRYptopassport, AND MIxed REality IS USED TO SEamlessly LIink THE ONLINE AND OFFLine WORlds. 6. C
ONduct AN ON-chain CENSUS. AS THE SOCIETY SCales, RUN A CRYptographically AU- DItable CENSUS TO DEMo
nstrate THE GRowing SIze OF YOur POPulation, INcome, AND REal-estate FOOTprint. THIS IS HOW A STArtu
p SOCIETY PROves TRaction IN THE FACE OF SKEpticism. 7. GAin DIPlomatic REcognition. A STArtup SOCie
ty Wlth SUfficient SCALE SHOULD EVENTU- ALLy BE ABLE TO NEgotiate FOR DIPlomatic REcognition FRom AT L
EAST ONE PRE-existing GOVERNment, AND FRom THERE GRadually INCreased SOvereignty, SLOWly BEcoming A
TRUE NETwork STATE. THE KEY IDEA IS TO POPulate THE LAND FRom THE CLoud, AND DO SO ALI OVER THE EAR
h. UNlike AN IDEologically DISaligned AND GEographically CENTralized LEGacy STATE, WHICH PACKS MILLI
ONS OF DISputants IN ONE PLACE, A NETwork STATE IS IDEologically ALigned BUT GEographically DEcentra
lized. THE PEOPLE ARE SPREAD ARound THE World IN CLusters OF VARYing SIze, BUT THEIR HEARTS ARE IN O
NE PLACE. AS THE POPulation AND ECONOMY OF A STArtup SOCIETY GROW COMPARABLE TO THAT OF A LEGacy ST
ate, Wlth MILLions OF Cltizens AND BILLions IN INcome, IT SHOULD EVENTUALLY⁴ BE ABLE TO ATTain REcogn
ition FRom EXisting SOvereigns — AND ULtimately THE UNited NATions — JUST AS BITcoin HAS NOW BEcome
A BONA FIDE NATIONAL CURRENCY. 1.5 THE NETwork STATE IN ONE ESSay A PROposition IS NOT A NATION, THO
UGH IT CAN BEcome ONE. HERE WE DESCRIBE A PEaceful, REproducible PROCESS FOR TURNing AN ONLINE COMMU
nity PREMISED ON A PROposition INTO A PHYSICAL STATE Wlth A VIRTUAL CAPITAL: A NETwork STATE, THE SE
QUEL TO THE NATION STATE. WE WANT TO BE ABLE TO PEacefully STart A NEW STATE FOR THE SAME REASON WE
WANT A BARE PLOT OF EARTH, A BLANK SHEET OF PAPER, AN EMPTY TEXT BUffER, A FRESH STArtup, OR A CLEAN
SLATE. BEcause WE WANT TO BUILD SOMETHING NEW Wlthout HISTORICAL CONSTRAINT. THE FINANCIAL DEMAND FOR
A CLEAN SLATE IS CLEAR. PEOPLE BUY MILLions OF ACRES OF VACANT LAND AND INCORPORATE HUNDREDS OF TH
OUSANDS OF NEW COMPANIES EACH YEAR, SPENDING⁴NOTE THE PROgression: FROM STArtup SOCIETY, TO NETwork
UNION, TO NETwork ARchipelago, AND FINALLY TO NETwork STATE. FIRST BUILD THE COLLECTIVE MUSCLE TO DO
REAL THINGS, THEN MANage REAL MONEY AND REAL ESTATE, AND FINALLY BEcome REcognized AS A REAL STATE

1.5. THE NETWORK STATE IN ONE ESSAY 13 Billions JUST TO GET THAT FRESH START. AND NOW THAT IT IS POSSIBLE TO START NOT JUST NEW COMPANIES BUT NEW COMMUNITIES AND EVEN NEW CURRENCIES, WE SEE PEOPLE FLOCKING TO CREATE THOSE AS WELL. THE SOCIETAL VALUE OF A CLEAN SLATE IS ALSO CLEAR. IN THE TECHNOLOGY SECTOR ALONE, THE ABILITY TO FORM NEW COMPANIES HAS CREATED TRILLIONS OF DOLLARS IN WEALTH OVER THE PAST FEW DECADES. INDEED, IF WE IMAGINE A WORLD WHERE YOU COULDN'T JUST OBTAIN A BLANK SHEET OF PAPER BUT HAD TO ERASE AN OLDER ONE, WHERE YOU COULDN'T JUST ACQUIRE BARE LAND BUT HAD TO KNOCK DOWN A STANDING BUILDING, WHERE YOU COULDN'T JUST CREATE A NEW COMPANY BUT HAD TO REFORM AN EXISTING FIRM, WE IMAGINE ENDLESS CONFLICT OVER SCARCE RESOURCES. PERHAPS WE DON'T HAVE TO THINK TOO HARD TO IMAGINE THIS WORLD. IT RESEMBLES OUR OWN. IN THE DISTANT PAST PEOPLE COULD ONLY WRITE ON CLAY TABLETS, IN THE RECENT PAST THEY WERE EXECUTED FOR CONTEMPLATING ENTREPRENEURSHIP, AND IN THE IMMEDIATE PRESENT THEY ARE ARGUING OVER REPLACING AN ANCIENT GAS STATION. IN THESE TIMES AND PLACES, MAKING A FRESH START HAS BEEN TECHNOLOGICALLY INFEASIBLE, POLITICALLY IMPOSSIBLE, OR JUDICIALLY PUNISHABLE. AND THAT'S WHERE WE ARE TODAY WITH COUNTRIES, CITIES, NATIONS, GOVERNMENTS, INSTITUTIONS, AND MUCH OF THE PHYSICAL WORLD. BECAUSE THE BRAND NEW IS UNTHINKABLE, WE FIGHT OVER THE OLD. BUT PERHAPS WE CAN CHANGE THAT.

1.5.1 HOW TO START A NEW COUNTRY THERE ARE AT LEAST SIX WAYS TO START A NEW COUNTRY; THREE ARE CONVENTIONAL AND THREE ARE UNCONVENTIONAL. WE WILL INTRODUCE THEM ONLY TO DEPRIORITIZE THEM ALL IN FAVOR OF A SEVENTH. 1. ELECTION THE MOST CONVENTIONAL WAY TO START A NEW COUNTRY INVOLVES WINNING SUFFICIENT POWER IN AN ELECTION TO EITHER (A) REWRITE THE LAWS OF AN EXISTING STATE OR (B) CARVE OUT A NEW ONE FROM SCRATCH WITH THE RECOGNITION OF THE INTERNATIONAL COMMUNITY. THIS IS THE MOST WIDELY DISCUSSED PATH, AND BY FAR THE MOST CROWDED — PERHAPS TOO CROWDED. 2. REVOLUTION THE SECOND OBVIOUS WAY IS A POLITICAL REVOLUTION. WE DON'T ADVISE ATTEMPTING THIS. PARTICULARLY MOMENTOUS ELECTIONS ARE SOMETIMES REFERRED TO AS REVOLUTIONS, THOUGH A REVOLUTION FREQUENTLY INVOLVES BLOODSHED. REVOLUTIONS ARE INFREQUENT, BUT EVERYONE KNOWS THAT THEY MEAN A NEW GOVERNMENT. 3. WAR THE THIRD CONVENTIONAL WAY TO FORM A NEW STATE IS TO WIN A WAR. WE DON'T ADVISE ATTEMPTING THIS EITHER. A WAR IS, OF COURSE, NOT INDEPENDENT FROM THE OTHER TWO.

4 CHAPTER 1. QUICKSTART INDeed, BOth ELections ANd REvolutions CAN LEAd TO WArS THAT ENd UP CARVING OUT NEW POLities. LIke A REvolution, A WAr IS INfrequent ANd UNdesirable, BUt IS A MEAns BY WHIch TO REDraw STate BOrders. 4. Mlcronations NOW WE GET TO THE UNconventional. THE MOSt OBvious OF THE UNconventional APproaches – ANd THE ONE MOSt PEople THINK OF WHEN THEY HEAr THE CONcept OF “Starting A NEW COuntry” – OCCurs WHEN AN ECcentric PLants A FLAg ON AN OFFshore PLatform OR DIsputed PATCH OF DIrt ANd DEclares THEMSELVES KIng OF NOthing. IF THE ISSue Wlth ELections IS THAT TOO MANY PEople CARE ABOUT THEM, THE ISSue Wlth THESE SO-called Mlcronations IS THAT TOO FEw PEople CARE. BEcause A STate (LIke A CUrrency) IS AN INherently SOcial AFFair, A FEw PEople IN THE MIddle OF NOWhere WON’t BE ABLE TO ORganize A Mllitary, ENforce LAws, OR BE REcognized BY OTHER COuntries. MOreover, WHILE AN EXisting STate MAY BE CONTENT TO LET PEople HARMlessly LARP A FAKE COuntry IN THEIR BACKyard, AN ACTual THreat TO SOvereignty TYPically PROduces A RESponse Wlth REAL GUNS, WHETHER THAT BE THE FALKlands OR SAKhalin. 5. SEasteading HERE IS WHERE THINGS START TO GET INTEResting. CONCEIVED BY PATri FRIEdman ANd BACKED BY PETER THiel, SEasteading ESsentially STARTS Wlth THE OBServation THAT CRUISE SHIPS EXist, ANd ASKS WHETHER WE COULD MOVE FROM A FEW WEEKS ON THE WATER AT A TIME TO SEMI-permanent ABitation IN INTERNATIONAL WATers (WITH FREquent DOcking, OF COURse). IF THE COSt OF CRUISE SHIPS FALLS, THIS APPROach BEcomes MORE FEasible. BUt WHILE THERE ARE INDIVIDUALS WHO LIVE ON CRUISE SHIPS YEAR-round, WE HAVEN’t YET SEEN A SCAled EXample.6 6. SPACE PERhaps THE MOSt PREstigious OF THE START-a-new-country PATHS IS THE IDEA OF COLonizing OTHER PLANets. UNlike SEasteading OR Mlcronations, SPACE EXploration STARTED AT THE GOVernment LEVEL ANd HAS BEEN GLamorized IN MANY MOVIES ANd TV SHOWS SO IT ENJOYS A HIGHER DEgree OF SOCIAL ACceptability. THIS PATH IS TYPically RECEIVED AS TEMPorarily TEchnically INfeasible, RATHER THAN OUTright CRAzy. ELon MUSk’S SPACEX IS ONE ENTity SERiously CONtemplating THE LOGistics OF STARTing A NEW STate ON MARS. 5A LARP IS A LIVE-action ROLEplaying GAME. IT ALSO DESCRIBES ADULTS PLAYING A SEemingly POINTless GAME OF MAKE-believe. 6WE ACTually THINK SEasteading CAN BE REVived IN THE LONG-term. WHY? BEcause IT CAN BE MADE PART OF THE NETWORK STATE PARAdigm. YOU JUSt NEED TO GROW A STARTUP SOCIety CAPable OF CROWdfunding A CRUISE SHIP. YOUR SOCIety WOULdn’t START Wlth SOMETHING SO EXPensive, OF COURse; IT’d START BY GETTING MUch MORE MODEst Peces OF TERRitory AROUND THE WORLD ANd CONnecting THEM INTO A NETWORK ARchipelago. BUt ONCE YOU HAVE A STARTUP SOCIety Wlth TENS OF THOUSANDS OF MEMBERS, SOMETHING AS CRAzy AS A CROWdfunded CRUISE SHIP BECOMES A POSSIBILITY.

5. THE NETWORK STATE IN ONE ESSAY 15 7. Network States AND FINALLY WE ARRIVE AT OUR PREFERRED METHOD: THE NETWORK STATE. OUR IDEA IS TO PROCEED CLOUD FIRST, LAND LAST. RATHER THAN STARTING WITH THE PHYSICAL TERRITORY, WE START WITH THE DIGITAL COMMUNITY. WE CREATE A STARTUP SOCIETY, ORGANIZE IT INTO A NETWORK UNION, CROWDFUND THE PHYSICAL NODES OF A NETWORK ARCHIPELAGO, AND — IN THE FULLNESS OF TIME — EVENTUALLY NEGOTIATE FOR DIPLOMATIC RECOGNITION TO BECOME A TRUE NETWORK STATE. WE BUILD THE EMBRYONIC STATE AS AN OPEN-SOURCE PROJECT, WE ORGANIZE OUR INTERNAL ECONOMY AROUND REMOTE WORK, WE CULTIVATE IN-PERSON LEVELS OF CIVILITY, WE SIMULATE ARCHITECTURE IN VR, AND WE CREATE ART AND LITERATURE THAT REFLECTS OUR VALUES. WHEN WE CROWDFUND TERRITORY IN THE REAL WORLD, IT'S NOT NECESSARILY CONTIGUOUS TERRITORY. BECAUSE AN UNDER-APPRECIATED FACT IS THAT THE INTERNET ALLOWS US TO NETWORK ENCLAVES. PUT ANOTHER WAY, A NETWORK ARCHIPELAGO NEED NOT ACQUIRE ALL ITS TERRITORY IN ONE PLACE AT ONE TIME. IT CAN CONNECT A THOUSAND APARTMENTS, A HUNDRED HOUSES, AND A DOZEN CUI-DE-SACS IN DIFFERENT CITIES INTO A NEW KIND OF FRACTAL POLITY WITH ITS CAPITAL IN THE CLOUD. COMMUNITY MEMBERS MIGRATE BETWEEN THESE ENCLAVES AND CROWDFUND TERRITORY NEARBY, WITH EVERY INDIVIDUAL DWELLING AND GROUP HOUSE PRESENTING AN INDEPENDENT OPPORTUNITY FOR EXPANSION. AND WITH A THOUSAND SUCH ENCLAVES, RATHER THAN FOUR DIRECTIONS TO EXPAND (NORTH, EAST, SOUTH, AND WEST), THERE ARE MORE LIKE FOUR THOUSAND. WHAT WE'VE DESCRIBED THUS FAR IS MUCH LIKE AN ETHNIC DIASPORA, IN WHICH EMIGRANTS ARE INTERNATIONALLY DISPersed BUT CONNECTED BY COMMUNICATION CHANNELS WITH EACH OTHER AND THE MOTHERLAND. THE TWIST IS THAT OUR VERSION IS A REVERSE DIASPORA: A COMMUNITY THAT FORMS FIRST ON THE INTERNET, BUILDS A CULTURE ONLINE, AND ONLY THEN COMES TOGETHER IN-PERSON TO BUILD DWELLINGS AND STRUCTURES. IN A SENSE, YOU CAN THINK OF EACH PHYSICAL OUTPOST OF THIS DIGITAL COMMUNITY AS A CLOUD EMBASSY, SIMILAR TO THE GRASSROOTS BITCOIN EMBASSIES THAT HAVE ARISEN AROUND THE WORLD TO HELP PEOPLE BETTER UNDERSTAND BITCOIN. NEW RECRUITS CAN VISIT EITHER THE VIRTUAL OR PHYSICAL PARTS OF A NETWORK STATE, BETA TEST IT, AND DECIDE TO LEAVE OR STAY. NOW, WITH ALL THIS TALK OF EMBASSIES AND COUNTRIES ONE MIGHT WELL CONTEND THAT NETWORK STATES, LIKE THE AFOREMENTIONED MICRONATIONS, ARE ALSO JUST A LARP. UNLIKE MICRONATIONS, HOWEVER, THEY ARE SET UP TO BE A SCALED LARP, A FEAT OF IMAGINATION PRACTICED BY LARGE NUMBERS OF PEOPLE AT THE SAME TIME. AND THE EXPERIENCE OF CRYPTOCURRENCIES OVER THE LAST DECADE SHOWS US JUST HOW POWERFUL SUCH A SHARED LARP CAN BE.

1.5.2 Minimum Necessary Innovation Let's Pause And Summarize For A Second.

THE MAIN DIFFERENCE BETWEEN THE SEVENTH METHOD (NETWORK STATES) AND THE PREVIOUS SIX (ELECTION, REVOLUTION, WAR, MICRONATIONS, SEASTADING, AND SPACE) IS THAT THE SEVENTH STRADDLES THE BOUNDARY BETWEEN PRACTICALITY AND IMPRACTICALITY. IT IS NOW FEASIBLE TO BUILD MILLION-PERSON ONLINE COMMUNITIES, START BILLION-DOLLAR DIGITAL CURRENCIES, AND ARCHITECT BUILDINGS IN VR TO THEN CROWDFUND INTO REALITY. THE NETWORK STATE CONCEPT STACKS TOGETHER MANY EXISTING TECHNOLOGIES, RATHER THAN REQUIRING THE

6 CHAPTER 1. QUICKSTART INvention OF NEw ONes — Like MARS-capable ROckets, OR PERmanent-habitation SEasteads. AT THE SAME TIME, IT AVoids THE OBvious PATHways OF ELection, REvolution, AND WAR — ALI O F WHICH TURN UGLy, AND NONE OF WHICH PROvide MUCH VENue FOR INDividual INITiative. IN OTHER WORDS, THE NETwork STATE TAKes THE MOST ROBust EXisting TECH STACK WE HAVE — NAMEly, THE SUite OF TECHNOlogies BUILT ARound THE INTERNET — AND USES IT TO ROUTE ARound POLitical ROADblocks, WITHOUT WAITING FOR FUTURE PHYSICAL INnovation.

1.5.3 WHAT COUNTS AS A NEW COUNTRY? HAVING OUTlined THESE SEVEN METHODS, THE CAREful READER WILL NOtice THAT WE HAVE PLAYed A BIT FAST AND LOOSE WITH THE DEFINITION OF WHAT A “NEW COUNTRY” IS. FIRST, WHAT DO WE MEAN BY A NEW COUNTRY? ONE DEFINITION IS THAT STARTING A NEW COUNTRY MEANS SETTLING A WHOLLY NEW TERRITORY, LIKE COLONIZING MARS. ANOTHER DEFINITION IS THAT SIMPLY CHANGING THE FORM OF GOVERNMENT ACTUALLY CHANGES THE COUNTRY, LIKE FRANCE MOVING FROM THE SECOND FRENCH REPUBLIC TO THE SECOND FRENCH EMPIRE. RATHER THAN USING EITHER THESE STRICT OR LOOSE DEFINITIONS, WE WILL USE BOTH NUMERICAL AND SOCIETAL DEFINITIONS OF A NEW COUNTRY. THE NUMERICAL DEFINITION BEGINS WITH VISUALIZING A HYPOTHETICAL NATION realestatepop.com SITE SIMILAR TO [COINMARKETCAP.COM](http://coinmarketcap.com), WHICH AGGREGATES THE CRYPTOGRAPHICALLY AUDITED CENSUSES OF STARTUP SOCIETIES ASPIRING TO BECOME NETWORK STATES. THIS DASHBOARD WOULD SHOW IN REALTIME THE NUMBER OF COMMUNITY MEMBERS, THE ACREAGE OF REAL ESTATE OWNED BY THOSE MEMBERS, AND THE COMMUNITY’S ON-CHAIN INCOME. A STARTUP SOCIETY WITH FIVE MILLION PEOPLE WORLDWIDE, THOUSANDS OF SQUARE MILES OF (DISCONTIGUOUS) COMMUNITY-OWNED LAND, AND BILLIONS IN ANNUAL INCOME WOULD HAVE INDISPUTABLE NUMERICAL SIGNIFICANCE. THIS IN TURN LEADS US TO THE SOCIETAL DEFINITION: A NEW COUNTRY IS ONE THAT IS DIPLOMATICALLY RECOGNIZED BY OTHER COUNTRIES AS A LEGITIMATE POLITY CAPABLE OF SELF-DETERMINATION. A STATE WITH ENOUGH SUCH BILATERAL RELATIONSHIPS WOULD HAVE THE SOCIETAL SIGNIFICANCE TO GAIN ACCESSION TO A GROUP OF PRE-EXISTING STATES LIKE ASEAN, THE OAS, THE AFRICAN UNION, THE EU, OR THE UNITED NATIONS. THIS COMBINATION OF NUMERICAL AND SOCIETAL METRICS MATCHES THE EMERGENCE OF CRYPTOCURRENCY. INITIALLY IGNORED, THEN MOCKED AS AN OBVIOUS FAILURE, WITHIN FIVE YEARS AFTER ITS INVENTION BITCOIN ATTAINED A BILLION-DOLLAR MARKET CAPITALIZATION (A NUMERICAL SUCCESS) AND WAS SUBSEQUENTLY LISTED ON CNBC AND BLOOMBERG ALONGSIDE BLUE-CHIP STOCKS (A FORM OF SOCIETAL RECOGNITION). AT EACH STEP BITCOIN COULD KEEP ASCENDING NUMERICALLY ON ITS OWN, WITH GREATER SOCIETAL RECOGNITION FOLLOWING IN ITS WAKE. BY 2020 IT HAD CHANGED THE TRAJECTORY OF THE PEOPLE’S BANK OF CHINA, THE IMF, GOLDMAN SACHS, JP MORGAN, AND THE WORLD BANK. BY 2021, BITCOIN BECAME LEGAL TENDER IN EL SALVADOR, A SOVEREIGN STATE. AND BY MID-2022 THE CENTRAL AFRICAN REPUBLIC HAD FOLLOWED, WITH DOZENS MORE CONSIDERING BITCOIN AS LEGAL TENDER, INCLUDING PANAMA.

.5. THE NETWORK STATE IN ONE ESSAY 17 1.5.4 Most Countries Are Small Countries Cryptocurrency Could Achieve These Heights Because Money Has Both Numerical And Societal Aspects.7 The Numbers Could Be Piled Up Before The Societal Accolades Followed. Once Bitcoin Had Proven That It Couldn't Be Easily Counterfeited Or Hacked, The Shared Belief Of The Millions Of Cryptocurrency Holders Worldwide Was Enough To Get BTC From A Value Of Zero To A Market Cap Of Billions, And From There To A Listing On Every Bloomberg Terminal And Exchange. Societal Traction Of This Kind Paved The Way For More Numerical Traction, And A Virtuous Cycle Followed. Could A Startup Society Follow A Similar Path? Yes. A Cryptographically Auditable Census Could Prove That A Growing Startup Society Had 1-10M Committed Digital Citizens, Large Cryptocurrency Reserves, Years Of Continuous Existence, And Physical Holdings All Over The Earth. That Numerical Traction Could Then Be Used To Achieve The Societal Traction Of Diplomatic Recognition. Why? Because Most Countries Are Small Countries. A New State With A Population Of 1-10M Would Actually Be Comparable To Most Existing States. That's Because Of The 193 UN-recognized Sovereign States, 20% Have A Population Of Less Than 1M And 55% Have A Population Of Less Than 10M. This Includes Many Countries Typically Thought Of As Legitimate, Such As Luxembourg (615k), Cyprus (1.2M), Estonia (1.3M), New Zealand (4.7M), Ireland (4.8M), And Singapore (5.8M). These "User Counts" Are Surprisingly Small By Tech Standards! Of Course, Mere Quantity Is Not Everything. The Strength Of Affiliation To Our Hypothetical Network State Matters, As Does The Time On The Property, The Percentage Of Net Worth Stored In The Currency, And The Fraction Of Contacts Found In The Community. Still, Once We Remember That Facebook Has 3B+ Users, Twitter Has 300M+, And Many The Idealized Technical Fact Exists Entirely Independent Of What Any Human Thinks (Like The Value Of G, The Gravitational Constant), While The Idealized Political Fact Is Entirely About What Humans Think (Like The Location Of A National Border).

18 CHAPTER 1. QUICKSTART INDIVIDUAL INFLUENCERS HAVE 1M+ FOLLOWERS, IT STARTS TO BE NOT TOO CRAZY TO
IMAGINE WE CAN BUILD A 1-10M PERSON STARTUP SOCIETY WITH A GENUINE SENSE OF NATIONAL CONSCIOUSNESS,
AN INTEGRATED CRYPTOCURRENCY, AND A PLAN TO CROWDFUND MANY PIECES OF TERRITORY AROUND THE WORLD. WITH
THE INTERNET, WE CAN DIGITALLY SEW THESE DISJOINT ENCLAVES TOGETHER INTO A NEW KIND OF POLITY THAT
ACHIEVES DIPLOMATIC RECOGNITION: A NETWORK STATE.

Chapter 2 History AS Trajectory 2.1 Prologue Our History IS The Prologue TO The Network State. This IS NOT OBVIOUS. Founding A Startup Society AS WE've DESCRIBED IT SEEMS TO BE ABOUT GROWING A COMMUNITY, WRITING CODE, CROWDFUNDING LAND, AND EVENTUALLY ATTAINING THE DIPLOMATIC RECOGNITION TO BECOME A NETWORK STATE. WHAT DOES HISTORY HAVE TO DO WITH ANYTHING? THE SHORT VERSION IS THAT IF A TECH COMPANY IS ABOUT TECHNOLOGICAL INNOVATION FIRST, AND COMPANY CULTURE SECOND, A STARTUP SOCIETY IS THE REVERSE. IT'S ABOUT COMMUNITY CULTURE FIRST, AND TECHNOLOGICAL INNOVATION SECOND. AND WHILE INNOVATING ON TECHNOLOGY MEANS FORECASTING THE FUTURE, INNOVATING ON CULTURE MEANS PROBING THE PAST. BUT WHY? WELL, FOR A TECH COMPANY LIKE SPACEX YOU START WITH TIME-INVARIANT LAWS OF PHYSICS EXTRACTED FROM DATA, LAWS THAT TELL YOU HOW ATOMS COLLIDE AND INTERACT WITH EACH OTHER. THE STUDY OF THESE LAWS ALLOWS YOU TO DO SOMETHING THAT HAS NEVER BEEN DONE BEFORE, SEEMINGLY PROVING THAT HISTORY DOESN'T MATTER. BUT THE SUBTLETY IS THAT THESE LAWS OF PHYSICS ENCODE IN HIGHLY COMPRESSED FORM THE RESULTS OF INNUMERABLE SCIENTIFIC EXPERIMENTS. YOU ARE LEARNING FROM HUMAN EXPERIENCE RATHER THAN TRYING TO RE-DERIVE PHYSICAL LAW FROM SCRATCH. TO TOUCH MARS, WE STAND ON THE SHOULDERS OF GIANTS. FOR A STARTUP SOCIETY, WE DON'T YET HAVE ETERNAL MATHEMATICAL LAWS FOR SOCIETY.¹ HISTORY IS THE CLOSEST THING WE HAVE TO A PHYSICS OF HUMANITY. IT FURNISHES MANY ACCOUNTS OF HOW HUMAN ACTORS COLLIDE AND INTERACT WITH EACH OTHER. THE RIGHT COURSE OF HISTORICAL STUDY ENCODES, IN COMPRESSED FORM, THE RESULTS OF INNUMERABLE SOCIAL EXPERIMENTS. YOU CAN LEARN FROM HUMAN EXPERIENCE RATHER THAN RE-DERIVING SOCIETAL LAW FROM SCRATCH. LEARN SOME HISTORY, SO AS NOT TO REPEAT IT. ¹THOUGH PETER TURCHIN IS WORKING ON IT. SEE HIS MONOGRAPH WAR AND PEACE AND WAR. THEN LOOK AT RAY DALIO'S PRINCIPLES FOR A CHANGING WORLD ORDER, STRAUSS AND HOWE'S THE FOURTH TURNING, WILL AND ARIEL DURANT'S THE LESSONS OF HISTORY, AND ASIMOV'S FICTIONAL TREATMENT OF PSYCHOHISTORY. 19

CHAPTER 2. HISTORY AS TRAJECTORY THAT'S A THEORETICAL ARGUMENT. AN OBSERVATIONAL ARGUMENT IS THAT WE KNOW THAT THE TECHNOLOGICAL INNOVATION OF THE RENAISSANCE BEGAN BY REDISCOVERING HISTORY. AND WE KNOW THAT THE FOUNDING FATHERS CARED DEEPLY ABOUT HISTORY. IN BOTH CASES, THEY STEPPED FORWARD BY DRAWING FROM THE PAST. SO IF YOU'RE A TECHNOLOGIST LOOKING TO BLAZE A TRAIL WITH A NEW STARTUP SOCIETY, THAT ESTABLISHES PLAUSIBILITY FOR WHY HISTORICAL STUDY IS IMPORTANT. THE LOGISTICAL ARGUMENT IS PERHAPS THE MOST COMPELLING. THINK ABOUT HOW MUCH EASIER IT IS TO USE AN IPHONE THAN IT WAS TO BUILD APPLE FROM SCRATCH. TO CONSUME YOU CAN JUST CLICK A BUTTON, BUT TO PRODUCE IT'S NECESSARY TO KNOW SOMETHING ABOUT HOW COMPANIES ARE BUILT. SIMILARLY, IT'S ONE THING TO OPERATE AS A MERE CITIZEN OF A PRE-BUILT COUNTRY, AND QUITE ANOTHER THING TO CREATE ONE FROM SCRATCH. TO BUILD A NEW SOCIETY, IT'D BE HELPFUL TO HAVE SOME KNOWLEDGE OF HOW COUNTRIES WERE BUILT IN THE FIRST PLACE, THE LOGISTICS OF THE PROCESS. AND THIS AGAIN BRINGS US INTO THE DOMAIN OF HISTORY.

2.1.1 WHY HISTORY IS CRUCIAL YOU CAN'T REALLY LEARN SOMETHING WITHOUT USING IT. ONE DAY OF IMMERSION WITH A NEW LANGUAGE BEATS WEEKS OF BOOK LEARNING. ONE DAY OF TRYING TO BUILD SOMETHING WITH A PROGRAMMING LANGUAGE BEATS WEEKS OF THEORY, TOO. IN THE SAME WAY, THE HISTORY WE TEACH IS AN APPLIED HISTORY: A CRUCIAL TOOL FOR BOTH THE PROSPECTIVE PRESIDENT OF A STARTUP SOCIETY AND FOR THEIR CITIZENS, SHAREHOLDERS, AND STAFF. IT'S SOMETHING YOU'LL USE ON A DAILY BASIS. WHY?

- HISTORY IS HOW YOU WIN THE ARGUMENT. THINK ABOUT THE 1619 PROJECT, OR THE GRIEVANCE STUDIES DEPARTMENTS AT UNIVERSITIES, OR EVEN A NEWSPAPER "PROFILE" OF SOME UNFORTUNATE. YOU MIGHT BE MINING CRYPTOCURRENCY, BUT THE FOLKS BEHIND SUCH THINGS ARE MINING HISTORY. THAT IS, MANY THOUSANDS OF PEOPLE ARE ENGAGED FULL TIME IN "OFFENSE ARCHAEOLOGY," THE EXCAVATION OF THE RECENT AND DISTANT PAST FOR SOME USEFUL INCIDENT THEY CAN WRITE UP TO FURTHER DEMORALIZE THEIR POLITICAL OPPOSITION. THIS IS THE SCHOLARLY VERSION OF GOING THROUGH SOMEONE'S OLD TWEETS. IT'S WEAPONIZED HISTORY, HISTORY AS OPPOSITION RESEARCH. YOU SIMPLY CAN'T WIN AN ARGUMENT AGAINST SUCH PEOPLE ON PURE LOGIC ALONE; YOU NEED FACTS, SO YOU NEED HISTORY.
- HISTORY DETERMINES LEGALITY. WE DENOTE THE EXPONENTIAL IMPROVEMENT IN TRANSISTOR DENSITY OVER THE POSTWAR PERIOD BY MOORE'S LAW. WE DESCRIBE THE EXPONENTIAL DECLINE IN PHARMACEUTICAL R&D EFFICIENCY DURING THE SAME PERIOD AS EROOM'S LAW — AS MOORE'S LAW IN REVERSE. THAT IS, OVER THE LAST SEVERAL DECADES, THE FDA

2 WHY DO WE REFER TO "STARTUP SOCIETIES" RATHER THAN "NETWORK STATES" HERE, AND THROUGHOUT THIS CHAPTER? BECAUSE A STARTUP SOCIETY IS THE EMBRYONIC FORM OF A NETWORK STATE, JUST AS A STARTUP IS THE EMBRYONIC FORM OF A PUBLIC COMPANY. MOREOVER, MANY STARTUP SOCIETIES WILL BE ABLE TO ACHIEVE THEIR GOALS WITHOUT GAINING THE DIPLOMATIC RECOGNITION NECESSARY TO BECOME A NETWORK STATE, JUST AS MANY STARTUP COMPANIES CAN OPERATE INDEFINITELY WITHOUT GOING PUBLIC. SEE PARALLEL SOCIETIES: DIGITAL NETWORK UNIONS TO GET A SENSE OF WHAT CAN BE DONE AS A PURELY DIGITAL NETWORK UNION, OR AS A NETWORK ARCHIPELAGO THAT JUST BUYS SOME LAND, WITHOUT THE NEED FOR FULL DIPLOMATIC RECOGNITION.

PROLOGUE 21 Somehow Presided Over AN ENormous HIke IN The COsts OF DRug DEvelopment Even AS Computers AND OUR KNOWledge OF THE HUman GENome VASTly IMProved. Similar PHenomena CAN BE OBServe IN ENergy (Where ENergy PROduction HAS STagnated), IN AViation (Where TOP SPEEDs HAVE TOPped OUT), AND IN CONstruction (Where WE BUild SLOWer TODAY Than WE DID SEventy YEARS AGO). OBviously, EVEN ARTi culating ERoom's LAW REquires DETailed KNOWledge OF HIstory, KNOWledge OF HOW THINGS USED TO BE. LES s OBviously, IF WE WANT TO CHange ERoom's LAW, IF WE WANT TO INNovate IN THE PHysical WORLD AGain, WE'LL NEEd HIstory TOO. The REason IS THAT BEhind EVERY FDA IS A THalidomide, JUSt AS BEhind EVERY TS A THERE'S A 9/11 AND BEhind EVERY SARbanes-Oxley IS AN ENron. REGulation IS DULL, BUT THE INCidents THAT LEAd TO REGulation ARE ANYthing BUT DULL. THIS HIstory IS USED TO DEFend ANCient REGulations; I F YOU CHange THEM, PEople WILL Die! AS SUCH, TO LEGalize PHYSical INNovation YOU'LL NEEd TO BECOME A COUNTER- HIstorian. ONLY WHEN YOU UNDERstand THE LEGitimizing HIstory OF REGulatory AGen- CLES BETT er THAN THEIR PROponents DO CAN YOU BUild A SUPERior ALternative: A NEW REGULATORY PARadigm CAPable OF ADDRESSing BOTH THE ABuses OF THE AMERICAN REG- ULATORY STATE AND THE ABuses THEY CLaim TO PREvent. • HIstory DETERmines MORality. RELigions START WITH HIstory LESSons. YOU MIGHT THINK OF THESE AS MADE-up HIstories, BUT THEY'RE HIstories ALL THE SAME. TAles OF THE DISTANT PAST, FICTIOnalized OR NOT, THAT DESCRIBE HOW HUMANS ONCE BEHaved - AND HOW THEY SHOULD HAVE BEHaved. THERE'S A MORAL TO THesE STORIES. POLItical DOctrines ARE BASED ON HIstory LESSons TOO. THEY'RE HOW THE ESTablish- MENT JUStifies ITSELF. THE MEchanism FOR PROpagating THESE HIstory LESSons IS THE ESTablishment NEWspaper, WHEREIN MOST ARTICLES AREN'T REALLY ABOUT TRUE-OR-FALSE, BUT GOOD-AND-BAD. TRY IT YOURSELF. JUSt BY GLancing AT A HEAdline FROM ANY ESTablishment OUTlet, YOU CAN INSTantly APPrehend ITS MORal LESSon: X-ISM IS BAD, OUR SYStem OF GOVernment IS GOOD, TECH FOUNders ARE BAD, AND SO ON. AND IF YOU POKE ONe LEVEL DEEper, IF YOU ASK WHY ANY OF THESE THINGS IS GOOD OR BAD, YOU'LL AGain GET A HIstory LESSon. BEcause WHY IS X-ISM BAD? WELL, LET ME EDUCate YOU ON SOME HIstory. . . THE INSTallation OF THESE MORal PREMises IS A ZERO-SUM GAME. THERE'S ONLY ROOM FOR SO MANY MORal LESSons IN ONE SOCIety, BEcaUSE A BRAIN'S CAPacity FOR MORal COMputation IS LIMITED. SO YOU GET A TOTally DIFFerent SOCIety IF 99% OF PEople ALlocate THEIR Limited MORal MEMORY TO PRinciples Like "Hard WORK GOOD, MERI- TOcracy GOOD, ENVy BAD, CHarity GOOD" THAN IF 99% OF PEople HAVE INTERNALized NOstrums Like "Socialism GOOD, CIVility BAD, LAW ENforcement BAD, LOoting GOOD."³ YOU CAN TRY TO IMAGine A SCenario WHERE THESE TWO SETs OF MORal VALUES AREN'T IN DIRECT CONflict, BUT EMpirically THOSE WITH THE FIRSt SET OF MORal VALues WILL FAVOR ³HERE ARE EXAmPles OF PEople WRiting ABOUT HOW SOCIALISM IS GOOD (WOULD SOCIALISM BETT er OUR LIVES?), CIVility IS BAD (WHEN CIVility IS USED AS A CUDgel AGAINST PEople OF COLOR), LAW ENforcement IS BAD (YES, WE MEan LItErally ABolish THE POLice), AND LOoting IS GOOD (IN DEFense OF LOoting).

CHAPTER 2. HISTORY AS TRAJECTORY AN ENTREPRENEURIAL SOCIETY AND THOSE WITH THE SECOND SET OF VALUES WILL NOT.4 • HISTORY IS HOW YOU DEVELOP COMPELLING MEDIA. YOU CAN MAKE UP ENTIRELY FICTIONAL STORIES, OF COURSE. BUT EVEN FICTION FREQUENTLY HAS SOME KIND OF HISTORICAL ANTECEDENT. THE LORD OF THE RINGS DREW ON MEDIEVAL EUROPE, SPAGHETTI WESTERNS PULLED FROM THE WILD WEST, BOND MOVIES WERE INSPIRED BY THE COLD WAR, AND SO ON. AND CERTAINLY THE LEGITIMATING STORIES FOR ANY POLITICAL ORDER WILL DRAW ON HISTORY. • HISTORY IS THE TRUE VALUE OF CRYPTOCURRENCY. BITCOIN IS WORTH HUNDREDS OF BILLIONS OF DOLLARS BECAUSE IT'S A CRYPTOGRAPHICALLY VERIFIABLE HISTORY OF WHO HOLDS WHAT BTC. READ THE TRUTH MACHINE FOR A BOOK-LENGTH TREATMENT OF THIS CONCEPT. • HISTORY TELLS YOU WHO'S IN CHARGE. WHY DID ORWELL SAY THAT HE WHO CONTROLS THE PAST CONTROLS THE FUTURE, AND THAT HE WHO CONTROLS THE PRESENT CONTROLS THE PAST? BECAUSE HISTORY TEXTBOOKS ARE WRITTEN BY THE WINNERS. THEY ARE AUTHORED, SUBTLY OR NOT, TO TELL A STORY OF GREAT TRIUMPH BY THE RULING ESTABLISHMENT OVER ITS PAST ENEMIES. THE ONLY HISTORY MOST PEOPLE IN THE US KNOW IS 1776, 1865, 1945, AND 1965 - A POTTED HISTORY OF REVOLUTIONS, WORLD WARS, AND ACTIVIST MOVEMENTS THAT LEAD INELUCTABLY TO THE SUNNY UPLANDS OF GREATER POLITICAL EQUALITY.5 IT'S VERY SIMILAR TO THE HISTORY THE SOVIETS TAUGHT THEIR CHILDREN, WHERE ALL OF THE PAST WAS INTERPRETED THROUGH THE LENS OF CLASS STRUGGLE, BRINGING SOVIET CITIZENS TO THE PRESENT DAY WHERE THEY WERE INEVITABLY PROGRESSING FROM THE INTERMEDIATE STAGE OF SOCIALISM TOWARDS. . . COMMUNISM! CHINESE SCHOOLCHILDREN LEARN A SIMILARLY SELECTIVE HISTORY WHERE THE (REAL) WRONGS OF THE EUROPEAN COLONIALISTS AND JAPANESE ARE CENTERED, AND THOSE OF MAO DOWNPLAYED. AND EVEN ANY SUCCESSFUL STARTUP TELLS A FOUNDING STORY THAT SANDS OFF THE ROUGH EDGES. IN SHORT, A HISTORY TEXTBOOK GIVES YOU A HERO'S JOURNEY THAT CELEBRATES THE TRIUMPH OF ITS ESTABLISHMENT AUTHORS AGAINST ALL ODDS. EVEN WHEN A HISTORICAL TREATMENT COVERS OSTENSIBLE VICTIMS, LIKE SOVIET TEXTBOOKS COVERING THE VICTIMIZATION OF THE PROLETARIAT, IF YOU LOOK CAREFULLY THE RULING CLASS THAT AUTHORS THAT TREATMENT TYPICALLY JUSTIFIES ITSELF AS THE CHAMPION OF THOSE VICTIMS. THIS IS WHY ONE OF THE FIRST ACTS OF ANY CONQUERING REGIME IS TO REWRITE THE TEXTBOOKS (CLICK THOSE LINKS), TO TELL YOU WHO'S IN CHARGE. • HISTORY DETERMINES YOUR HIRING POLICY. WHY ARE TECH COMPANIES BEING LECTURED BY MEDIA CORPORATIONS ON "DIVERSITY"? IS IT BECAUSE THOSE MEDIA CORPORATIONS THAT ARE 20-30 POINTS WHITER THAN TECH COMPANIES ACTUALLY DEEPLY CARE ABOUT THIS? OR IS IT BECAUSE AFTER THE 2009-ERA COLLAPSE OF PRINT MEDIA REVENUE, MEDIA CORPORATIONS STRUGGLED FOR A BUSINESS MODEL, FOUND THAT CERTAIN WORDS DROVE TRAFFIC, AND THEN DOUBLED DOWN ON THAT - BOOSTING THEIR STOCK PRICE AND BASHING THEIR COMPETITORS 4WHEN WE WRITE ABOUT MORAL PREMISES, WE INTENTIONALLY OMIT THE PREPOSITION FOR COMPACTNESS AND FOR EFFECT. RATHER THAN WRITING "HARD WORK IS GOOD" WE WRITE "HARD WORK GOOD." WHY? DROPPING THE "IS" REFLECTS THE UNDERLYING COGNITIVE PROCESS. IN THE MOMENT, IT'S NOT REALLY ABOUT THOUGHT-OUT ARGUMENTS BUT VISCERAL EXPRESSION OF FUNDAMENTAL MORAL VALUES. 5ISN'T THIS BROADLY RIGHT, YOU MIGHT ASK? WHAT'S BEEN LEFT OUT? START WITH THE READING LIST HERE.

2.1. PROLOGUE 23 IN THE PROCESS?6 AFTER ALL, IF YOU KNOW A BIT MORE HISTORY, YOU'LL KNOW THAT THE NEW YORK TIMES COMPANY (WHICH ORIGINATES SO MANY OF THESE JEREMIADS) IS AN ORGANIZATION WHERE THE CONTROLLING OCHS-SULZBERGER FAMILY LITERALLY PROHIBITED FROM SLAVERY, BLOCKED WOMEN FROM BEING PUBLISHERS, EXCLUDED GAYS FROM THE NEWSROOM FOR DECADES, RAN A SUCCESSION PROCESS FEATURING ONLY THREE CLOSE STRAIGHT WHITE MALE COUSINS, AND ENDED UP WITH A PUBLISHER WHO JUST HAPPENED TO BE THE SON OF THE PREVIOUS GUY.7 SUPPOSE YOU'RE A FOUNDER. ONCE YOU KNOW THIS HISTORY, AND ONCE ALL YOUR FRIENDS AND EMPLOYEES AND INVESTORS KNOW IT, AND ONCE YOU KNOW THAT NO PURPORTEDLY BRAVE ESTABLISHMENT MEDIA CORPORATION WOULD HAVE EVER INFORMED YOU OF IT IN QUITE THOSE WORDS8, YOU'RE OUTSIDE THE MATRIX. YOU'VE MENTALLY FREED YOUR ORGANIZATION. SO LONG AS YOU AREN'T RUNNING A CORPORATION BASED ON HEREDITARY NEPOTISM WHERE THE CURRENT GUY RUNNING THE SHOW INHERITS THE COMPANY FROM HIS FATHER'S FATHER'S FATHER'S FATHER, YOU'RE MORE DIVERSE AND DEMOCRATIC THAN THE OWNERS OF THE NEW YORK TIMES COMPANY. YOU DON'T NEED TO TAKE LECTURES FROM THEM, FROM ANYONE IN THEIR EMPLOY, OR REALLY FROM ANYONE IN THEIR SOCIAL CIRCLE — WHICH INCLUDES ALL ESTABLISHMENT JOURNALISTS. YOU NOW HAVE THE MORAL AUTHORITY TO HIRES WHO YOU WOULD WANT TO HIRES, WITHIN THE CONFINES OF THE LAW, AS SPACEX, SHOPIFY, KRACKEN, AND OTHERS ARE NOW DOING. AND THAT'S HOW A LITTLE KNOWLEDGE OF HISTORY RESTORES CONTROL OVER YOUR HIRING POLICY. • HISTORY IS HOW YOU DEBUG OUR BROKEN SOCIETY. MANY BILLIONS OF DOLLARS ARE SPENT ON HISTORY IN THE ENGINEERING WORLD. WE DON'T THINK ABOUT IT THAT WAY, THOUGH. WE CALL IT DOING A POST-MORTEM, LOOKING OVER THE LOG FILES, MAYBE RUNNING A SO-CALLED TIME-TRAVEL DEBUGGER TO GET A REPRODUCIBLE BUG. ONCE WE FIND IT, WE MIGHT WANT TO EXECUTE AN UNDO, DO A GIT REVERT, RESTORE FROM BACKUP, OR RETURN TO A PREVIOUSLY KNOWN-GOOD CONFIGURATION. THINK ABOUT WHAT WE'RE SAYING: ON A MICRO-SCALE, KNOWING THE DETAILED PAST OF THE SYSTEM ALLOWS US TO FIGURE OUT WHAT HAD GONE WRONG. AND BEING ABLE TO PARTIALLY REWIND THE PAST TO PROGRESS ALONG A DIFFERENT BRANCH (VIA A GIT REVERT) EMPOWER- 6LEST YOU THINK I'M EXAGGERATING HOW DIRE THE STRAITS WERE FOR NYTCO, HERE'S A QUOTE FROM FORMER NYT EDITOR JILL ABRAMSON'S BOOK, MERCHANTS OF TRUTH: "THE NEW DIGITAL REALITY NEARLY KILLS TWO VENERABLE NEWSPAPERS [NYT, WAPo] WITH AN AGING READERSHIP WHILE CREATING TWO MEDIA BEHEMOTHS [BUZZFEED, VICE] WITH A BALLOONING AND FICKLE AUDIENCE OF MILLENNIALS." THE INTERNET POSED AN EXISTENTIAL THREAT TO NYTCO, SO THEY BECAME BUZZFEED IN ORDER TO COMPETE WITH THEM. WHAT HAPPENED NEXT WILL ASTONISH YOU. 7HERE'S THEIR HISTORY OF SLAVEHOLDING (<https://nypost.com/2020/07/18/the-family-that-owns-the-new-york-times-were-slaveholders-goodwin/>), OPPOSITION TO FEMALE PUBLISHERS (<https://imgur.com/a/6eu5GxV>), BLASPHEMY AGAINST GAYS IN THE NEWSROOM (<https://twitter.com/heerjeet/status/1270785679744618497>), AND TRACK RECORD OF NEPOTISTIC SUCCESSION (<https://archive.ph/8MKml#selection-665.0-665.299>). 8A COMMON STRATAGEM IS TO "REPORT ON BUT NOT INVESTIGATE" AN ISSUE AT ANOTHER MEDIA CORPORATION. THIS WAY THEY CAN CLAIM A STORY WAS (NOMINALLY) COVERED, BUT RUSSELL CONJUGATE IT INTO IMPOTENCE, CHANGING ENOUGH WORDS TO ASSERT THE FACTS WERE REPORTED WHILE SIMULTANEOUSLY REMOVING ALL EMOTIONAL RESPONSE. THE CONTRAST TO WHEN THEY'RE ACTUALLY GOING FOR THE THROAT AND TRYING TO GET SOMEONE FIRED - AS THEY FREQUENTLY DO TO PEOPLE OUTSIDE MEDIA FOR TRIVIALITIES - IS STARK.

CHAPTER 2. HISTORY AS TRAJECTORY ERs US TO FIX THAT WRongness. This DOesn't MEan THrowing AWay everything AND RReturning TO THE Caveman ERa OF A BLank GIt REpository, AS PER Either THE CARica- Tured TRaditionalist WHO WANTS TO "Turn BACK THE CLock" OR THE ANArcho-primitivist WHO WANTS TO END INdus trialized Civilization. BUT IT DOes MEan REwinding A Blt TO Then MOve Forward ALong A DIfferent PAth9 , BEcause PRogress HAS BOTH MAGnitude AND DIrection. ALI These CONcepts APply TO DEbugging Situation s AT LArger SCAle THAN COMPanies — LIke SOCIeties, OR COuntries.10 YOU NOW SEe WHY Hlstory IS USEful . A FOUNder OF A MEre STArtup COMPany CAN ARguably SCrape BY Wlthout IT, TAcitly OUtsourcing THE STUdy OF Hlstory TO THOSE WHO SHape SOCIety's LAws AND MORality. BUT A PRESident OF A STArtup SOCIety CANNOT, BEcause A NEw SOCIety INVolves MORal, SOcial, AND LEGal INnovation RELative TO THE OLd ONE — AND THAT REQUIRES A KNOWledge OF Hlstory. 2.1.2 WHY Hlstory IS CRucial FOR STArtup SOCIeties WE've WHetted THE APpetite Wlth SOME SPECi c EXAmPles OF WHY Hlstory IS USEful IN GENeral. NOW WE'll DESCRibe WHY IT's SPECi cally USEful FOR STArtup SOCIeties. WE BEgin BY INtroducing AN OPERationally USEful I SET OF TOOLS FOR THINKING ABOUT THE PAST FROM A BOTtom-up AND TOP-down PERSpective: Hlstory AS WRItten TO THE LEDger, AS OPposed TO Hlstory AS WRItten BY THE WINners. WE USE THESE TOOLS TO DISCUSS THE EMERgence OF A NEW LEviathan, THE NETwork, A CON- TENDER FOR THE MOST POWERful FORCE IN THE WORLD A TRUE PEer (AND COMplement) TO BOTH GOD AND THE STATE AS A MEchanism FOR SOCIAL ORganization. AND THEN WE'll BRing IT ALI TOgether IN THE LEad-up TO THE KEy CONcept OF THIS CHapter: THE IDEa OF THE ONE COMMANDment, A Hlstorically-founded SOCIopolitical INnovation THAT DRaws CITizens TO A STArtup SOCIety JUSt AS A TEchnologically-based COMmercial INnovation ATTRacts CUSTOMers TO A STArtup COMPany. IF A STArtup BEgins BY IDENTifying AN ECONOMIC PROblem IN TOday's MARKET AND PREsenting A TEchnol ogically-informed SOLUTION TO THAT PROblem IN THE FORM OF A NEW COMPany, A STArtup SOCIety BEgins BY IDENTifying A MORal ISSue IN TOday's CULTure AND PREsenting A Hlstorically-informed SOLUTION TO THa t ISSue IN THE FORM OF A NEW SOCIety. 2.1.3 WHY STArtup SOCIeties AREn't SOlely ABOUT TEchnology WAI t, WHY DOES A STArtup SOCIety HAVE TO BEgin Wlth A MORal ISSue? AND WHY DOES THE SOLUTION TO THAT MORal ISSue NEED TO BE Hlstorically-informed? CAN't IT JUSt BE A 9THE REpeal OF THE VOlstead ACT IS ONE OF THE CLEANest EXAmPles. PROhibition WAS REpealed, AND SOCIety MOved ALong A DIfferent PAth. 10ONly A FEw COuntries, LIke ESTonia AND SIngapore, ARE AS YET UNDERpinned BY A CODEbase IN QUITE THE SAME WAY AS A TECH COMPany LIke GOOGLE. BUT MORE WILL FOLLOW IN THEIR FOOTSTEPS. THAT'S ONE OF THE THes es OF THIS BOOK; SEe HERE. AND THE CONcept OF "Recent Hlstory AS USEful FOR DEbugging" STILL APPlies EVEN IF THE EQUIvalent OF GIt REvert WOULD BE DONE IN PAPER LAWS RATHER THAN DIGital CODE.

2.1. PROLOGUE 25 Tech-focused Community Where People Solve Problems With Equations? We're Interested
IN Mars AND Life EXTension, NOT DUSTY STORIES OF DEFUNCT CITIES! THE QUICK ANSWER COMES FROM PAUL J
OHNSON AT THE 11:00 MARK OF THIS TALK, WHERE HE NOTES THAT EARLY AMERICA'S RELIGIOUS COLONIES SUCCE
DED AT A HIGHER RATE THAN ITS FOR- PROFIT COLONIES, BECAUSE THE FORMER HAD A PURPOSE. THE SLIGHTLY LO
NGER ANSWER IS THAT IN A STARTUP SOCIETY, YOU'RE NOT ASKING PEOPLE TO BUY A PRODUCT (WHICH IS AN ECO
NOMIC, INDIVIDUALISTIC PITCH) BUT TO JOIN A COMMUNITY (WHICH IS A CULTURAL, COLLECTIVE PITCH). YOU'R
E ARGUING THAT THE CULTURE OF YOUR STARTUP SOCIETY IS BETTER THAN THE SURROUNDING CULTURE; IMPLICITLY,
THAT MEANS THERE'S SOME MORAL DEFICIT IN THE WORLD THAT YOU'RE FIXING. HISTORY COMES INTO PLAY BECA
USE YOU'LL NEED TO (A) WRITE A STUDY OF THAT MORAL DEFICIT AND (B) DRAW FROM THE PAST TO FIND ALTERN
ATIVE SOCIAL ARRANGEMENTS WHERE THAT MORAL DEFICIT DID NOT OCCUR. TECH MAY BE PART OF THE SOLUTION, A
ND CALCULATIONS MAY WELL BE INVOLVED, BUT THE MOMENT YOU WRITE ABOUT ANY SOCIETAL PROBLEM IN DEPTH Y
OU'LL FIND YOURSELF WRITING A HISTORY OF THAT PROBLEM. FOR SPECIFICS, YOU CAN SKIP AHEAD TO EXAMPLES
OF PARALLEL SOCIETIES — OR YOU CAN SUSPEND DISBELIEF FOR A LITTLE BIT, KEEP READING, AND TRUST US TH
AT THIS HISTORICAL/MORAL/ETHICAL ANGLE JUST MIGHT BE THE MISSING INGREDIENT TO BUILD STARTUP SOCIET
IES, WHICH AFTER ALL HAVEN'T YET FULLY TAKEN OFF IN THE MODERN WORLD. 2.1.4 APPLIED HISTORY FOR STARTUP
SOCIETIES HERE'S THE OUTLINE OF THIS CHAPTER. 1. WE START WITH BOTTOM-UP HISTORY. THE SECTION ON M
ICROHISTORY AND MACROHISTORY BRIDGES THE GAP BETWEEN THE TRAJECTORY OF AN ISOLATED, REPRODUCIBLE SY
STEM AND THE TRAJECTORIES OF MILLIONS OF INTERACTING HUMAN BEINGS. BECAUSE BOTH THESE SMALL AND LARGE
-SCALE TRAJECTORIES CAN NOW BE DIGITALLY RECORDED AND QUANTIFIED, THIS IS HISTORY AS WRITTEN TO THE L
EDGER — CULMINATING IN THE CRYPTOHISTORY OF BITCOIN. 2. WE NEXT DISCUSS TOP-DOWN HISTORY. THIS IS HI
STORY AS WRITTEN BY THE WINNERS, HISTORY AS CONCEPTUALIZED BY WHAT TYLER COWEN CALLS THE BASE-RATERS
, HISTORY THAT JUSTIFIES THE CURRENT ORDER AND PROCLAIMS IT STABLE AND INEVITABLE. IT IS A THEORY OF
POLITICAL POWER VS. TECHNOLOGICAL TRUTH. 3. WE THEN TALK ABOUT THE HISTORY OF POWER, GIVING NAMES TO
THE FORCES WE JUST DESCRIBED BY IDENTIFYING THE THREE CANDIDATES FOR MOST POWERFUL FORCE IN THE W
ORLD: GOD, STATE, AND NETWORK. FRAMING THINGS IN TERMS OF THREE PRIME MOVERS RATHER THAN ONE ALLOWS
US TO GENERALIZE BEYOND PURELY GOD-CENTERED RELIGIONS TO UNDERSTAND THE LEVIATHAN-CENTERED DOCTRIN
ES THAT IMPLICITLY UNDERPIN MODERN SOCIETY. 4. WE APPLY THIS TO THE HISTORY OF POWER STRUGGLES. WITH
THE GOD/STATE/NETWORK LENS, WE CAN UNDERSTAND THE BLUE/RED AND TECH-VS-MEDIA CONFLICTS IN A DIFFERENT
WAY AS A MULTI-SIDED STRUGGLE BETWEEN PEOPLE OF GOD, PEOPLE OF THE STATE, AND PEOPLE OF THE NETWORK
. 5. WE GO THROUGH HOW THE PEOPLE OF THE STATE HAVE USED THEIR POWER TO DISTORT RECENT

6 CHAPTER 2. HISTORY AS TRAJECTORY AND Distant History, AND HOW THE NETWORK IS NEWLY RECTIFYING THE
s Distortion IN "If THE NEWS IS FAKE, IMAGINE HISTORY." 6. HAVING SHOWN THE DEGREE TO WHICH HISTORY
HAS BEEN DISTORTED, AND THEREBY DIS- PLACED THE (IMPLICIT) HISTORICAL NARRATIVE IN WHICH THE ARC OF
HISTORY BENDS TO THE INELUCTABLE VICTORY OF THE US ESTABLISHMENT¹¹, WE DISCUSS SEVERAL ALTERNATIVE T
HEO- RIES OF PAST AND FUTURE IN OUR SECTION ON FRAGMENTATION, FRONTIER, FOURTH TURNING, AND FUTURE I
S OUR PAST. THESE THESES DON'T DESCRIBE A CLEAN PROGRESSIVE VICTORY ON EVERY AXIS, BUT INSTEAD A SET
OF CYCLES, HAIRPIN TURNS, AND MIRROR IMAGES, A SET OF HISTORICAL TRAJECTORIES FAR MORE COMPLEX THAN
THE NARRATIVE OF LINEAR INEVITABILITY SMUGGLED IN THROUGH TEXTBOOKS AND MASS MEDIA. 7. WE NEXT TURN
OUR ATTENTION TO LEFT AND RIGHT, WHICH ARE CONFUSING CONCEPTS IN A REALIGNING TIME, IN LEFT IS THE
NEW RIGHT IS THE NEW LEFT. SORRY! WE CAN'T AVOID POLITICS ANYMORE. STARTUP SOCIETIES AREN'T PURELY A
BOUT TECHNOLOGY. BUT PLEASE NOTE THAT FOR THE MOST PART THIS SECTION ISN'T THE SAME OLD PABULUM AROUND
CURRENT EVENTS. WE DO CONTEND THAT YOU NEED A THEORY OF LEFT AND RIGHT TO BUILD A STARTUP SOCIETY
, BUT THAT DOESN'T MEAN JUST PICKING A SIDE. WHY? WHILE A POLITICAL CONSUMER HAS TO PICK ONE OF A FE
W PARTY PLATFORMS OFF THE MENU, A POLITICAL FOUNDER CAN DO SOMETHING DIFFERENT: IDEOLOGY CONSTRUCTION
. TO INFORM THIS, WE'LL SHOW HOW LEFT AND RIGHT HAVE SWAPPED SIDES THROUGH HISTORY, AND HOW ANY SUCC
ESSFUL MASS MOVEMENT HAS BOTH A REVOLUTIONARY LEFT COMPONENT AND A RULING RIGHT COMPONENT. 8. FINALL
Y, ALL OF THIS BUILDS UP TO THE PAYOFF: THE ONE COMMANDMENT. USING THE TERMINOLOGY WE JUST INTRODUCED
, WE CAN RATTLE IT OFF IN A FEW PARAGRAPHS. (IF THE FOLLOWING IS OPAQUE IN ANY WAY, READ THE CHAPTER,
THEN COME BACK AND RE-READ THIS PART.) IF HISTORY IS NOT PRE-determined TO BEND IN ONE DIRECTION, I
F THE CURRENT ESTABLISH- MENT MAY EXPERIENCE DRAMATIC DISRUPTION IN THE FORM OF THE FRAGMENTATION AN
D FOURTH TURNING, IF ITS POWER ACTUALLY AROSE FROM THE EXPANDING FRONTIER RATHER THAN THE EXPANDING
FRANCHISE, IF HISTORY IS SOMEHOW RUNNING IN REVERSE AS PER THE FUTURE IS OUR PAST THESIS, IF THE REV
OLUTIONARY AND RULING CLASSES ARE IN FACT SWITCHING SIDES, IF THE NEW LEVIATHAN THAT IS THE NETWORK
IS INDEED RISING ABOVE THE STATE, AND IF THE INTERNAL AMERICAN CONFLICTS CAN BE SEEN NOT AS POLICY DI
S- PUTES BUT AS HOLY WARS, AS CLASHES OF LEVIATHANS. . . THEN THE ASSUMPTION OF THE BASE-RATERS THAT
ALL WILL PROCEED AS IT ALWAYS HAS IS QUITE INCORRECT! BUT RATHER THAN ADMIT THIS INCORRECTNESS, THE
Y'LL ATTEMPT TO USE POLITICAL POWER TO SUPPRESS TECHNOLOGICAL TRUTH. 11 THE CONCEPT OF HISTORICAL INE
VITABILITY IS FOUND IN BOTH AMERICAN DEMOCRACY AND SOVIET COMMUNISM, IN MANY RELIGIONS, AND IN FIC
TIONAL SETTINGS LIKE OZYMANDIAS. IT'S EVEN SEEN IN MIRROR IMAGE IN WORKS LIKE THE SOVEREIGN INDIVIDU
AL. THE WAY TO UNDERSTAND THIS IS THAT THE "INEVITABILISTS" ARE TYPICALLY IDENTIFYING A REAL AND POW
ERFUL TREND, WITHOUT MODELING SOROSIAN RELEXIVITY AND INDIVIDUAL INITIATIVE. THAT IS, THERE'S A RELEX
IXIVE BACKLASH TO ANY TREND ("THE ENEMY ALSO GETS A MOVE"), AND THERE ARE ALSO INDIVIDUALS WHO CAN ST
ART NEW TRENDS.

2.1. PROLOGUE 27 THE FOUNDER'S COUNTER IS CRYPTOHISTORY AND THE STARTUP SOCIETY. WE NOW HAVE A HISTORY NO ESTABLISHMENT CAN EASILY CORRUPT, THE CRYPTOGRAPHICALLY VERIFIABLE HISTORY PIONEERED BY BITCOIN AND EXTENDED VIA CRYPTO ORACLES. WE ALSO HAVE A THEORY OF HISTORICAL FEASIBILITY, HISTORY AS A TRAJECTORY RATHER THAN AN INEVITABILITY, THE IDEA THAT THE DESIRABLE FUTURE WILL ONLY OCCUR IF YOU PUT IN AN INDIVIDUAL EFFORT. BUT WHAT EXACTLY IS THE NATURE OF THAT DESIRABLE FUTURE? AFTER ALL, MANY GROUPS DIVERGE WITH THE OLD ORDER BUT ALSO WITH EACH OTHER — SO A BLANKET SOLUTION WON'T WORK. AND COULD WE BE RESISTED. THAT'S WHERE THE ONE COMMANDMENT COMES IN. AS CONTEXT, THE MODERN PERSON IS OFTEN MORALLY RETICENT BUT POLITICALLY EVANGELISTIC. THEY HESITATE TO TALK ABOUT WHAT IS MORAL OR IMMORAL, BECAUSE IT'S NOT THEIR PLACE TO SAY WHAT'S RIGHT. YET WHEN IT COMES TO POLITICS, THIS DILEMMA IS FREQUENTLY REPLACED BY OVERBEARING CONFIDENCE IN HOW OTHERS MUST LIVE, COUPLED WITH AN ENTHUSIASM FOR ENFORCING THEIR BELIEFS AT GUNPOINT IF NECESSARY. IN BETWEEN THIS ZERO AND ∞ , IN BETWEEN ESCHEWING MORAL DISCUSSION ENTIRELY AND IMPOSING A FULL-BLOWN POLITICAL DOCTRINE, IN THIS FINAL SECTION WE PROPOSE A ONE: A ONE COMMANDMENT. START A NEW SOCIETY WITH ITS OWN MORAL CODE, BASED ON YOUR STUDY OF HISTORY, AND RECRUIT PEOPLE THAT AGREE WITH YOU TO POPULATE IT.¹² WE'RE NOT SAYING YOU NEED TO COME UP WITH YOUR OWN NEW TEN COMMANDMENTS, MIND YOU — BUT YOU DO NEED ONE COMMANDMENT TO ESTABLISH THE IDENTIFICATION OF A NEW STARTUP SOCIETY. CONCRETE EXAMPLES OF POSSIBLE ONE COMMANDMENTS INCLUDE “24/7 INTERNET BAD” (WHICH LEADS TO A DIGITAL SABBATH SOCIETY), OR “CARBS BAD” (WHICH LEADS TO A KETO KOSHER SOCIETY), OR “TRADITIONAL CHRISTIANITY GOOD” (WHICH LEADS TO A BENEDICT OPTION SOCIETY), OR “LIFE EXTENSION GOOD” (WHICH LEADS TO A POST-FDA SOCIETY). YOU MIGHT THINK THESE ONE COMMANDMENTS SOUND EITHER TRIVIAL OR UNREALISTICALLY AMBITIOUS, BUT IN THAT RESPECT THEY'RE SIMILAR TO TECH; THE PITCH OF “140 CHARACTERS” SOUNDED TRIVIAL AND THE PITCH OF “REUSABLE ROCKETS” SEEMED UNREALISTIC, BUT THOSE RESULTED IN TWITTER AND SPACE X RESPECTIVELY. THE ONE COMMANDMENT IS ALSO SIMILAR TO TECH IN ANOTHER RESPECT: IT FOCUSES A STARTUP SOCIETY ON A SINGLE MORAL INNOVATION, JUST LIKE A TECH COMPANY IS ABOUT A FOCUSED TECHNOECONOMIC INNOVATION. THAT IS, AS WE'LL SEE, EACH ONE COMMANDMENT-BASED STARTUP SOCIETY IS PREMISED ON DECONSTRUCTING THE ESTABLISHMENT'S HISTORY IN ONE SPECIFIC AREA, ERECTING A REPLACEMENT NARRATIVE IN ITS PLACE WITH A NEW ONE COMMANDMENT, THEN PROVING THE SOCIOECONOMIC VALUE OF THAT ONE COMMANDMENT BY USING IT TO ATTRACT SUBSCRIBER-CITIZENS. FOR EXAMPLE, IF YOU CAN ATTRACT 100K SUBSCRIBERS TO YOUR KETO KOSHER SOCIETY THROUGH DEEPLY RESEARCHED HISTORICAL STUDIES ON THE OBESITY EPIDEMIC, AND THEN SHOW THAT THEY'VE LOST SIGNIFICANT WEIGHT AS A CONSEQUENCE, YOU'VE PROVEN IT'S ENTIRELY CONSENSUAL. IF PEOPLE LIKE THE SOCIETY, THEY JOIN AS A SUBSCRIBER; IF THEY DON'T LIKE IT AFTER JOINING, THEY CANCEL THEIR SUBSCRIPTION.

8 CHAPTER 2. HISTORY AS TRAJECTORY THE ESTABLISHMENT DEEPLY WRONG IN A KEY AREA. THAT'LL EITHER DRIVE THEM TO REFORM — OR NOT REFORM, IN WHICH CASE YOU ATTRACT MORE CITIZENS. A KEY POINT IS THAT WE CAN APPLY ALL THE TECHNIQUES OF STARTUP COMPANIES TO STARTUP SOCIETIES. FINANCING, ATTRACTING SUBSCRIBERS, CALCULATING CHURN, DOING CUSTOMER SUPPORT — THERE'S A PLAYBOOK FOR ALL OF THAT. IT'S JUST SOCIETY-AS-A-SERVICE, THE NEW SAAS. IN PARALLEL, OTHER STARTUP SOCIETIES ARE LIKewise CRITIQUING BY BUILDING, DRAINING CITIZENS AWAY FROM THE ESTABLISHMENT WITH THEIR OWN HISTORICALLY-INFORMED ONE COMMANDMENTS, AND THEREBY DRIVING CHANGE ON OTHER DIMENSIONS. FINALLY, DIFFERENT SUCCESSFUL CHANGES CAN BE COPIED AND MERGED TOGETHER, SUCH THAT THE SECOND GENERATION OF STARTUP SOCIETIES STARTS DIFFERENTIATING FROM THE ESTABLISHMENT BY TWO, THREE, OR N COMMANDMENTS. THIS IS A VISION FOR PEACEFUL, PARALLELIZED, HISTORICALLY-DRIVEN REFORM OF A BROKEN SOCIETY. OK! I KNOW THOSE LAST FEW PARAGRAPHS INVOLVE SOME HEAVY SLEDDING, BUT COME BACK AND REREAD THEM AFTER GOING THROUGH THE CHAPTER. THE MAIN POINT OF OUR LITTLE PREVIEW HERE WAS TO MAKE THE CASE THAT HISTORY IS AN APPLIED SUBJECT — AND THAT YOU CAN'T START A NEW SOCIETY WITHOUT IT. WITHOUT A GENUINE MORAL CRITIQUE OF THE ESTABLISHMENT, WITHOUT AN IDEOLOGICAL ROOT NETWORK SUPPORTED BY HISTORY, YOUR NEW SOCIETY IS AT BEST A FANCY STARBUCKS LOUNGE, A GATED COMMUNITY THAT DIFFERS ONLY IN ITS AMENITIES, A SNACK TO BE EATEN BY THE ESTABLISHMENT AT ITS LEISURE, A SOULLESS NULLITY WITH NO DIRECTION SAVE CONSUMERISM.¹³ BUT WITH SUCH A CRITIQUE — WITH THE UNDERSTANDING THAT THE ESTABLISHMENT IS MORALLY WANTING, WITH A FOCUSED ARTICULATION OF HOW EXACTLY IT FALLS SHORT, WITH A ONE COMMANDMENT THAT OTHERS CAN CHOOSE TO FOLLOW, AND WITH A VISION OF THE HISTORICAL PAST THAT UNDERPINS YOUR NEW STARTUP SOCIETY MUCH AS A VISION OF THE TECHNOLOGICAL FUTURE UNDERPINS A NEW STARTUP COMPANY — YOU'RE WELL ON YOUR WAY. YOU MIGHT EVEN START TO SEE A HISTORICAL WHITEPAPER FLOATING IN FRONT OF YOU, THE SCHOLARLY CRITIQUE THAT DRAWS YOUR FIRST 100 SUBSCRIBERS, THE FOUNDING DOCUMENT YOU PUBLISH TO KICK OFF YOUR STARTUP SOCIETY. NOW LET'S EQUIP YOU WITH THE TOOLS TO WRITE IT. ¹³WeWork DESERVES A MENTION HERE. I ACTUALLY RESPECT WHAT ADAM NEUMANN BUILT; IT'S A DECENT PRODUCT THAT PEOPLE USED, WHICH IS INSANELY DIFFICULT TO BUILD, EVEN IF IT DIDN'T WORK OUT AS AN INVESTMENT. THE ISSUE WITH A WERK, THOUGH, IS THAT IT WASN'T REALLY A COMMUNITY. THE ACID TEST IS THAT YOU COULDN'T LEAVE YOUR LAPTOP DOWN IN A WERK, OR HAVE A CONVERSATION IN A COMMON AREA. THE OTHER PEOPLE THERE WERE STRANGERS. YES, YOU COULD GET ENCLOSED OFFICES WITHIN WERKS, BUT THE COMMON AREAS WERE MORE LIKE AN AIRPORT LOUNGE OR STARBUCKS THAN A COMMUNITY. IN SHORT, YOU NEED BOTH A PHYSICAL MEMBRANE BOUNDARY AND AN IDEOLOGICAL MORAL BOUNDARY IN ORDER TO ACTUALLY HAVE A PROPER COMMUNITY.

2.2. MICROHISTORY AND MACROHISTORY 29 2.2 Microhistory AND Macrohistory IN THE Bottom-up View, History IS WRITTEN TO THE LEDGER. IF EVERYTHING THAT HAPPENED GETS FAITHFULLY RECORDED, HISTORY IS THEN JUST THE ANALYSIS OF THE LOG FILES. TO UNDERSTAND THIS VIEW WE'LL DISCUSS THE IDEA OF HISTORY AS A TRAJECTORY. THEN WE'LL INTRODUCE THE CONCEPTS OF MICROHISTORY AND MACROHISTORY, BY ANALOGY TO MICROECONOMICS AND MACROECONOMICS. FINALLY, WE'LL UNIFY ALL THIS WITH THE NEW CONCEPT OF CRYPTOHISTORY. 2.2.1 History AS A Cryptic Epic OF Twisting Trajectories WHAT HAPPENS WHEN YOU PROPEL AN OBJECT INTO THE AIR? THE FIRST THING THAT COMES TO MIND IS THE TRAJECTORY OF A BALL. THROW IT AND WITNESS ITS ARC. JUST A SIMPLE PARABOLA, AN EXERCISE IN FRESHMAN PHYSICS. BUT THERE ARE MORE COMPLICATED TRAJECTORIES.

- A BOOMERANG FLIES FORWARD AND COMES BACK TO THE ORIGIN.
- A CHARGED PARTICLE IN A CONSTANT MAGNETIC FIELD IS SUBJECT TO A FORCE AT RIGHT ANGLES, AND MOVES IN A CIRCLE.
- A ROCKET WITH SUFFICIENT FUEL CAN ESCAPE THE EARTH'S ATMOSPHERE RATHER THAN COMING BACK DOWN.
- A CURVEBALL, SUBJECT TO THE MAGNUS EFFECT, CAN TWIST IN MID-AIR EN ROUTE TO ITS DESTINATION.
- A PROJECTILE LAUNCHED INTO A SUFFICIENTLY THICK GELATIN DECELERATES WITHOUT EVER HITTING THE GROUND.
- A POWERED DRONE CAN EXECUTE AN ARBITRARILY COMPLICATED FLIGHT PATH, IMITATING THAT OF A BUMBLEBEE OR HELIX.

SO, HOW A SYSTEM EVOLVES WITH TIME — ITS TRAJECTORY — CAN BE COMPLEX AND COUNTER-INTUITIVE, EVEN FOR SOMETHING SMALL. THIS IS A GOOD ANALOGY FOR HISTORY. IF THE FLIGHT PATH OF A SINGLE INANIMATE OBJECT CAN BE THIS SURPRISING, THINK ABOUT THE DYNAMICS OF A MASSIVE MULTI-AGENT SYSTEM OF HIGHLY ANIMATE PEOPLE. IMAGINE BILLIONS OF HUMANS SPRINGING UP ON THE MAP, FORMING CLUSTERS, CAREENING INTO EACH OTHER, CREATING MORE HUMANS, AND THROWING OFF PETABYTES OF DATA EXHAUST THE WHOLE WAY. THAT'S HISTORY. AND THE TIMEFRAMES INVOLVED MAKE IT TOUGH TO STUDY. THE ROCK YOU THROW INTO THE AIR DOESN'T TAKE DECADES TO PLAY OUT ITS FLIGHT PATH. HUMANS DO. SO A HISTORICAL OBSERVER CAN LITERALLY DIE BEFORE SEEING THE CONSEQUENCES OF AN ACTION. MOREOVER, THE SUBJECTS OF THE STUDY DON'T WANT TO BE STUDIED. A MERE ROCK ISN'T A STEALTH BOMBER. IT HAS NEITHER THE MOTIVE NOR THE MEANS TO DECEIVE YOU ABOUT ITS FLIGHT PATH. HUMANS DO. THE PEOPLE UNDER THE MICROSCOPE ARE FOGGING THE LENS. SO: THE SCALE IS HUGE, THE TIMEFRAME IS LONG, AND THE MEASUREMENTS AREN'T JUST NOISY BUT INTENTIONALLY CORRUPTED.

CHAPTER 2. HISTORY AS TRAJECTORY WE CAN ENCODE ALL OF THIS INTO A PHRASE: HISTORY IS A CRYPTIC EPIC OF TWISTING TRAJECTORIES. CRYPTIC, BECAUSE THE NARRATORS ARE UNRELIABLE AND OFTEN INTENTIONALLY MISLEADING. EPIC, BECAUSE THE TIMESCALES ARE SO LONG THAT YOU HAVE TO CONSCIOUSLY SAMPLE BEYOND YOUR OWN EXPERIENCE AND BEYOND ANY HUMAN LIFETIME TO SEE PATTERNS. TWISTING, BECAUSE THERE ARE CURVES, CYCLES, COLLAPSES, AND NON-STRAIGHTFORWARD PATTERNS. AND TRAJECTORIES, BECAUSE HISTORY IS ULTIMATELY ABOUT THE TIME EVOLUTION OF HUMAN BEINGS, WHICH MAPS TO THE PHYSICAL IDEA OF A DYNAMICAL SYSTEM, OF A SET OF PARTICLES PROGRESSING THROUGH TIME. PUT THAT TOGETHER, AND IT WIPE OUT BOTH THE BASE-RATER'S VIEW THAT TODAY'S ORDER WILL REMAIN BASICALLY STABLE OVER THE SHORT-TERM, AND THE COMPLEMENTARY VIEW OF A LONG-TERM "THE ARC OF THE MORAL UNIVERSE IS LONG, BUT IT BENDS TOWARD JUSTICE." IT ALSO CONTESTS THE IDEA THAT THE FALL OF THE BOURGEOISIE "AND THE VICTORY OF THE PROLETARIAT ARE EQUALLY INEVITABLE," OR THAT "NO TWO COUNTRIES ON A BITCOIN STANDARD WILL GO TO WAR WITH EACH OTHER," OR EVEN THAT TECHNOLOGICAL PROGRESS HAS BEEN RAPID, SO WE CAN ASSUME IT WILL CONTINUE AND SOCIETY WILL NOT COLLAPSE. THOSE PHRASES COME FROM DIFFERENT IDEOLOGIES, BUT EACH OF THEM VERBALLY EXPRESSES THE CLEAN PARABOLIC ARC OF THE ROCK. HISTORY ISN'T REALLY LIKE THAT AT ALL. IT'S MUCH MORE COMPLICATED. THERE ARE CERTAINLY TRENDS, AND THOSE PHRASES DO IDENTIFY REAL TRENDS, BUT THERE IS ALSO PUSHBACK TO THOSE TRENDS, COUNTERFORCES THAT ARISE IN RESPONSE TO APPLIED FORCES, SYNTHESIS THAT FORM FROM THESES AND ANTITHESIS, AND OUTRIGHT COLLAPSES. COMPLEX DYNAMICS, IN OTHER WORDS. AND HOW DO WE STUDY COMPLEX DYNAMICAL SYSTEMS? THE FIRST TASK IS TO MEASURE.

2.2.2 Microhistory IS THE HISTORY OF REPRODUCIBLE SYSTEMS

MICROHISTORY IS THE HISTORY OF A REPRODUCIBLE SYSTEM, ONE WHICH HAS FEW ENOUGH VARIABLES THAT IT CAN BE RESET AND REPLAYED FROM THE BEGINNING IN A SERIES OF CONTROLLED EXPERIMENTS. IT IS HISTORY AS A QUANTITATIVE TRAJECTORY, HISTORY AS A PRECISE LOG OF MEASUREMENTS. FOR EXAMPLE, IT COULD BE THE RECORD OF ALL PAST VALUES OF A STATE SPACE VECTOR IN A DYNAMICAL SYSTEM, THE ACCOUNT OF ALL MOVES MADE BY TWO DETERMINISTIC ALGORITHMS PLAYING CHESS AGAINST EACH OTHER, OR THE CHRONICLE OF ALL INSTRUCTIONS EXECUTED BY A JOURNALING FILE SYSTEM AFTER BEING RESTORED TO FACTORY SETTINGS. MICROHISTORY IS AN APPLIED SUBJECT, WHERE ACCURATE HISTORICAL MEASUREMENT IS OF DIRECT TECHNICAL AND COMMERCIAL IMPORTANCE. WE CAN SEE THIS WITH TECHNOLOGIES LIKE THE KALMAN FILTER, WHICH WAS USED FOR STEERING THE SPACESHIP USED IN THE MOON LANDING. YOU CAN SEE THE FULL TECHNICAL DETAILS HERE, BUT ROUGHLY SPEAKING THE KALMAN FILTER USES PAST MEASUREMENTS $X[t-1]$, $X[t-2]$, $X[t-3]$ TO INFORM THE ESTIMATE OF A SYSTEM'S CURRENT STATE $X[t]$, THE ACTION THAT SHOULD BE TAKEN $U[t]$, AND THE CORRESPONDING PREDICTION OF THE FUTURE STATE $X[t+1]$ SHOULD THAT ACTION BE TAKEN. FOR EXAMPLE, IT USES PAST VELOCITY, DIRECTION HEADINGS, FUEL LEVELS, AND THE LIKE TO RECOMMEND HOW A SPACE SHUTTLE SHOULD BE STEERED AT THE CURRENT TIMESTEP. CRUCIALLY, IF THE MICROHISTORY IS NOT ACCURATE ENOUGH, IF THE CONFIDENCE INTERVALS AROUND EACH MEASUREMENT ARE TOO WIDE, OR IF (SAY) THE VELOCITY ESTIMATE IS WRONG ALTOGETHER, THEN THE KALMAN FILTER DOES NOT WORK AND APOLLO DOESN'T

2. MICROHISTORY AND MACROHISTORY 31 Happen. AT A SURFACE LEVEL, THE KALMAN FILTER RESEMBLES THE END OF TIME SERIES ANALYSIS THAT'S COMMON IN FINANCE. THE KEY DIFFERENCE IS THAT THE KALMAN FILTER IS USED ON REPRODUCIBLE SYSTEMS WHILE FINANCE IS TYPICALLY A NON-REPRODUCIBLE SYSTEM. IF YOU'RE USING THE KALMAN FILTER TO GUIDE A DRONE FROM POINT A TO POINT B, BUT YOU HAVE A BUG IN YOUR CODE AND THE DRONE CRASHES, YOU CAN SIMPLY PICK UP THE DRONE¹⁴, PUT IT BACK ON THE LAUNCH PAD AT POINT A, AND TRY AGAIN. BECAUSE YOU CAN REPEAT THE EXPERIMENT OVER AND OVER, YOU CAN EVENTUALLY GET VERY PRECISE MEASUREMENTS AND A FUNCTIONING GUIDANCE ALGORITHM. THAT'S A REPRODUCIBLE SYSTEM. IN FINANCE, HOWEVER, YOU USUALLY CAN'T JUST KEEP RE-RUNNING A TRADING ALGORITHM THAT MAKES MONEY AND GET THE SAME RESULT. EVENTUALLY YOUR COUNTERPARTIES WILL ADAPT AND GET WISE. A KEY DIFFERENCE RELATIVE TO OUR DRONE EXAMPLE IS THE PRESENCE OF ANIMATE OBJECTS (OTHER HUMANS) WHO WON'T ALWAYS DO THE SAME THING GIVEN THE SAME INPUT.¹⁵ IN FACT, THEY CAN OFTEN BE ADVERSARIAL, OBSERVING AND REACTING TO YOUR ACTIONS, INTENTIONALLY CONFOUNDING YOUR PREDICTIONS, ESPECIALLY IF THEY CAN PROVE IT FROM DOING SO. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS IN FINANCE, AS OPPOSED TO PHYSICS. UNLIKE THE SITUATION WITH THE DRONE, A MARKET ISN'T A REPRODUCIBLE SYSTEM. MICROHISTORY THUS HAS ITS LIMITS, BUT IT'S AN INCREDIBLY POWERFUL CONCEPT. IF WE HAVE GOOD ENOUGH MEASUREMENTS ON THE PAST, THEN WE HAVE A BETTER PREDICTION OF THE FUTURE IN AN EXTREMELY LITERAL SENSE. IF WE HAVE TIGHT CONFIDENCE INTERVALS ON OUR MEASUREMENTS OF THE PAST, IF THE PROBABILITY DISTRIBUTION $P(x[t-1])$ IS HIGHLY PEAKED, THEN WE GET CORRESPONDINGLY TIGHT CONFIDENCE INTERVALS ON THE PRESENT $P(x[t])$ AND THE FUTURE $P(x[t+1])$. CONVERSELY, THE MORE UNCERTAINTY ABOUT YOUR PAST, THE MORE CONFUSED YOU ARE ABOUT WHERE YOU'RE FROM AND WHERE YOU'RE GOING, THE MORE LIKELY YOUR ROCKET WILL CRASH. IT'S ORWELL MORE LITERALLY THAN HE EVER EXPECTED: HE WHO CONTROLS THE PAST CONTROLS THE FUTURE, IN THE DIRECT SENSE THAT HE HAS BETTER CONTROL THEORY. ONLY A CIVILIZATION WITH A STRONG CAPACITY FOR ACCURATE MICROHISTORY COULD EVER MAKE IT TO THE MOON. THIS IS A POWERFUL ANALOGY FOR CIVILIZATION. A GROUP OF PEOPLE WHO DOESN'T KNOW WHO THEY ARE OR WHERE THEY CAME FROM WON'T EVER MAKE IT TO THE MOON, LET ALONE TO MARS. CAN WE MAKE IT MORE THAN AN ANALOGY?

2.3 MACROHISTORY IS THE HISTORY OF NON-REPRODUCIBLE SYSTEMS MACROHISTORY IS THE HISTORY OF A NON-REPRODUCIBLE SYSTEM, ONE WHICH HAS TOO MANY VARIABLES TO EASILY BE RESET AND REPLAYED FROM THE BEGINNING. IT IS HISTORY THAT IS NOT 14YES, IT COULD BREAK. IF SO, USE AN IDENTICAL ONE FROM THE SAME FACTORY. ¹⁵FUNCTIONAL PROGRAMMING AFICIONADOS WILL RECOGNIZE THIS AS BEING SIMILAR TO THE DIFFERENCE BETWEEN PURE AND IMPURE FUNCTIONS. A PURE FUNCTION LIKE $\sin(x)$ ALWAYS RETURNS THE SAME OUTPUT GIVEN THE SAME INPUT. AN IMPURE FUNCTION LIKE `Number_of_users()` DOES NOT, TYPICALLY BECAUSE THERE IS SOME EXTERNAL STATE VARIABLE SUCH AS A DATABASE.

32 CHAPTER 2. HISTORY AS TRAJECTORY Directly AMenable TO COntrolled EXperiment. AT SMall SCale, THat's THE UNpredictable FLOW OF A TURbulent FLUID; AT VERY LARGE SCale, IT's THE Hlstory OF HUmanity. WE THINK OF MACrohistory AS BEing ON A COntinuum Wlth Mlcrohistory. WHY? WE'LL MAKE A FEW POints AND THEN Tle THEM ALI TOgether. • FIrst, SCience PROgresses BY TAKing PHenomena FORMerly THought OF AS NON- REproducible (And HENCE UNpredictable) SYStems, ISolating THE KEy VARIables, AND TURNing THEM IN to REproducible (And HENCE PREdictable) SYStems. FOR EXample, KOch's POSTulates INclude THE IDEa OF TRAnsmission PATHogenesis, WHICH TURNed THE VAGue COncEpt OF INFEction VIA "Miasma" INTO A REproducible PHenomenon: EX- POse A MOUSE TO A SPECiFic Mlcroorganism IN A LABORatory SETTING AND AN INFEction ARises, BUT NOT OTHERWISE. • SEcond, AND RELatedly, SCience PROgresses BY IMProved INSTRumentation, BY BETTER REcOrdkeeping. STar CHarts ENabled CElestial NAVigation. JOhann BALmer's DOc- UMENTation OF THE EXact SPacing OF HYdrogen's EMission SPectra LED TO QUAntum MEchanics. GREGor MENdel's CAREful COunting OF PEa PLants LED TO MODern GENet- ICs. THINGS WE COunted AS SIMply BEYond HUman KEn — THestars, THE ATom, THE GENome — BEcame THINGS HUMans CAN COmprehend BY SIMply COunting. • THird, HOW DO WE EVEN KNOW ANYthing ABOUT THE Hlstory OF ANCient ROME OR EGYpt OR MEDIEval EUROpe? FROM ARTifacts AND WRitten REcords. THousands OF YEars AGO, PEople WERE SCRatching CUSTOMER REVIEWS INTO A STONE TABLET, ONE OF THE FIRSt TABLET-based APPs. WE KNOW WHO ABelard AND HEloise WERE FROM THEIR LETTER TO EACH OTHER. WE KNOW WHAT THE ROMans WERE LIKE FROM WHAT THEY REcorded. TO A SIGNiFicant EXTent, WHAT WE KNOW ABOUT Hlstory IS WHAT WE'VE REcovered FROM WHAT PEople WRote DOWN. • FOURth, TODAY, WE HAVE DIGital DOcumentation ON AN UNprecedented SCALE. WE HAVE BILLions OF PEople USING SOCIAL MEDIA EACH DAY FOR ALmost A DECADE NOW. WE ALSO HAVE BILLions OF PHONES TAKing DAILY PHotographs AND Videos. WE HAVE COuntless DATA FEeds OF INSTRuments. AND WE HAVE MASSive HARD DRives TO STORE IT ALL. SO, IF REckoned ON THE BASIS OF RAW BYtes, WE LIkely REcOrd MORE INFORMATION IN A DAY THAN ALL OF HUMANITY REcorded UP TO THE YEAr 1900. IT IS BY FAR THE MOST COmprehensive LOG OF HUman ACTivity WE'VE EVER HAd. WE CAN NOW SEE THE COntinuum BETWEEN MACrohistory AND Mlcrohistory. WE ARE COl- LECTing THese Kinds OF PREcise, QUAntitative, Mlcrohistorical MEasurements THAT TYPically LED TO THE EMERGence OF A NEW SCience. . . BUT AT THE SCALE OF BILLions OF PEople, AND GOing INTO OUR SECond DECADE. 16 THIS IS SIMilar TO THE COntinuum BETWEEN Mlcroeconomics AND MACroeconomics (DISputed BY THE KEYnesians, WHO SAY THAT GOVERNments AREn't HOUSEholds), OR THE COntinuum BETWEEN NATural INTElli- GENCE AND ARTiFicial INTElligence (DISputed BY THOSE WHO THINK HUman INTElligence IS SUI GENERIS, RATHER THAN SOMETHING THAT WAS GRAdually FORMed BY AN EVolutionary PROcess AND COULD BE FORMed THROUGH A COmputational PROcess), OR THE COntinuum BETWEEN MlcroeVolution AND MACroeVolution (DISputed BY THOSE WHO THINK THAT SEquence EVolution ISN't SPECies EVolution, OR [MORE REasonably] THAT ABIogenesis ISN't YET FULLY EXperimentally DEMonstrated).

2.2. MICROHISTORY AND MACROHISTORY 33 SO, ANOTHER TERM FOR “BIG DATA” SHOULD BE “BIG HISTORY.” ALL DATA IS A RECORD OF PAST EVENTS, SOMETIMES THE IMMEDIATE PAST, SOMETIMES THE PAST OF MONTHS OR YEARS AGO, SOMETIMES (IN THE CASE OF GOOGLE BOOKS OR THE DIGITAL MICHELANGELO PROJECT) THE PAST OF DECADES OR CENTURIES AGO. AFTER ALL, WHAT’S ANOTHER WORD FOR DATA STORAGE IN A COMPUTER? MEMORY. MEMORY, AS IN THE SENSE OF HUMAN MEMORY, AND AS IN THE SENSE OF HISTORY. THAT MEMORY IS COMMERCIALLY VALUABLE.

A TECHNOLOGIST WHO NEGLECTS HISTORY ENSURES THEIR USERS WILL GET EXPLOITED. PROOF? CONSIDER REPUTATION SYSTEMS. ANY SCALED MARKET-PLACE HAS THEM. THE HISTORY OF AN UBER DRIVER OR RIDER’S ON-PLATFORM BEHAVIOR PARTIALLY PREDICTS THEIR FUTURE BEHAVIOR. WITHOUT YEARS OF STAR RATINGS, WITHOUT MEMORIES OF PAST ACTIONS OF MILLIONS OF PEOPLE, THESE PLATFORMS WOULD BE WRECKED BY FRAUD. MACROHISTORY MAKES MONEY. THIS IS JUST ONE EXAMPLE. THERE ARE HUGE SHORT AND LONG-TERM INCENTIVES TO RECORD ALL THIS DATA, ALL THIS MICROHISTORY AND MACROHISTORY. AND FUTURE HISTORIANS WILL STUDY OUR DIGITAL LOG TO UNDERSTAND WHAT WE WERE LIKE AS A CIVILIZATION.

2.2.4 Bitcoin’s Blockchain IS A TECHNOLOGY FOR ROBUST MACRO- HISTORY THERE ARE SOME CATCHES TO THE CONCEPT OF DIGITAL MACROHISTORY, THOUGH: SILLOS, BOTS, CENSORS, AND FAKES. AS WE’LL SHOW, BITCOIN AND ITS GENERALIZATIONS PROVIDE A POWERFUL WAY TO SOLVE THESE ISSUES. FIRST, LET’S UNDERSTAND THE PROBLEMS OF SILLOS, BOTS, CENSORS, AND FAKES. THE MACROHISTORICAL LOG IS LARGELY SILLOED ACROSS DIFFERENT CORPORATE SERVERS, ON THE PREMISES OF TWITTER AND FACEBOOK AND GOOGLE. THE POSTS ARE TYPICALLY NOT DIGITALLY SIGNED OR CRYPTOGRAPHICALLY TIMESTAMPED, SO MUCH OF THE CONTENT IS (OR COULD BE) FROM BOTS RATHER THAN HUMANS. INCONVENIENT DIGITAL HISTORY CAN BE DELETED BY PUTTING SUFFICIENT PRESSURE ON CENTRALIZED SOCIAL MEDIA COMPANIES OR ACADEMIC PUBLISHERS, CENSURING TRUE INFORMATION IN THE NAME OF TAKING DOWN “DISINFORMATION,” AS WE’VE ALREADY SEEN. AND THE ADVENT OF AI ALLOWS HIGHLY REALISTIC FAKES OF THE PAST AND PRESENT TO BE GENERATED. IF WE’RE NOT CAREFUL, WE COULD DROWN IN FAKE DATA. SO, HOW COULD SOMEONE IN THE FUTURE (OR EVEN THE PRESENT) KNOW IF A PARTICULAR EVENT THEY DIDN’T DIRECTLY OBSERVE WAS REAL? THE BITCOIN BLOCKCHAIN GIVES ONE ANSWER. IT IS THE MOST RIGOROUS FORM OF HISTORY YET KNOWN TO MAN, A HISTORY THAT IS TECHNICALLY AND ECONOMICALLY RESISTANT TO REVISION. THANKS TO A COMBINATION OF CRYPTOGRAPHIC PRIMITIVES AND FINANCIAL INCENTIVES, IT IS VERY CHALLENGING TO FALSIFY THE WHO, WHAT, AND WHEN OF TRANSACTIONS WRITTEN TO THE BITCOIN BLOCKCHAIN. WHO INITIATED THIS TRANSFER, WHAT AMOUNT OF BITCOIN DID THEY SEND, WHAT METADATA DID THEY ATTACH TO THE TRANSACTION, AND WHEN DID THEY SEND IT? THAT INFORMATION IS RECORDED IN THE BLOCKCHAIN AND SUFFICIENT TO GIVE A BARE BONES HISTORY OF THE ENTIRE 17 ASSUMING WE MAKE IT PAST THE GREAT FILTER.

4 CHAPTER 2. HISTORY AS TRAJECTORY Bitcoin Economy Since 2009. AND IF YOU SUM UP THAT ENTIRE HISTORY TO THE PRESENT DAY, YOU ALSO GET THE VALUES OF HOW MUCH BTC IS HELD BY EACH ADDRESS. IT'S AN IMMEDIATE HISTORICAL MODEL OF HISTORY, WHERE THE PAST IS NOT EVEN PAST - IT'S WITH US AT EVERY SECOND. IN A LITTLE MORE DETAIL, WHY IS THE BITCOIN BLOCKCHAIN SO RESISTANT TO THE REWRITING OF HISTORY? TO FALSIFY THE "WHO" OF A SINGLE TRANSACTION YOU'D NEED TO FAKE A DIGITAL SIGNATURE, TO FALSIFY THE "WHAT" YOU'D NEED TO BREAK A HASH FUNCTION, TO FALSIFY THE "WHEN" YOU'D NEED TO CORRUPT A TIMESTAMP, AND YOU'D NEED TO DO THIS WHILE SOMEHOW NOT BREAKING ALL THE OTHER RECORDS CRYPTOGRAPHICALLY CONNECTED TO THAT TRANSACTION THROUGH THE MECHANISM OF COMPOSED BLOCK HEADERS. SOME CALL THE BITCOIN BLOCKCHAIN A TIMECHAIN, BECAUSE UNLIKE MANY OTHER BLOCKCHAINS, ITS PROOF-OF-WORK MECHANISM AND DIFFICULTY ADJUSTMENT ENSURE A STATISTICALLY REGULAR TIME INTERVAL BETWEEN BLOCKS, CRUCIAL TO ITS FUNCTION AS A DIGITAL HISTORY. (I RECOGNIZE THAT THESE CONCEPTS AND SOME OF WHAT FOLLOWS IS TECHNICAL. OUR WHIRLWIND TOUR MAY PROVOKE EITHER FAMILIAR HEAD-NODDING OR CONFUSED HEAD-SCRATCHING. IF YOU WANT MORE DETAIL, WE'VE LINKED DEFINITIONS OF EACH TERM, BUT FULLY EXPLAINING THEM IS BEYOND THE SCOPE OF THIS WORK. HOWEVER, SEE THE TRUTH MACHINE FOR A POPULAR TREATMENT AND DAN BONEH'S CRYPTOGRAPHY COURSE FOR TECHNICAL DETAIL.) NEVERTHELESS, HERE'S THE POINT FOR EVEN A NONTECHNICAL READER: THE BITCOIN BLOCKCHAIN GIVES A HISTORY THAT'S HARD TO FALSIFY. UNLESS THERE'S AN ADVANCE IN QUANTUM COMPUTING, A BREAKTHROUGH IN PURE MATH, A HERETOFORE UNSEEN BUG IN THE CODE, OR A HIGHLY EXPENSIVE 51% ATTACK THAT PROBABLY ONLY CHINA COULD MUSTER, IT IS ESSENTIALLY INFEASIBLE TO REWRITE THE HISTORY OF THE BITCOIN BLOCKCHAIN — OR ANYTHING WRITTEN TO IT. AND EVEN IF SUCH AN EVENT DOES HAPPEN, IT WOULDN'T BE AN INSTANTANEOUS BURNING OFF OF BITCOIN'S LIBRARY OF ALEXANDRIA. THE HASH FUNCTION COULD BE REPLACED WITH A QUANTUM-SAFE VERSION, OR ANOTHER CHAIN ROBUST TO SAID ATTACK COULD TAKE BITCOIN'S PLACE, AND BACK UP THE LEDGER OF ALL HISTORICAL BITCOIN TRANSACTIONS TO A NEW PROTOCOL. WITH THAT SAID, WE ARE NOT ARGUING THAT BITCOIN IS INFALLIBLE. WE ARE ARGUING THAT IT IS THE BEST TECHNOLOGY YET INVENTED FOR RECORDING HUMAN HISTORY. AND IF THE CONCEPT OF CRYPTOCURRENCY CAN ENDURE PAST THE INVENTION OF QUANTUM DECRYPTION, WE WILL LIKELY THINK OF THE BEGINNING OF CRYPTOGRAPHICALLY VERIFIABLE HISTORY AS ON PAR WITH THE BEGINNING OF WRITTEN HISTORY MILLENNIA AGO. FUTURE SOCIETIES MAY THINK OF THE YEAR 2022 AD AS THE YEAR 13 AS, WITH "AFTER SATOSHI" AS THE NEW "ANNO DOMINI," AND THE BLOCK CLOCK AS THE NEW UNIVERSAL TIME.

2.2.5 The Bitcoin Blockchain Can Record Non-Bitcoin Events For The Price Of A Single Transaction, The Bitcoin Blockchain Can Be Generalized To Provide A Cryptographically Verifiable Record Of Any Historical Event, A Proof-of-existence. For Example, Perhaps There Is Some Off-chain Event Of Significant Importance Where You Want To Store It For The Record. Suppose It's The Famous Photo Of Stalin With His Cronies, Because You Anticipate The Rewriting Of History. The Proof-of-existence Technique We're

2. MICROHISTORY AND MACROHISTORY 35 ABOUT TO DESCRIBE WOULDN'T DIRECTLY BE ABLE TO PROVE THE DATA OF THE FILE WAS REAL, BUT YOU COULD ESTABLISH THE METADATA ON THE FILE — THE WHO, WHAT, AND WHEN — OF A FUTURE OBSERVER. SPECIFICALLY, GIVEN A PROOF-OF-EXISTENCE, A FUTURE OBSERVER WOULD BE ABLE TO CONFIRM THAT A GIVEN DIGITAL SIGNATURE (WHO) PUT A GIVEN HASH OF A PHOTO (WHAT) ON CHAIN AT A GIVEN TIME (WHEN). THAT FUTURE OBSERVER MIGHT WELL SUSPECT THE PHOTO COULD STILL BE FAKE, BUT THEY'D KNOW IT'D HAVE TO BE FAKED AT THAT PRECISE TIME BY THE PARTY CONTROLLING THAT WALLET. AND THE EVIDENCE WOULD BE ON-CHAIN YEARS BEFORE THE AIRBRUSHED OFFICIAL PHOTO OF STALIN WAS RELEASED. THAT'S IMPLAUSIBLE UNDER MANY MODELS. WHO'D FAKE SOMETHING SO SPECIFIC YEARS IN ADVANCE? IT'D BE MORE LIKELY THE OFFICIAL PHOTO WAS FAKE THAN THE PROOF-OF-EXISTENCE. SO, LET'S SUPPOSE THAT THIS LIMITED LEVEL OF PROOF WAS WORTH IT TO YOU. YOU ARE WILLING TO PAY SUCH THAT FUTURE GENERATIONS CAN SEE AN INDELIBLE RECORD OF A BLIT OF HISTORY. HOW WOULD YOU GET THAT PROOF ONTO THE BITCOIN BLOCKCHAIN? THE WAY YOU'D DO THIS IS BY ORGANIZING YOUR ARBITRARILY LARGE EXTERNAL DATASET (A PHOTO, OR SOMETHING MUCH LARGER THAN THAT) INTO A MERKLE TREE, CALCULATING A STRING OF FIXED LENGTH CALLED A MERKLE ROOT, AND THEN WRITING THAT TO THE BITCOIN BLOCKCHAIN THROUGH OP_RETURN. THIS FURNISHES A TOOL FOR PROOF-OF-EXISTENCE FOR ANY DIGITAL FILE. YOU CAN DO THIS AS A ONE-OFF FOR A SINGLE PIECE OF DATA, OR AS A PERIODIC BACKUP FOR ANY NON-BITCOIN CHAIN. SO YOU COULD, IN THEORY, PUT A DIGITAL SUMMARY OF MANY GIGABYTES OF DATA FROM ANOTHER CHAIN ON THE BITCOIN BLOCKCHAIN EVERY TEN MINUTES FOR THE PRICE OF A SINGLE BTC TRANSACTION, THEREBY PROVING IT EXISTED. THIS WOULD EFFECTIVELY "BACK UP" THIS OTHER BLOCKCHAIN AND GIVE IT SOME OF THE IRREVERSIBILITY PROPERTIES OF BITCOIN. CALL THIS KIND OF CHAIN A SUBCHAIN. BY ANALOGY TO THE INDUSTRIAL USE OF GOLD, THIS TYPE OF "INDUSTRIAL" USE CASE OF A BITCOIN TRANSACTION MAY TURN OUT TO BE QUITE IMPORTANT. A SUBCHAIN WITH MANY MILLIONS OF OFF-BITCOIN TRANSACTIONS EVERY TEN MINUTES COULD LIKELY GENERATE ENOUGH ECONOMIC ACTIVITY TO EASILY PAY FOR A SINGLE BITCOIN TRANSACTION.¹⁸ BUT HOW COULD THOSE NON-BITCOIN CHAINS BE CRYPTOGRAPHICALLY VERIFIABLE IF THEY AREN'T BASED ON PROOF-OF-WORK, OR ARE TRANSITIONING AWAY? THE SHORT ANSWER IS THAT EVEN A PROOF-OF-STAKE CHAIN CAN HAVE ITS CHAIN TIP HASHED TO EVERY BITCOIN BLOCK VIA OP_RETURN. AT ROUGHLY 10 MINUTES BETWEEN BLOCKS, THAT'S 144 TRANSACTIONS PER DAY OR 52,560 TRANSACTIONS PER YEAR. THOUGH BITCOIN TRANSACTION FEES MAY RISE OVER TIME, SO FAR THEY'VE BEEN AS LOW AS ONE USD OR AS HIGH AS SIXTY USD, SO THIS WOULD COST SOMETHING BETWEEN 52K TO 3M USD PER YEAR IN BITCOIN FEES IF YOU WANTED TO "BACK UP TO BITCOIN" EVERY 10 MINUTES. IF YOU WANTED TO DO IT ONLY EVERY HOUR, IT'D BE 1/6 THIS COST, AND AT ONCE PER DAY IT'D BE 1/144 THIS COST. THESE KINDS OF PRICES ARE AFFORDABLE FOR ANY EXTERNAL CHAIN THAT IS HANDLING SIGNIFICANT VALUE. A GROUP CALLED VERIBLOCK DID SOME RESEARCH ON THIS, WHICH THEY CALLED PROOF-OF-PROOF, AND SHIPPED A FUNCTIONING PRODUCT WHICH AT ONE POINT WAS A SIGNIFICANT FRACTION OF SO-CALLED OP_RETURN TRANSACTIONS, BUT HAS NOW BEEN DISCONTINUED AS HAS USDT'S OMNI-CHAIN. SOME PEOPLE ARE AGAINST THE USE OF OP_RETURN IN THIS WAY, BUT IT'S A FEATURE OF BITCOIN THAT CAN BE USED WITHOUT ANYONE'S PERMISSION. SO I THINK IT'S QUITE LIKELY THAT HIGH STAKES PROOF-OF-STAKE CHAINS GET HASHED TO BITCOIN IN SOME FORM. THIS ADDRESSES THE ISSUE VITALIK BUTERIN HAS TERMED WEAK SUBJECTIVITY, WHERE SOME INFORMATION EXTERNAL TO THE BLOCKCHAIN NEEDS TO BE USED TO FIGURE OUT WHICH CHAIN IS THE RIGHT ONE TO FOLLOW - RATHER THAN THE WHOLLY OBJECTIVE MEASURE OF BITCOIN, WHICH SAYS "THE CHAIN WITH

CHAPTER 2. HISTORY AS TRAJECTORY AND AS MORE PEOPLE TRY TO USE THE Bitcoin BLOCKCHAIN, GIVEN ITS CAPACITY LIMITS, IT MIGHT TURN OUT THAT ONLY INDUSTRIAL USE CASES LIKE THIS COULD AFFORD TO PAY SUFFICIENT FEES IN THIS MANNER, AS DIRECT INDIVIDUAL USE OF THE Bitcoin BLOCKCHAIN COULD BECOME EXPENSIVE. SO, THAT MEANS WE CAN USE THE PROOF-OF-EXISTENCE TECHNIQUE TO LOG ARBITRARY DATA TO THE Bitcoin BLOCKCHAIN, INCLUDING DATA FROM OTHER CHAINS.

2.2.6 BLOCKCHAINS CAN RECORD THE HISTORY OF AN ECONOMY AND SOCIETY WE JUST ZOOMED IN TO DETAIL HOW YOU'D LOG A SINGLE TRANSACTION TO THE Bitcoin BLOCKCHAIN TO PROVE ANY GIVEN HISTORICAL EVENT HAPPENED. NOW LET'S ZOOM OUT. AS NOTED, THE FULL SCOPE OF WHAT THE Bitcoin BLOCKCHAIN REPRESENTS IS NOTHING LESS THAN THE HISTORY OF AN ENTIRE ECONOMY. EVERY TRANSACTION IS RECORDED SINCE $T = 0$. EVERY FRACTION OF A BTC IS ACCOUNTED FOR, DOWN TO ONE HUNDRED MILLIONTH OF A Bitcoin. NOTHING IS LOST. EXCEPT, OF COURSE, FOR ALL THE OFF-CHAIN DATA THAT ACCOMPANIES A TRANSACTION - LIKE THE IDENTITY OF THE SENDER AND RECEIVER, THE REASON FOR THEIR TRANSACTION, THE SKU OF ANY GOODS SOLD, AND SO ON. THERE ARE USUALLY GOOD REASONS FOR THESE THINGS TO REMAIN PRIVATE, OR PARTIALLY PRIVATE, SO YOU MIGHT THINK THIS IS A FEATURE. THE PROBLEM IS THAT Bitcoin's DESIGN IS A BIT OF A TWEENER, AS IT DOESN'T ACTUALLY ENSURE THAT PUBLIC TRANSACTIONS REMAIN PRIVATE. INDEED THERE ARE COMPANIES LIKE ELLIPTIC AND CHAINALYSIS DEVOTED ENTIRELY TO THE DEANONYMIZATION OF PUBLIC Bitcoin ADDRESSES AND TRANSACTIONS. THE RIGHT MODEL OF THE HISTORY OF THE Bitcoin ECONOMY IS THAT IT'S IN A HYBRID STATE, WHERE THE PUBLIC HAS ACCESS TO THE RAW TRANSACTION DATA, BUT PRIVATE ACTORS (LIKE CHAINALYSIS AND ELLIPTIC) HAVE ACCESS TO MUCH MORE INFORMATION AND CAN DEANONYMIZE MANY TRANSACTIONS. MOREOVER, Bitcoin CAN ONLY EXECUTE Bitcoin TRANSACTIONS, RATHER THAN ALL THE OTHER KINDS OF DIGITAL OPERATIONS YOU COULD FACILITATE WITH MORE BLOCKSPACE. BUT PEOPLE ARE WORKING ON ALL OF THIS. - ZERO-KNOWLEDGE TECHNOLOGY LIKE ZCASH, IRONFISH, AND TORNAADO CASH ALLOW ON-CHAIN ATTESTATION OF EXACTLY WHAT PEOPLE WANT TO MAKE PUBLIC AND NOTHING MORE. THE MOST ACCUMULATED CHAINWORK IS THE CORRECT CHAIN TO FOLLOW." SUCH AN OBJECTIVE MEASURE WOULD BE HELPFUL IN THE EVENT THAT MANY REAL-SEEMING BLOCKCHAINS ARE PUT OUT ON THE INTERNET AT THE SAME TIME BY A MOTIVATED ATTACKER WHO ALSO HAS CONTROL OVER SOCIAL MEDIA (LIKE CHINA), SUCH THAT YOU'D NEED TO PICK THE RIGHT CHAIN FROM THE HEAD OF THIS HYDRA WITH ONLY YOUR TRUSTY COMPUTER. WITH SOMETHING LIKE PROOF-OF-PROOF, YOU COULD FIRST ORIENT BY FINDING THE CORRECT Bitcoin BLOCKCHAIN AMIDST THIS MESS, AND THEN USE IT TO FIND THE PROPER HEADS OF ALL OTHER CHAINS. THE CRYPTOLOGICAL IMPLICATIONS OF DOING SOMETHING LIKE THIS ARE HUMOROUS, BECAUSE SOME Bitcoin MAXIMALISTS DON'T LIKE THE USE OF OP_RETURN, AND SOME USERS OF NON-Bitcoin CHAINS WANT TO HAVE THEIR OWN FULLY STANDALONE ECOSYSTEMS, BUT THE COMBINATION HERE WOULD PRODUCE (A) A STEADY STREAM OF FEES FOR Bitcoin MINERS, HELPING Bitcoin's SECURITY BUDGET AND (B) GIVE A LAST-RESORT BACKUP PLAN FOR THE SECURITY OF OTHER CHAINS.

. MICROHISTORY AND MACROHISTORY 37 • SMART CONTRACT CHAINS LIKE ETHEREUM AND SOLANA EXTEND THE
 PABILITY OF WHAT CAN BE DONE ON CHAIN, AT THE EXPENSE OF HIGHER COMPLEXITY. • DECENTRALIZED SOCIAL N
 ETWORKS LIKE MIRROR AND DESO PUT SOCIAL EVENTS ON CHAIN ALONGSIDE FINANCIAL TRANSACTIONS. • NAMING S
 YSTEMS LIKE THE ETHEREUM NAME SERVICE (ENS) AND SOLANA NAME SERVICE (SNS) ATTACH IDENTITY TO ON-CHAIN
 TRANSACTIONS. • INCORPORATION SYSTEMS ALLOW THE ON-CHAIN REPRESENTATION OF CORPORATE ABSTRACTION
 ABOVE THE LEVEL OF A MERE TRANSACTION, LIKE FINANCIAL STATEMENTS OR EVEN FULL PROGRAMMABLE COMPANY
 -EQUIVALENTS LIKE DAOs. • NEW PROOF TECHNIQUES LIKE PROOF-OF-SOLVENCY AND PROOF-OF-LOCATION EXTEND T
 HE SET OF THINGS ONE CAN CRYPTOGRAPHICALLY PROVE ON CHAIN FROM THE BASIC WHO/WHAT/WHEN OF BITCOIN. •
 CRYPTOCREDENTIALS, NON-FUNGIBLE TOKENS (NFTs), NON-TRANSFERABLE FUNGIBLES (NTFs), AND SOULBOUNDS AL
 LOW THE REPRESENTATION OF NON-FINANCIAL DATA ON CHAIN, LIKE DIPLOMAS OR ENDORSEMENTS. WHAT'S THE POIN
 T? IF BLOCKSPACE CONTINUES TO INCREASE, EVER MORE OF THE DIGITAL HISTORY OF OUR ECONOMY AND SOCIETY
 WILL BE RECORDED ON CHAIN, IN A CRYPTOGRAPHICALLY VERIFIABLE YET PRIVACY-PRESERVING WAY. THE ANALOGY
 IS TO THE INCREASE IN BANDWIDTH, WHICH NOW ALLOWS US TO DOWNLOAD A MEGABYTE OF JAVASCRIPT ON A MOBIL
 E PHONE TO RUN A WEBAPP, AN UNTHINKABLE INDULGENCE IN THE YEAR 2000. THIS IS A BREAKTHROUGH IN DIGIT
 AL MACROHISTORY THAT ADDRESSES THE ISSUES OF SILOS, BOTs, CENSORS, AND FAKES. PUBLIC BLOCKCHAINS ARE
 NOT SILOED IN CORPORATIONS, BUT PUBLICLY ACCESSIBLE. THEY PROVIDE NEW TOOLS, LIKE STAKING AND ENS-
 STYLE IDENTITY, THAT ALLOW SEPARATION OF BOTs FROM HUMANS. THEY CAN INCORPORATE MANY DIFFERENT PROOF
 TECHNIQUES, INCLUDING PROOF-OF-EXISTENCE AND MORE, TO ADDRESS THE PROBLEM OF DEEPFAKES. AND THEY CAN
 HAVE VERY STRONG LEVELS OF CENSORSHIP RESISTANCE BY PAYING TRANSACTION FEES TO HASH THEIR CHAIN STA
 TE TO THE BITCOIN BLOCKCHAIN. 2.2.7 CRYPTOHISTORY IS CRYPTOGRAPHICALLY VERIFIABLE MACROHIS-
 TORY WE CAN NOW SEE HOW THE EXPANSION OF BLOCKSPACE IS ON TRACK TO GIVE US A CRYPTOGRAPHICALLY VERIFIABLE MA
 CROHISTORY, OR CRYPTOHISTORY FOR SHORT. THIS IS THE LOG OF EVERYTHING THAT BILLIONS OF PEOPLE CHOOSE
 TO MAKE PUBLIC: EVERY DECENTRALIZED TWEET, EVERY PUBLIC DONATION, EVERY BIRTH AND DEATH CERTIFICATE,
 EVERY MARRIAGE AND CITIZENSHIP RECORD, EVERY CRYPTO DOMAIN REGISTRATION, EVERY MERGER AND ACQUISITI
 ON OF AN ON-CHAIN ENTITY, EVERY FINANCIAL STATEMENT, EVERY PUBLIC RECORD — ALL DIGITALLY SIGNED, TIM
 ESTAMPED, AND HASHED IN FREELY AVAILABLE PUBLIC LEDGERS.¹⁹ ALL OF THIS CAN BE HASHED TO THE BITCOIN
 BLOCKCHAIN AS WELL VIA THE MERKLE ROOT TECHNIQUE PREVIOUSLY DESCRIBED, FOR THE PRICE OF JUST ONE (

1) Bitcoin Transaction. That Won't Solve The SO-called DATA

18 CHAPTER 2. HISTORY AS TRAJECTORY THE THING IS, ESSENTIALLY ALL OF HUMAN BEHAVIOR HAS A DIGITAL COMPONENT NOW. EVERY PURCHASE AND COMMUNICATION, EVERY RIDE IN AN UBER, EVERY SWIPE OF A KEYCARD, AND EVERY STEP WITH A FITBIT — ALL OF THAT PRODUCES DIGITAL ARTIFACTS. SO, IN THEORY YOU COULD EVENTUALLY DOWNLOAD THE PUBLIC BLOCKCHAIN OF A NETWORK STATE TO REPLAY THE ENTIRE CRYPTOGRAPHICALLY VERIFIED HISTORY OF A COMMUNITY.¹⁸ THAT'S THE FUTURE OF PUBLIC RECORDS, A CONCEPT THAT IS TO THE PAPER-BASED SYSTEM OF THE LEGACY STATE WHAT PAPER RECORDS WERE TO ORAL RECORDS. IT'S ALSO A VISION FOR WHAT MACROHISTORY WILL BECOME. NOT A SCATTERED LETTER FROM AN ABELARD HERE AND A STONE TABLET FROM AN EGYPTIAN THERE. BUT A FULL LOG, A CRYPTOHISTORY. THE UNIFICATION OF MICROHISTORY AND MACROHISTORY IN ONE GIANT CRYPTOGRAPHICALLY VERIFIABLE DATASET. WE CALL THIS INDELIBLE, COMPUTABLE, DIGITAL, AUTHENTICABLE HISTORY THE LEDGER OF RECORD. THIS CONCEPT IS FOUNDATIONAL TO THE NETWORK STATE. AND IT CAN BE USED FOR GOOD OR ILI. IN DECENTRALIZED FORM, THE LEDGER OF RECORD ALLOWS AN INDIVIDUAL TO RESIST THE STALINIST REWRITING OF THE PAST. IT IS THE ULTIMATE EXPRESSION OF THE BOTTOM-UP VIEW OF HISTORY AS WHAT'S WRITTEN TO THE LEDGER. BUT YOU CAN ALSO IMAGINE A BASTARDIZED FORM, WHERE THE CRYPTOGRAPHIC CHECKS ARE REMOVED, THE READ/WRITE ACCESS IS CENTRALIZED, AND THE IDEA OF A TOTAL DIGITAL HISTORY IS USED BY A STATE TO CREATE AN NSA/CHINA-LIKE SYSTEM OF INESCAPABLE, LIFELONG SURVEILLANCE.²⁰ THIS IN TURN LEADS US TO A TOP-DOWN VIEW OF HISTORY, THE FUTURE TRAJECTORY WE WANT TO AVOID, WHERE POLITICAL POWER IS USED TO DEFEAT TECHNOLOGICAL TRUTH.

2.3 POLITICAL POWER AND TECHNOLOGICAL TRUTH IN THE TOP-DOWN VIEW, HISTORY IS WRITTEN BY THE WINNERS. IT IS ABOUT POLITICAL POWER TRIUMPHING OVER TECHNOLOGICAL TRUTH. WHY DOES POWER CARE ABOUT THE PAST? BECAUSE THE MORALITY OF SOCIETY IS DERIVED FROM ITS HISTORY. WHEN THE CHINESE TALK ABOUT WESTERN IMPERIALISM, THEY AREN'T JUST TALKING ABOUT SOME FORGETTABLE DUST-UP IN THE SOUTH CHINA SEA, BUT HOW THAT RELATES TO GENERATIONS OF COLONIALISM AND OPPRESSION OF THE EIGHT NATIONS ALLIANCE AND THE OPIUM WARS AND SO ON. AND WHEN YOU SEE SOMEONE DENOUNCED ON AMERICAN TWITTER AS AN X-IST, HISTORY IS LIKEWISE BEING BROUGHT TO BEAR. AGAIN, WHY ARE THEY BAD? BECAUSE OF OUR HISTORY OF X-ISM. . . AS SUCH, WHEN YOU LISTEN TO A REGIME'S HISTORY, WHICH YOU ARE DOING EVERY TIME YOU HEAR ITS OFFICIAL ORGANS PRAISE OR DENOUNCE SOMEONE, YOU SHOULD LISTEN CRITICALLY. AVAILABILITY PROBLEM, BUT IT WILL SOLVE THE PROOF-OF-EXISTENCE PROBLEM. ²⁰THIS WOULD BE TO THE LEDGER OF RECORD WHAT A CENTRAL BANK DIGITAL CURRENCY (CBDC) IS TO BITCOIN; SOMETHING THAT TAKES SOME OF THE CONCEPTS, BUT TAKES AWAY THE FREEDOM. AS WE'LL GET TO, THESE CORRESPOND TO BENIGN AND MALIGN VARIATIONS OF THE NETWORK/STATE SYNTHESIS RESPECTIVELY.

3. POLITICAL POWER AND TECHNOLOGICAL TRUTH 39 2.3.1 Political Power AS The DRiving Force OF Hlstory
y HOW DO The AUTHORITIES USE Hlstory? WHAT TECHNIQUES ARE They USING? IT's NOT JUST A RANDOM COLLECT
ION OF NAMES AND DATES. They HAVE PROVEN TECHNIQUES FOR SIFTING THROUGH THE ARCHIVES, FOR STa█ng A R
ETINUE OF HEROS AND VILLAINS FROM THE PAST, FOR DISTILLING THE DOCUMENTS INTO (Politically) USEful P
ARABLES. HERE ARE TWO OF THEM. • POLITICAL DETERMINIST MODEL: Hlstory IS WRITTEN BY THE WINNERS. PEO
PLE HAVE HEARD THIS SAYING, BUT TAKING IT SERIOUSLY HAS PROFOUND IMPLICATIONS. FOR EXAMPLE, WHO- EVE
R CLAIMS TO BE WRITING THE "FIRST DRAFT OF Hlstory" IS THEREFORE ONE OF THE WIN- NERS. FOR ANOTHER,
Hlstory IS WHAT'S USEful TO THE REGIME. A CLASSIC EXAMPLE IS KATYN FOREST: THE ADMISSIOn THAT THE SO
VIETS DID IT WOULD HAVE DELEGITIMIZED THEIR POSTWAR CONTROL OVER POLAND DURING THE 1945-1991 PERIOD,
BUT ONCE THE USSR COLLAPSED THE TRUTH COULD BE REVEALED. • POLITICAL MASCOT MODEL: Hlstory IS WRITT
EN BY WINNERS PRETENDING TO BE ACTING ON BEHALF OF LOSERS. THIS IS A VARIANT OF THE POLITICAL DETERM
INIST MODEL, ALSO KNOWN AS "O█ense ARchaeology," AND PRACTICED BY THE MODERN AMERICAN, CHINESE, AND
RUSSIAN ESTABLISHMENTS — ALL OF WHOM PORTRAY THEMSELVES AS VICTIMS. THE TECHNIQUE IS TO PICK A MASCO
T THAT THE STATE CLAIMS TO CHAMPION, SUCH AS THE SOVIET UNION'S PROLETARIAT, AND THEN GO THROUGH HlS
TORY TO FIND THE WORST EXAMPLES OF THE STATE'S CURRENT RIVAL DOING SOMETHING BAD TO THEM. TAKE THESE
REAL EVENTS, PUT THEM ON THE FRONT PAGE, AND ENSURE EVERYONE KNOWS OF THEM. CONVERSELY, ENSURE OFF
narrative EVENTS ARE IGNORED OR SUPPRESSED AS TABOO. AGAIN TAKING THE USSR AS A CASE STUDY, THIS INV
OLVED FINDING ENDLESS (REAL!) EXAMPLES OF WESTERN CAPITALISTS SCREWING THE WORKING CLASS, AND SUPPRE
SSING THE WORSE (ALSO REAL!) INSTANCES OF SOVIET COMMUNISTS GULAGING THEIR WORKING CLASS, AS WELL AS
CASES OF THE WORKING CLASS ITSELF BEHAVING BADLY. GENERALIZATION TO OTHER CONTEXTS IS LEFT AS AN EX
ERCISE FOR THE READER, BUT HERE'S A RUSSIAN EXAMPLE OF WHAT AN AMERICAN WOULD CALL "RESPONSIBILITY T
O PROTECT" (R2P). THESE TECHNIQUES ARE USED TO WRITE Hlstory THAT FAVORS A STATE. HERE ARE MORE EXAM
PLES: • CCP CHINA: TODAY'S CHINESE MEDIA COVERS THE EIGHT-NATIONS ALLIANCE, THE OPIUM WARS, AND THE
LIKE EXHAUSTIVELY IN ITS DOMESTIC OUTPUT, AS THESE EVENTS SHOW THE MALEVOLENCE OF THE EUROPEAN COLON
IALISTS — WHO LITERALLY FOUGHT WARS TO KEEP CHINA SUBJUGATED AND ADDICTED TO HEROIN. THEIR DOMESTIC
Hlstory DOES NOT MENTION THE UIGHURS, TIANANMEN, AND THE LIKE DOMESTICALLY. XI'S CCP DID STRESS THE
DOMESTIC PROBLEM OF CORRUPTION VIA THE "TIGERS AND FLIES" CAMPAIGN. . . BUT THAT'S IN PART BECAUSE T
HE ANTI-CORRUPTION CAMPAIGN WAS POLITICALLY USEful AGAINST HlS INTERNAL ENEMIES, AND SEEMED NOT TO E
NSNARE HlS ALLIES. • US ESTABLISHMENT: TODAY'S US ESTABLISHMENT COVERS 6/4/1989 AND THE 2022 RUSSO-U
KRAINIAN WAR HEAVILY, BECAUSE THEY ARE REAL EVENTS THAT MAKE CHINA AND RUSSIA LOOK BAD AND THE US LO
OK GOOD. IT DOES NOT MENTION THE 1900 EIGHT- NATIONS ALLIANCE (WHEN THE US HELPED INVADe CHINA WITH
A "COALITION OF THE WILL-

CHAPTER 2. HISTORY AS TRAJECTORY ING" TO DEFend EUROpean IMPerialism) OR THE 1932 UKrainian HOLO
omor (When THE NEW YORK TImes COmpany's WALTER DUranty HELped SOviet RUSSia CHoke OUT UKraINE) AS TH
ese CUT IN THE OPposite DIrection. THE CUrrent US NARrative ALso DOes NOT STress THE CULTural REVolu
tion (WHich BEars TOO CLose A REsemblance TO PREsent DAY AMerica), OR WEstern JOurnalists LIke EDgar
SNOW WHO HELped MAo COme TO POWER, OR THE FULL UGLy HIStory OF AMerican SUPport FOR RUSSian AND CH
nese COMMunism. THIS ISn't SIMply A MATter OF THE AGE OF EVents — AFTER ALI, REGime MEDIA GOes BACK
FURther IN TIme WHEN CONVenient, DIstorting EVents FROM 1619 FOR TOday's HEAdlines, YET SOMEHOW THEI
r TIme MACHine STutters ON THE YEARS 1932 OR 1900. IN MODern AMerica, AS IN MODern CHina, THE HIStory
y YOU HEar ABOUT IS THE HIStory THE ESTablishment FINDs TO BE POLitically USEful AGainst ITS INTERNA
L AND EXternal Rivals. • THE BRITish EMpire: THE BRITish IN BOTH WW1 AND WW2 UNDERstandably EM- PHas
ized THE EVils OF GERmany, BUT NOT SO MUCH THE EVils OF THEIR ALLy RUSSia, OR THEIR OWN EVils DURING
THE OPIum WARS, OR THE DESire FOR THE INdian SUBcontinent TO BREathe FREe, AND SO ON. (THIS ONE IS
MOST TOO EASY AS THE UK IS NO LONGer A CONTender FOR HEavyweight CHampion OF THE WORLD, SO NO ONE
IS OFFended WHEN SOMEONE POINTS OUT ITS PAST SELF-serving INconsistencies. INdeed, DOCUMENTing THE U
K's SIns IS NOW A COTTage INDUstry FOR BRITain's VIRTue SIGNALers, AS BEating UP ON A BEaten EMpire
IS FAR EASier THAN TACKling THE TABOOS OF A STILL LIVe ONE.) POINT BEING: ONCE YOU GET YOUR HEAD OUT
OF THE CIVILIZATION YOU GREW UP IN, AND LOOK AT THINGS COMparatively, THE TECHNIQUES OF POLITICAL H
ISTORY BEcome OBvious. ONE OF THOSE TECHNIQUES DEServes SPecial MENTION, AND THAT'S A PEacetime VERS
ION OF THE "ATROCITY STORY": ONE OF THE MOST TIme-honored TECHNIQUES TO MOBilize PUBlic ANimosity AG
ainst THE ENemy AND TO JUStify MIlitary ACTION IS THE ATROCITY STORY. THIS TECHNIQUE, SAYS PROfessor
LASSwell, HAS BEEN USED "WITH UNvarying SUccess IN EVERY CONflict KNOWN TO MAN." THE CONcept IS AS U
SEful IN PEacetime AS IT IS IN WAR. WHY? BECAUSE STATES GET THEIR PEople HYped UP TO FIGHT WARS BY S
TRESSing THE ESsentially DEFensive NATURE OF WHAT THEY ARE DOing AND THE SAVAGE BEHavior OF THE ENem
y. BUT WAR IS POLitics BY OTHER MEANS, SO POLitics IS WAR BY OTHER MEANS. EVEN IN PEacetime, THE STA
TE IS PREDicated ON FORCE. AND THIS USE OF FORCE REQUIRES JUStification. THE ATROCITY STORY IS THE TO
OL USED TO CONvince PEople THAT THE USE OF STATE FORCE IS LEGitimate. COMing FROM A DIfferent VANTage
POINT, RENE GLRARD WOULD CALL THIS A "FOUNDING MUR- DER." ONCE YOU SEE THIS TECHNIQUE, YOU SEE IT E
VERYwhere. SOMEWHAT TONed-down VERSIONS OF THE ATROCITY STORY ARE THE GO-to TECHNIQUE USED TO JUStify
y EXPansions OF POLITICAL POWER. • IF WE DON't FORCE PEople TO TAKE OFFtheir SHOES AT THE AIRport, P
EOPLE WILL Die! • IF WE DON't STOP PEople FROM VOLuntarily TAKing EXperimental CURative DRUGs, PEO-

2.3. POLITICAL POWER AND TECHNOLOGICAL TRUTH 41 PLe Will Die! • IF WE DOn't SEt UP A DIsinformation OFFIce TO STOp PEople FRom MAKing HOStile COmments ONline, PEople Will Die! INdeed, ALmost EVerYthin g IN POLitics IS BACked BY AN ATrocity STory.²¹ There's A SOme- TImes REal, SOmetimes FAke, SOmetime s EXaggerated Glrardian FOUnding MURder (Or AT LEast FOUnding INJury) BEhind MUch OF WHat THE GOVERNment DOes. SOmetimes THE ATrocity STory IS FRamed IN TERMS OF TERRORISTS, SOmetimes IN TERMS OF CHILdren. . . BUt THE GEneral CONcept IS "Something SO BAD HAppened, WE MUst USE (State) FORCE TO PREven t IT FRom HAppening AGain." OFten THIS COmpletely IGNores THE DEath CAUSED BY THAT FORCE ITSELF. FOR EXAmple, WHEN THE FDA "Prevented" DEaths BY CRacking DOWN ON DRUG APprovals AFter THalidomide, IT CAused MANY MOre DEaths VIA ERoom's LAW AND DRUG LAG. AND SOmetimes THE ATrocity STory IS JUSt COmpletely FAke; BEfore IRAq WAS FAlsely ACCused OF HOLDing WMD, IT WAS FAlsely ACCused OF TOSSing BABies FRom INCubators. WItH THAT SAId, IT's POSSible TO OVerCorrect HERE. JUSt BECAuse THERE IS AN INCenti ve TO FAke (Or EXaggerate) ATrocities DOES NOT MEAN THAT ALl ATrocities ARE FAke OR EXagger- ATed.²² YES, YOU SHOULD BE AWARE THAT STATES ARE ALWAYS "FLOpping," EXaggerating THE SEverity OF THE FOULs AGAINST THEM OR THE MASCOTS THEY CLaim TO REpresent, TRYing TO BRing IN THE PUBLIC ON THEIR Side, WHether THEY ARE CHinese OR AMERICAN OR RUSSIAN. BUt ONce YOU're AWARE OF THE POLITICAL POWER MODEL OF Hlstory, THE NEXT GOAL IS TO GUARD AGAINST BOTH THE SCYLLA AND THE CHARYBDIS, AGAINST BEING TOO CREdulous AND TOO CYNical. BECAuse JUSt AS THE ATrocity STory IS A TOOL FOR POLITICAL POWER, UNfortunat ely SO TOO IS GENOCIDE DENIAL — AS WE CAN SEE FRom THE NEW YORK TIMES' PULITZER-WINNING COVERUP OF S Talin's UKrainian FAMine. TO MAintain THIS BALance, TO KNOW WHEN STATES ARE LYing OR NOT, WE NEED A DOrM OF TRUTH POWERFUL ENOUGH TO STAND OUTSIDE ANY STATE AND JUDGE IT FROM ABOVE. A WAY TO RESPOND O OFFICIAL STATISTICS NOT WITH EITHER RE■EXIVE FAITH OR DISBELIEF, BUt WITH DISpassionate, INdepende nt CALCulation. THE BOTtom-up CRYPTOHistory WE INTroduced IN THE PREvious SECTION IS CLearly RElevant. BUt TO FULLY APPreciate IT WE NEED AN ALLIED THEORY: THE TEchnological TRUTH THEORY OF Hlstory. 2 1Remy MUNasi■'S VIDEO ON THE TOPIC IS EXcellent: PEOPLE WILL DIE! 22NOT ALL LAWS ARE COUNTERPRODUCTI ve EITHER, THOUGH MANY NEW LAWS ARE. THAT'S BECAUSE NEW LAWS ARE LIKE CODE THAT IS PUSHED LIVE TO PRoduction WITHOUT EVEN BEING READ (LET ALONE TESTED), OFTEN IN THE FACE OF TREmENDOUS OPposition, AFF ecting MILLions OF CITIZENS, WITH MINimal MONitoring TO ENSure THEY'RE PROducing THE DESired RESULTS , AN EXTremely SLOW CUSTOMER FEEDBACK CYcle, AND FEW WAYS TO TRULY OPT OUT. NOT ALL LAWS, THOUGH!

2 CHAPTER 2. HISTORY AS TRAJECTORY 2.3.2 TEchnological TRuth AS THE DRiving FORCE OF Hlstory THE P

litical POWER MODEL OF Hlstory GLVES US A USEful LENS: Hlstory IS OFTEN JUST LENINIST WHO/WHOM AND S

CHMITTIAN FRIEND/ENEMY. BUT IT'S A LITTLE PARCHED²³ TO SAY THAT Hlstory IS ALWAYS AND ONLY THAT, SOI

ELY ABOUT THE RAW EXERCISE OF POLITICAL POWER. AFTER ALL, A SOCIETY MUST PASS DOWN TRUE FACTS ABOUT

NATURE, FOR EXAMPLE, OR ELSE ITS CROPS WILL NOT GROW²⁴ — AND ITS POLITICAL CLASS WILL LOSE POWER. TH

IS LEADS TO A DIfferent SET OF TECH-focused LENSES FOR ANALYZING Hlstory. • TECHNOLOGICAL DETERMINIST

MODEL: TECHNOLOGY IS THE DRIVING FORCE OF Hlstory. WHILE THE POLITICAL DETERMINIST MODEL STRESSES T

HAT Hlstory IS WRITTEN — AND HENCE DIS- TORTED — BY THE WINNERS, AND THEREBY PROPAGATES ONLY THAT WH

ICH IS USEful TO A GIVEN STATE, THE TECHNOLOGICAL DETERMINIST MODEL NOTES THAT THERE ARE SOME KEY AR

EAS — PRINCIPALLY IN SCIENCE AND TECHNOLOGY — WHERE MANY (IF NOT MOST) SOCI- ETIES DERIVE A BENEfit F

ROM PASSING DOWN A TECHNICAL FACT WITHOUT DISTORTION. THERE IS AFTER ALL AN UNBROKEN CHAIN FROM ARCH

IMEDES, ARYABHATA, AL-KWARIZHMI, AND ANTIQUITY TO ALL OUR EXISTING SCIENCE AND TECHNOLOGY. HUNDREDS

OF YEARS LATER, WE DON'T CARE THAT MUCH ABOUT THE LAWS OF ISAAC NEWTON'S TIME, BUT WE DO CARE ABOUT

NEWTON'S LAWS. IN THIS MODEL, ALL POLITICAL IDEOLOGIES HAVE BEEN AROUND FOR ALL TIME — THE ONLY THIN

G THAT CHANGES IS WHETHER A GIVEN IDEOLOGY IS NOW TECHNOLOGICALLY FEASIBLE AS AN ORGANIZING SYSTEM F

OR HUMANITY. THUS: POLITICAL FASHIONS JUST COME AND GO IN CYCLES, SO THE ABSOLUTE MEASURE OF SOCIETA

L PROGRESS IS A CULTURE'S LEVEL OF TECHNOLOGICAL ADVANCEMENT ON SOMETHING LIKE THE KARDASHEV SCALE.

• TRAJECTORY MODEL: HlSTORIES ARE TRAJECTORIES. WE MENTIONED THIS CONCEPT BEFORE WHEN WE DISCUSSED H

ISTORY AS A CRYPTIC EPIC OF TWISTING TRAJECTORIES, BUT IT'S WORTH REPRISING. IF YOU'RE TECHNICALLY I

NCINED, YOU MIGHT WONDER WHY WE SPEND SO MUCH TIME ON Hlstory IN THIS BOOK. ONE ANSWER IS THAT HlST

ORIES ARE TRAJECTORIES OF DYNAMICAL SYSTEMS. IF YOU CAN SPEND YOUR ENTIRE LIFE STUDYING WAVE EQUATIO

NS, DIFFUSION EQUATIONS, TIME SERIES, OR THE NAVIER-STOKES EQUATIONS — AND YOU CAN — YOU CAN DO THE S

AME FOR THE DYNAMICS OF PEOPLE. IN MORE DETAIL, WE KNOW FROM PHYSICS (AND STEPHEN WOLFRAM!) THAT VER

EY SIMPLE RULES CAN PRODUCE INCREDIBLY COMPLICATED TRAJECTORIES OF DYNAMICAL SYSTEMS. FOR NAVIER-STOK

ES, FOR EXAMPLE, WE CAN DIVIDE THESE TRAJECTORIES UP INTO LAMINAR FLOW, TURBULENT FLOW, INVISCID^{23T}

HERE'S AN AMUSING MEME WHICH ILLUSTRATES THE LIMITS OF POLITICAL Hlstory. "TIME IS REAL," SAYS ARIST

OTLE. "TIME IS AN ILLUSION OF THE MIND," SAYS IMMANUEL KANT. "TIME WAS INVENTED BY CLOCK COMPANIES T

O SELL MORE CLOCKS," SAYS KARL MARX. ²⁴OF COURSE, SOME REGIMES DID INTERFERE WITH THE TRANSMISSION O

F BASIC SCIENTIFIC FACTS. TROfim LYSenko FAMOUSLY SAID THAT WHEAT COULD BECOME RYE IF ONLY THE WORKING

CLASS WILLED IT. HE CAUSED PREVENTABLE FAMINES AND MURDERED MENDELIAN GENETICISTS FOR THEIR BOURGEO

IS BELIEF IN INERADICABLE BIOLOGY. HIS IDEOLOGY DID GAIN HIM POLITICAL POWER, FOR A TIME. . . BUT TO

WHAT END? SUBJECTS RULED UNDER A POLITICAL IDEOLOGY THAT COMPLETELY DENIED TECHNOLOGICAL TRUTH ENDE

D UP DYING, WHICH MEANT POLITICAL POWER OVER NO ONE. FROM A 50,000 FOOT PERSPECTIVE, THIS WAS A FORM

OF NATURAL SELECTION PRESSURE AGAINST THE SPREAD OF SOVIET COMMUNISM SPECIALLY, AND AGAINST A PUR

ELY POLITICAL DETERMINIST MODEL OF THE WORLD MORE GENERALLY. A MIND VIRUS THAT KILLS ITS HOST RAPIDL

Y ISN'T A GREAT MIND VIRUS. IN OTHER WORDS, THERE IS A CONSEQUENCE FOR EXCESSIVE UNTRUTH IN SERVICE

OF POLITICAL POWER, THOUGH THAT CONSEQUENCE MIGHT SIMPLY BE DEATH OF BOTH RULER AND RULED.

POLITICAL POWER AND TECHNOLOGICAL TRUTH 43 FLOW, INcompressible FLOW, AND SO ON, TO DESCRIBE
■erent WAYS A VELOCITY FIELD CAN EVOLVE OVER TIME. THESE CLASSI■ICATIONS ARE DERIVED FROM MEASUREMENT
MADE OF FLUIDS OVER TIME. AND THE STUDY OF JUST ONE OF THESE TRAJECTORY TYPES CAN BE A WHOLE RESE
ARCH DISCIPLINE. THAT'S HOW RICH THE DYNAMICS OF INanimate OBJECTS ARE. NOW COMPARE THAT TO THE MACRO
scopic MOVEMENTS OF MILLIONS OF INTELLIGENT AGENTS. YOU CAN SIMILARLY TRY TO DERIVE RULES ABOUT HOW
HUMANS BEHAVE UNDER SITUATIONS OF LAMINAR GOOD TIMES, TURBULENT REVOLUTIONARY TIMES, AND SO ON BY ST
DYING THE RECORDS WE HAVE OF HUMAN BEHAVIOR — THE DATA EXHAUST THAT HUMANS PRODUCE. THIS ANALOGY
ACTUALLY VERY TIGHT IF YOU THINK ABOUT VIRTUAL ECONOMIES AND THE HISTORY OF HUMAN BEHAVIOR ON SOCIAL
NETWORKS AND CRYPTOSYSTEMS. IN THE FULLNESS OF TIME, WITH TRULY OPEN DATASETS, WE MAY EVEN BE ABLE
TO DEVELOP ASIMOVIAN PSYCHOHISTORY FROM ALL THE DATA RECORDED IN THE LEDGER OF RECORD, NAMELY A WAY
TO PREDICT THE MACROSCOPIC BEHAVIOR OF HUMANS IN CERTAIN SITUATIONS WITHOUT KNOW- ING EVERY MICROSC
OPIC DETAIL. WE CAN ALREADY SOMEWHAT DO THIS FOR CONSTRUCTED ENVIRONMENTS LIKE GAMES²⁵ AND MARKETS,
AND EVER MORE HUMAN ENVIRONMENTS ARE BECOMING LITERALLY DIGITALLY CONSTRUCTED.²⁶ • STATISTICAL MODEL
: HISTORY AIDS PREDICTIONS. FROM A STATISTICIAN'S PERSPECTIVE, HIS- TORY IS NECESSARY FOR ACCURATELY
COMPUTING THE FUTURE. SEE ANY TIME SERIES ANALYSIS OR MACHINE LEARNING PAPER — OR THE KALMAN FILTER
, WHICH MAKES THIS CONCEPT VERY EXPLICIT. TO PARAPHRASE ORWELL, WITHOUT A QUANTITATIVELY ACCURATE RE
CORD OF THE PAST YOU CANNOT CONTROL THE FUTURE, IN THE SENSE THAT YOUR CONTROL THEORY LITERALLY WON'
T WORK. • HELIX MODEL: LINEAR AND CYCLICAL HISTORY CAN COEXIST. FROM A PROGRESSIVE'S PERSPEC- TIVE,
HISTORY IS A LINEAR TREND, WHERE THE "ARC OF HISTORY" BENDS TOWARDS FREEDOM, AND WHERE THOSE AGAINST
A GIVEN CAUSE ARE ON THE WRONG SIDE OF HISTORY²⁷. OTHERS THINK OF HISTORY AS CYCLICAL, A CONSTANT L
OOP WHERE THE ONLY THING THESE TECHNOLO- GISTS ARE DOING IS REINVENTING THE WHEEL, OR WHERE "STRONG
EN CREATE GOOD TIMES, GOOD TIMES CREATE WEAK MEN, WEAK MEN CREATE HARD TIMES, AND HARD TIMES CRE
TE STRONG MEN." BUT THERE'S A THIRD VIEW, A HELICAL VIEW OF HISTORY, WHICH SAYS THAT FROM ONE VIEWPO
INT HISTORY IS INDEED PROGRESSIVE, FROM ANOTHER IT'S GENUINELY CYCLICAL, AND THE RECONCILIATION IS T
HAT WE MOVE A BIT FORWARD TECHNOLOGICALLY WITH EACH TURN OF THE CORKSCREW RATHER THAN COLLAPSING. IN
THIS VIEW, ATTEMPTS TO RE- STORE THE IMMEDIATE PRECEDING STATE ARE UNLIKELY, AS THEY'RE REWINDING T
HE CLOCK — BUT YOU MIGHT BE ABLE TO GET TO A GOOD STATE BY WINDING THE HELIX ALL THE WAY ²⁵In HISTOR
Y, YOU CAN'T RE-RERUN THE EXPERIMENT. BUT FOR CHESS, YOU CAN. YOU CAN RESTORE THE INITIAL CONDITION
AND REPLAY THE GAME. ²⁶THIS IS THE OPEN METAVERSE AND AUGMENTED REALITY. BUT IT'S ALSO SOCIAL NETWOR
KS AND FINANCIAL APPS. A VERY LARGE FRACTION OF HUMAN INTERACTIONS NOW HAVE SOMETHING DIGITAL IN THE
MIDDLE, JUST AS THEY GREW TO HAVE A PIECE OF PAPER FROM THE STATE IN THE MIDDLE OVER THE COURSE OF
THE LAST FEW CENTURIES (EG BIRTH AND DEATH CERTI■ICATES, PROPERTY REGISTRIES, AND SO ON). ²⁷PEOPLE DE
EMED TO BE ON THE WRONG SIDE OF HISTORY AREN'T JUST LOSING, THEY'RE FIGHTING AGAINST A CHANGING MORA
L CLIMATE WHICH WILL CONDEMN THEM FOR FIGHTING IN THE FIRST PLACE.

4 CHAPTER 2. HISTORY AS TRAJECTORY Past 12'o'clock TO GEt THE REboot. OR YOu MIght JUSt COLLapse.
OZymandias Model: Civilization CAN COLLapse. Hlstory SHows US THAT TEchnological PRogress IS NOT IN
evitable. THE FAIL OF CIVILIZATIONS PODcast REally MAKes THis CLear. GObekli TEpe IS ONe EXample. WH
ether YOu're THinking OF THis AS AN AStronomer (Where ARE ALI THE INTelligent LIfe FORMs OUT There?
IS THE UNiverse A DARK FOREst?) OR AN ANthropologist (How DID ALI THESE ADVanced CIVILIZATIONS JUSt
Completely Die OUT?), IT's SObering TO THink THAT OUR CIVILIZATION MAY JUSt BE LIke THE BESt PLayer
IN A VIDEO GAME SO FAR: WE've MADE IT THE FURthest, BUT WE HAVE NO GUarantee THAT WE're GOing TO WIN
BEfore KIlling OURselves²⁸ AND Wiping OUT LIke ALI THE OTHER CIVILIZATIONS BEfore US. • LENski MOde
l: ORganisms ARE NOT ORdinal. RIchard LENski RAN A FAMous SERIES OF LONG-term EVolution EXperiments
With E. COLi WHERE HE Picked OUT A FRESH CULTure OF BACTERIA EACH DAY, FROze IT DOWN IN SUSPENDED AN
IMATION, AND THEREBY SAVED A SNAPSHOT OF WHAT EACH DAY OF EVOLUTION LOOKed LIke OVER THE COURSE OF D
ECades. THE AMAZING THING ABOUT BACTERIA IS THAT THEY CAN BE UNfrozen AND REanimated, SO LENski COUL
D TAKE AN OLD E. COLi STRain FROM DAY 1173 AND PUT IT INTO A TEST TUBE WITH TODAY's STRain TO SEE WH
o'd REproduce THE MOST IN A HEAD-to-head COMPETITION. THE RESULT SHOWED THAT Hlstory IS NOT STRICTLY
ORDinal; JUST BECAUSE THE DAY 1174 STRain HAD OUTCOMPETED THE DAY 1173 STRain, AND THE DAY 1175 STR
ain HAD OUTCOMPETED THE DAY 1174 STRain, AND SO ON — DOES NOT NECESSARILY MEAN THAT TODAY's STRain W
ILL ALWAYS WIN A HEAD TO HEAD WITH THE STRain FROM DAY 1173. THE COMPLEXITY OF BIOLOGY IS SUCH THAT
IT'S MORE LIKE AN UNpredictable GAME OF ROCK/paper/scissors. • TRAIN CRASH MODEL: THOSE WHO DON'T KN
OW Hlstory ARE DOomed TO REPEAT IT. ANOTHER WAY TO THINK ABOUT Hlstory IS AS A SET OF EXPENSIVE EXPE
RIMENTS, WHERE PEOPLE OFTEN MADE CERTAIN CHOICES THAT SEEMED REASONABLE AT THE TIME AND ENDED UP IN
CALAMITOUS STRAITS. THAT'S COMMUNISM, FOR EXAMPLE: A PERSUASIVE IDEA FOR MANY, BUT ONE THAT Hlstory
SHOWS TO NOT ACTUALLY PRODUCE GREAT RESULTS IN PRACTICE. • IDEA MAZE MODEL: THOSE WHO OVER█t TO Hlsto
ry WILL NEVER INVENT THE FUTURE. THIS IS THE COUNTERARGUMENT TO THE TRAIN CRASH MODEL — PAST RESULT
S MAY NOT PREDICT FUTURE PERFORMANCE, AND SOMETIMES YOU NEED TO HAVE A BEGINNER'S MINDSET TO INNOVATE.
E. GENERALLY THIS WORKS BETTER FOR OPT-IN TECHNOLOGIES AND INVESTMENTS THAN TOP-DOWN MODi█cations OF
SOCIETY LIKE COMMUNISM. ONE TOOL FOR THIS COMES FROM A CONCEPT I WROTE UP A WHILE AGO CALLED THE ID
EA MAZE. THE RELEVANT BIT HERE IS THAT JUST BECAUSE A BUSINESS PROPOSITION DIDN'T WORK IN THE PAST D
OESN'T NECESSARILY MEAN IT WON'T WORK TODAY. THE TECHNOLOGICAL AND SOCIAL PREREQUISITES MAY HAVE DRA
MATICALLY CHANGED, AND DOORS PREVIOUSLY CLOSED MAY NOW HAVE OPENED. UNLIKE THE LAWS OF PHYSICS, SOCI
ETY IS NOT TIME INVARIANT. AS EVEN THE WORLD'S LEADING ANTI-tech BLOG ONCE ADMITTED: ²⁸Naval Ravikan
t HAS TWEETED ABOUT THE CONCEPT OF THE "ENDER," THE SINGLE INDIVIDUAL WITH THE POWER TO END HUMANITY

3. POLITICAL POWER AND TECHNOLOGICAL TRUTH 45 Virtual Reality WAS AN ABject Failure RIght UP TO THE MOMent IT WASn't. IN THIS WAY, IT HAS FOLLOWed THE COURse CHARTed BY A FEW OTHER BReakout TEchnolo- gies. They DON't EVolve IN AN ITerative WAY, GRadually GAINing USEfulness. INStead, They SEem HARDly TO ADVance AT ALl, MOVing FORWARD IN FITs AND STarts, THrough SHame SPIrals AND BAnkruptcies AND HY- pe AND DEFensive CRouches — UNTil ONE DAY, IN A SUdden ABout-face, They UTterly, TOTally WIn. • WRig- ht-Fisher MODEL: Hlstory IS WHat SURvives NATural SElection. IN POPulation GENetics, THERE'S AN IMPo- rtant MODEL OF HOW MUTations ARise AND SPread CALled THE WRight-Fisher MODEL. WHEN A NEW MUTation AR- ises, IT'S IN ONLY 1 OUT OF N PEople. HOW DOES IT GET TO N OUT OF N, TO 100%, TO WHAT'S CALLED "Flxa- tion"? WELL, FIRSt, IT MIGHT NOT EVER DO THAT. IT MIGHT JUST Dle OUT. IT MIGHT ALSO GET TO N OUT OF N SIMply BY LUCK, IF THE POPulation OF N IS SMALL — THIS IS KNOWN AS "Flxation BY GENetic DRift," WH- ere THOSE WITH THE MUTation JUST HAPPen TO REproduce MORE THAN OTHERS. BUT IF THE MUTation CONfers S- ome SElective ADVantage S, IF IT AIdS IN THE REproduction OF ITS HOST IN A COMPETITIVE ENVIRONMENT, THEN IT HAS A BETTER THAN LUCK CHANCE OF GETTING TO 100%. SIMilarly, THOSE HlSTORICAL IDEas THAT WE' ve HEARD ABOUT CAN BE THOUGHT OF AS THOSE THAT AIded OR AT LEAST DId NOT INTERfere WITH THE PRopagat- ion OF THEIR RESpective CARRIers, OFTEN THE AUTHORITIES THAT WRite THOSE HlSTORIES. SOME OF THESE ID- eas HAVE TAGged ALONG BY DUMB LUCK, WHILE OTHERS ARE CLAIMS THAT WERE SElectively ADVantageous TO THE- e SUCCESS OF THE REGime - OFTEN BY DElegitimizing THEIR Rivals AND LEGitimizing THEIR OWN RULE, OR BY- Y GIVING THEM NEW TEchnologies. THIS IS A THEORY OF MEMetic EVolution; THE IDEological MUTations THA- t ADD TEchnological EDGE OR POLITICAL POWER ARE THE ONES SElected FOR. • COMPUTational MODEL: HlSTOR- y IS THE ON-chain POPulation; ALl THE REST IS EDITORIAL- IZation. THERE'S A GREAT BOOK BY FRANCO MOR- etti CALLED GRaphs, MAPs, AND TREes. IT'S A COMPUTational STUDY OF LITERature. MOREtti's ARGument IS THAT EVERY OTHER STUDY OF LITERature IS INHERently BIased. THE SElection OF WHICH BOOKS TO DISCUSS IS ITSELF AN IMPLICIT EDITORIALIZATION. HE INStead MAKES THIS COMPLETELY EXPLICIT BY CREating A DATA- set OF FULL TEXTS, AND WRiting CODE TO PROduce GRaphs. THE ARGU- MENT HERE IS THAT ONLY A COMPUTatio- nal HlSTORY CAN REPRESENT THE FULL POPulation IN A STATISTICAL SENSE; ANYthing ELSE IS JUST A BIased SAMPLE. • GENOMIC MODEL: HlSTORY IS WHAT DNA (AND LANGUAGES, AND ARTIFACTS) SHOW US. DAVID REICH'S HO WE ARE AND HOW WE GOT HERE IS THE CANONICAL POPular SUMmary OF THIS SCHOOL OF THOUGHT, ALONG WITH CAVALLI-SFORZA'S OLDER BOOK ON THE HlSTORY AND GEOGRAPHY OF HUMAN GENES. THE BRIEF ARGUMENT IS: OUR TRUE HlSTORY IS WRITTEN IN OUR GENES. MERE TEXTS CAN BE FAKed, DISTORTed, OR LOST, BUT GENOMICS (MOD- ern OR ANCIENT) CAN'T BE. LANGUAGES AND ARTIFACTS ARE A BIT LESS ROBUST IN TERMS OF THE SIGNAL FOR HlSTORICAL REconstruction, THOUGH THEY OFTEN MAP TO WHAT THE NEW GENOMIC STUDIES ARE SHOWING ABOUT PATTERNS OF ANCIENT MIGRATIONS. • TECH TREE MODEL: HlSTORY IS GREAT MEN CONSTRAINED BY THE ADJACENT POSSIBLE. AS CONTEXT, THE GREAT MAN THEORY OF HlSTORY SAYS THAT INDIVIDUALS LIKE ISAAC NEWTON

CHAPTER 2. HISTORY AS TRAJECTORY AND Winston Churchill Shaped Events. The Counterargument Says That These Men Were Carried On Tides Larger Than Them, And That Others Would Have Done The Same In Their Place. For Example, For Many (Not All) Newtons, There Is A Leibniz, Who Could Also Have Invented Calculus. It's Impossible To Fully Test Either Of These Theories Without A Lenski-like Experiment Where We Re-run History With The Same Initial Conditions, But A Useful Model To Reconcile The Two Perspectives Is The Tech Tree From Civilization. Briefly, All Known Science Represents The Frontier Of The Tree, And An Individual Can Choose To Extend That Tree In A Given Direction. There Wasn't Really A Leibniz For Satoshi, For Example; At A Time When Others Were Focused On Social, Mobile, And Local, He Was Working On A Completely Different Paradigm. But He Was Constrained By The Available Subroutines, Concepts Like Hashcash And Chained Timestamps And Elliptic Curves. Just Like Da Vinci Could Have Conceived A Helicopter, But Probably Not Built It With The Materials Then Available, The Tech Tree Model Allows For Individual Agency But Subjects It To The Constraint Of What Is Achievable By One Person In A Given Era. The Major Advantage Of A Tech Tree Is That (Like The Idea Maze) It Can Be Made Visible, And Navigable, As Has Been Done For Longevity By The Foresight Institute. You Might Find It A Bit Surprising That There Are As Many Different Models For Understanding History — Let's Call Them Historical Heuristics — As There Are Programming Paradigms. Why Might This Be So? Well, Just Like The Idea Of Statecraft Strategies That We Introduce Later, The Study Of History Can Also Be Analogized To A Type Of Program-Ming, Or At Least Data Analysis. That Is, History Is The Analysis Of The Log Files.

- Data Exhaust Model: History As The Analysis Of The Log Files. Here, We Mean "Log Files" In The Most General Sense Of Everything Society Has Written Down Or Left Behind; The Documents, Yes, But Also The Physical Artifacts And Genes And Artwork, Just Like A Log "File" Can Contain Binary Objects And Not Just Plain Text. Extending The Analogy, You Can Try To Debug A Program By Flying Blind Without The Logs, Or Alternatively You Can Try To Look At Every Row Of The Logs, But Rather Than Either Of These Extremes You'll Do Best If You Have A Method For Distilling The Logs Into Something Actionable. And That's Why Historical Heuristics Exist. They Are Strategies For Distilling Insight From All The Documents, Genes, Languages, Transactions, Inventions, Collapses, And Successes Of People Over Time. History Is The Entire Record Of Everything Humanity Has Done. It's A Very Rich Data Structure That We Have Only Begun To Even Think Of As A Data Structure. We Can Now Think Of Written History As An (Incomplete, Biased, Noisy) Distillation Of This Full Log. After All, If You've Ever Found A Reporter's Summary Of An Eyewitness Video To Be Wanting, Or Found A Single Video Misleading Relative To Multiple Camera Angles, You'll Realize Why Having Access To The Full Log Of Public Events Is A Huge Step Forward.

3. POLITICAL POWER AND TECHNOLOGICAL TRUTH 47 2.3.3 A COLLISION OF POLITICAL POWER AND TECHNOLOGICAL TRUTH WE'VE NOW DEFINED A TOP-DOWN AND BOTTOM-UP MODEL OF HISTORY. THE COLLISION OF THESE TWO MODELS, OF THE ESTABLISHMENT'S ORWELLIAN RELATIVISM²⁹ AND THE ABSOLUTE TRUTH OF THE BITCOIN BLOCKCHAIN, OF POLITICAL POWER AND TECHNOLOGICAL TRUTH. . . THAT COLLISION IS WORTH STUDYING. LET'S DO THREE CONCRETE EXAMPLES WHERE POLITICAL POWER HAS ENCOUNTERED TECHNOLOGICAL TRUTH. • TESLA > NYT. ELON MUSK USED THE INSTRUMENTAL RECORD OF A TESLA DRIVE TO KNOCK DOWN AN NYT STORY. THE NEW YORK TIMES COMPANY CLAIMED THE CAR HAD RUN OUT OF CHARGE, BUT HIS DATASET SHOWED THEY HAD PURPOSEFULLY DRIVEN IT AROUND TO MAKE THIS HAPPEN, LYING ABOUT THEIR DRIVING HISTORY. HIS NUMBERS OVERTURNED THEIR LETTERS. • TIMESTAMP > MACRON, NYT. TWITTER POSTERS USED A PHOTO'S TIMESTAMP TO DIS-PROVE A PURPORTED PHOTO OF THE BRAZILIAN FIRES THAT WAS TWEETED BY EMMANUEL MACRON AND PRINTED UNCritically BY NYT. THE PHOTO WAS SHOWN VIA REVERSE IMAGE SEARCH TO BE TAKEN BY A PHOTOGRAPHER WHO HAD DIED IN 2003, SO IT WAS MORE THAN A DECADE OLD. THIS WAS A BIG DEAL BECAUSE THE ATLANTIC WAS LITERALLY CALLING FOR WAR WITH BRAZIL OVER THESE (FAKE) PHOTOS. • PROVABLE PATENT PRIORITY. A CHINESE COURT USED AN ON-CHAIN TIMESTAMP TO ESTABLISH PRIORITY IN A PATENT SUIT. ONE COMPANY PROVED THAT IT COULD NOT HAVE INFRINGED THE PATENT OF THE OTHER, BECAUSE IT HAD FILED "ON CHAIN" BEFORE THE OTHER COMPANY HAD FILED. IN THE FIRST AND SECOND EXAMPLES, THE EMPLOYEES OF THE NEW YORK TIMES COMPANY SIMPLY MISREPRESENTED THE FACTS AS THEY ARE WONT TO DO, CIRCULATING ASSERTIONS THAT WERE POLITICALLY USEFUL AGAINST TWO OF THEIR PERENNIAL OPPONENTS: THE TECH FOUNDER AND THE FOREIGN CONSERVATIVE. WHETHER THESE MISREPRESENTATIONS WERE MADE INTENTIONALLY OR OUT OF "TOO GOOD TO CHECK" CARELESSNESS, THEY WERE BOTH ATTEMPTS TO EXERCISE POLITICAL POWER THAT RAN INTO THE BRICK WALL OF TECHNOLOGICAL TRUTH. IN THE THIRD EXAMPLE, THE CHINESE POLITICAL SYSTEM DELEGATED THE JOB OF FINDING OUT WHAT WAS TRUE TO THE BLOCKCHAIN. IN ALL THREE CASES, TECHNOLOGY PROVIDED A MORE ROBUST MEANS OF DETERMINING WHAT WAS TRUE THAN THE PREVIOUS GOLD STANDARDS — WHETHER THAT BE THE "PAPER OF RECORD" OR THE PARTY-STATE. IT DECENTRALIZED THE DETERMINATION OF TRUTH AWAY FROM THE CENTRALIZED ESTABLISHMENT. ²⁹By THIS, WE MEAN THAT IF ALL TRUTH IS RELATIVE AND A FUNCTION OF POWER RELATIONS, THE POLITICAL PARTY IN POWER CAN SIMPLY DICTATE WHAT IS TRUE. IT'S A FUSION OF FOUCAULT'S RELATIVISTIC DECONSTRUCTION AND 1984'S SOCIAL CONSTRUCTION OF TRUTH. IF 2+2 IS WHATEVER THOSE IN POWER SAY IT IS, THEN GUESS WHAT? THOSE IN POWER WILL SAY 2+2=5 IF THEY WANT, AND THEY'LL EVEN GET FIELDS MEDALISTS TO GO TO BAT FOR THEM.

48 CHAPTER 2. HISTORY AS TRAJECTORY 2.3.4 A DEFINITION OF POLITICAL AND TECHNOLOGICAL TRUTHS IT ISN'T ALWAYS POSSIBLE TO DECENTRALIZE THE DETERMINATION OF TRUTH AWAY FROM A POLITICAL ESTABLISHMENT. SOME TRUTHS ARE INTRINSICALLY RELATIVE (AND HENCE POLITICAL), WHEREAS OTHERS ARE AMENABLE TO ABSOLUTE VERIFICATION (AND HENCE TECHNOLOGICAL). HERE'S THE KEY: IS IT TRUE IF OTHERS BELIEVE IT TO BE TRUE, OR IS IT TRUE REGARDLESS OF WHAT PEOPLE BELIEVE? A POLITICAL TRUTH IS TRUE IF EVERYONE BELIEVES IT TO BE TRUE. THINGS LIKE MONEY, STATUS, AND BORDERS ARE IN THIS CATEGORY. YOU CAN CHANGE THESE BY REWRITING FACTS IN PEOPLE'S BRAINS. FOR EXAMPLE, THE QUESTION OF WHAT A DOLLAR IS WORTH, WHO THE PRESIDENT IS, AND WHERE THE BORDER OF A COUNTRY IS ARE ALL DEPENDENT ON THE IDEAS INSTALLED IN PEOPLE'S HEADS. IF ENOUGH PEOPLE CHANGE THEIR MINDS, MARKETS MOVE, PRESIDENTS CHANGE, AND BORDERS SHIFT.³⁰ CONVERSELY, A TECHNICAL TRUTH IS TRUE EVEN IF NO HUMAN BELIEVES IT TO BE TRUE. FACTS IN MATH, PHYSICS, AND BIOCHEMISTRY ARE IN THIS CATEGORY. THEY EXIST INDEPENDENT OF WHAT'S IN PEOPLE'S BRAINS. FOR EXAMPLE, WHAT'S THE VALUE OF π , THE SPEED OF LIGHT, OR THE DIAMETER OF A VIRUS? ³¹ THOSE ARE THE TWO EXTREMES: POLITICAL TRUTHS THAT YOU CAN CHANGE BY REWRITING THE SOFTWARE IN PEOPLE'S BRAINS, AND TECHNICAL TRUTHS THAT EXIST INDEPENDENT OF THAT. 2.3.5 A BALANCE OF POLITICAL POWER AND TECHNOLOGICAL TRUTH ONCE YOU RELUCTANTLY RECOGNIZE THAT NOT EVERY ASPECT OF A SOCIOPOLITICAL ORDER CAN BE DERIVED FROM AN OBJECTIVE CALCULATION, AND THAT SOME THINGS REALLY DO DEPEND ON AN ARBITRARY CONSENSUS, YOU REALIZE THAT WE NEED TO MAINTAIN A BALANCE BETWEEN POLITICAL POWER AND TECHNOLOGICAL TRUTH.³² TOWARDS THIS END, THE CHINESE HAVE A PLITHY SAYING: THE BACKWARDS WILL BE BEATEN. IF YOU'RE BAD AT TECHNOLOGY, YOU'LL BE BEATEN POLITICALLY. CONVERSELY, THE AMERICANS ALSO HAVE A SAYING: "YOU AND WHAT ARMY?" IT DOESN'T MATTER HOW GOOD YOU ARE AS AN INDIVIDUAL TECHNOLOGIST IF YOU'RE BADLY OUTNUMBERED POLITICALLY. AND IF YOU'RE UNPOPULAR ENOUGH, YOU WON'T HAVE THE POLITICAL POWER TO BUILD IN THE PHYSICAL WORLD. ³⁰ THIS IS WHAT THE US ESTABLISHMENT IS SET UP TO MANIPULATE GLOBALLY, AND THE CHINESE ESTABLISHMENT IS GOOD AT DOMESTICALLY. ³¹ THIS IS WHERE THE US ESTABLISHMENT IS PARTICULARLY OUT OF ITS DEPTH, BUT WHERE THE CHINESE ESTABLISHMENT IS FAIRLY STRONG. MOST US POLITICIANS DON'T HAVE TECHNICAL BACKGROUNDS, PROMINENT JOURNALISTS CAN'T DO BASIC MATH, AND FEW OF THE PEOPLE INVOLVED IN THE US ESTABLISHMENT HAVE BUILT ANYTHING MORE COMPLICATED THAN A BOOKSHELF. MEANWHILE, THE CHINESE ESTABLISHMENT IS FILLED WITH ENGINEERS AND HAS BUILT UP THEIR COUNTRY OVER THE LAST 40 YEARS, EVEN IF THE NEXT GENERATION OF CHINESE LEADERS MAY NOT HAVE SUCH A BACKGROUND. ³² BLOCKCHAINS DO MOVE MORE ASPECTS OF POLITICS INTO TECHNOLOGY, BY TURNING SOCIETAL AGREEMENT OVER A BORDER INTO SOCIETAL AGREEMENT OVER A NUMBER. BUT THE SOFTWARE IN PEOPLE'S HEADS STILL MATTERS, AS BLOCKCHAINS ONLY WORK IF ENOUGH PEOPLE HOLD THEIR UNDERLYING ASSET (MAINTAINING A NONZERO PRICE), AGREE TO RUN THE SAME VERSION OF NODE AND WALLET SOFTWARE, AND SO ON. CONTRAST THIS TO, SAY, A HELICOPTER - WHICH REQUIRES NO SOCIETAL CONSENSUS AT ALL TO WORK, AS IT DEPENDS SOLELY ON THE LAWS OF PHYSICS.

4. GOD, STATE, NETWORK 49 COMbining THESE VIEWS TELLS US TO SEek A BALANCE BETWEEN NATIONALISM AND RATIONALISM, WHERE THE FORMER IS THOUGHT OF IN THE BROADEST SENSE AS "GROUP IDENTITY." IT'S A BALANCE BETWEEN POLITICAL POWER AND TECHNOLOGICAL TRUTH, BETWEEN INGROUP-STABILIZING NARRATIVES AND INCONVENIENT FACTS. AND YOU NEED BOTH. SO THAT'S HOW THE POLITICAL AND TECHNOLOGICAL THEORIES OF HISTORY INTERRELATE. TECHNOLOGICAL HISTORY IS THE HISTORY OF WHAT WORKS; POLITICAL HISTORY IS THE HISTORY OF WHAT WORKS TO RETAIN POWER. PUTTING ALL THE PIECES TOGETHER: • WE HAVE A POLITICAL THEORY OF HISTORY THAT SAYS "SOCIAL AND POLITICAL INCENTIVES FAVOR THE PROPAGATION OF POLITICALLY USEFUL NARRATIVES." • WE HAVE A TECHNOLOGICAL THEORY OF HISTORY THAT SAYS "FINANCIAL AND TECHNICAL INCENTIVES FAVOR THE PROPAGATION OF TECHNOLOGICAL TRUTHS." • WE HAVE A SET OF EXAMPLES THAT SHOW HOW POLITICALLY POWERFUL ACTORS WERE CONSTRAINED BY DECENTRALIZING TECHNOLOGY. • WE HAVE MORE EXAMPLES THAT SHOW THAT SOME FACTS REALLY ARE DETERMINED BY SOCIETAL CONSENSUS, WHILE OTHERS ARE AMENABLE TO DECENTRALIZED VERIFICATION. • AND WE UNDERSTAND WHY GROUPS NEED BOTH TO SURVIVE; THE BACKWARDS WILL BE EATEN, WHILE THE UNPOPULAR WILL NEVER HAVE POLITICAL POWER IN THE FIRST PLACE. CAN WE GENERALIZE THESE OBSERVATIONS INTO A BROADER THESIS, INTO AN OVERARCHING THEORY THAT INCLUDES THE CLASH OF POLITICAL POWER AND TECHNOLOGICAL TRUTH AS A SPECIAL CASE? WE CAN. AND THAT LEADS US TO A DISCUSSION OF GOD, STATE, AND NETWORK.

2.4 GOD, STATE, NETWORK THE COLLISION BETWEEN THE TOP-DOWN AND BOTTOM-UP VIEWS OF HISTORY, BETWEEN HISTORY AS WRITTEN BY THE WINNERS AND HISTORY AS WRITTEN TO THE LEDGER, BETWEEN POLITICAL POWER AND TECHNOLOGICAL TRUTH. . . THAT ENCOUNTER IS A COLLISION OF LEVIATHANS. TO UNDERSTAND THIS, IMAGINE TWO SCHOOLBOYS FIGHTING ON A PLAYGROUND. IT'S NOT LONG BEFORE ONE OF THEM SAYS "MY DAD CAN BEAT UP YOUR DAD!" THERE'S PROFUNDITY IN THIS BANALITY. EVEN AT A VERY YOUNG AGE, A CHILD BELIEVES HE CAN APPEAL TO A HIGHER POWER, A LEVIATHAN, A POWERFUL MAN WHO CAN SWEEP THE FIELD OF HIS ENEMIES, INCLUDING ROBERT FROM RECESS. MEN ARE NOT SO DIFFERENT FROM CHILDREN IN THIS REGARD. EVERY DOCTRINE HAS ITS LEVIATHAN, THAT PRIME MOVER WHO HOVERS ABOVE ALL. FOR A RELIGION, IT IS GOD. FOR A POLITICAL MOVEMENT, IT IS THE STATE. AND FOR A CRYPTOCURRENCY, IT IS THE NETWORK. THESE THREE LEVIATHANS HOVER OVER FALLIBLE MEN TO MAKE THEM BEHAVE IN PRO-SOCIAL WAYS. ONCE WE GENERALIZE BEYOND GOD, ONCE WE REALIZE THERE'S NOT ONE BUT THREE LEVIATHANS IN A HOBBSIAN SENSE, MUCH BECOMES CLEAR. MOVEMENTS THAT AREN'T GOD-WORSHIPPING RELIGIONS ARE OFTEN STATE-WORSHIPPING POLITICAL MOVEMENTS OR NETWORK-WORSHIPPING CRYPTO

CHAPTER 2. HISTORY AS TRAJECTORY Tribes. Many Progressive Atheists Are By No Means Astatists; They worship The State As If It Were God. And Many Libertarian Atheists May Not Believe In Either God Or The State, But They Do Believe In The Network - Whether That Be Their Social Network Or Their Cryptocurrency. This Deserves Some Elaboration. 2.4.1 What Is The Most Powerful Force In The World? The First Leviathan Was God. In The 1800s, People Didn't Steal Because They Actually Feared God. They Believed In A Way That's Hard For Us To Understand, They Thought Of God As An Active Force In The World, Firing-and-brimstoning Away. They Wanted God-fearing Men In Power, Because A Man Who Genuinely Believed In God Would Behave Well Even If No One Could Punish Him. That Is, A Powerful Leader Who Actually Believed That Eternal Damnation Was The Punishment For Violating Religious Edicts Could Be Relied Upon By The Public Even If No Human Could See Whether He Had Misbehaved. At Least, This Is A Rational Retrospecting Of Why Being Genuinely "God-fearing" Was Important To People, Though They Might Not Articulate It In Quite That Way. God Was The Ultimate Force, The Leviathan. By The Late 1800s, Nietzsche Wrote That "God Is Dead." What He Meant Is That A Critical Mass Of The Intelligentsia Didn't Believe In God Anymore, Not In The Same Way Their Forefathers Did. In The Absence Of God, A New Leviathan Now Rose To Pre-eminence, One That Existed Before But Gained New Significance: The State. And So In The 1900s, Why Didn't You Steal? Because Even If You Didn't Believe In God, The State Would Punish You. The Full Global Displacement Of God By The State (Something Already Clearly Underway In France Since 1789) Led To The Giant Wars Of The 20th Century, Democratic Capitalism Vs Nazism Vs Communism. These New Faiths Replaced G-o-d With G-o-v, Faiths Which Centered The State Over God As The Most Powerful Force On Earth. That Brings Us To The Present. Now, Today, As You Can See From This Graph And This One, It Is Not Just God That Is Dead. It Is The State That Is Dying. Because Here In The Early Innings Of The 21st Century, Faith In The State Is Plummeting. Faith In God Has Crashed Too, Though There May Be Some Inchoate Revival Of Religious Faith Pending. But It Is The Network — The Internet, The Social Network, And Now The Crypto Network — That Is The Next Leviathan. So: In The 1800s You Wouldn't Steal Because God Would Smite You, In The 1900s You Didn't Steal Because The State Would Punish You, But In The 2000s You Can't Steal Because The Network Won't Let You.³³ Either The Social Network Will Mob You, Or ³³The Network Is Not A Wholly New Force In Human Affairs, But It Is Newly Powerful. As One Example Of Networks Before The Internet, Communism Can Be Thought Of As A State/Network Synthesis, With The Soviet State As Primary And Its International "Comintern" Network Of Communist Revolutionaries As Secondary (Especially After Trotsky's Murder). As Another Example, See This Section On "Culture" As A Third Force Alongside Church And State In Jacob Burckhardt's Force And Freedom. He'd Come To Similar Conclusions Almost 200 Years Ago, Which I Only Discovered Years After My 2015 Talk On God, State, And Network.

4. GOD, STATE, NETWORK 51 THE CRYPTOCURRENCY NETWORK WON'T LET YOU STEAL BECAUSE YOU LACK THE PRIVATE KEY, OR (EVENTUALLY) THE NETWORKED AI WILL DETECT YOU, OR ALI OF THE ABOVE. PUT ANOTHER WAY, WHAT'S THE MOST POWERFUL FORCE ON EARTH? IN THE 1800s, GOD. IN THE 1900s, THE US MILITARY. AND BY THE MID-2000s, ENCRYPTION. BECAUSE AS ASSANGE PUT IT, NO AMOUNT OF VIOLENCE CAN SOLVE CERTAIN KINDS OF MATH PROBLEMS. SO IT DOESN'T MATTER HOW MANY NUCLEAR WEAPONS YOU HAVE; IF PROPERTY OR INFORMATION IS SECURED BY CRYPTOGRAPHY, THE STATE CAN'T SEIZE IT WITHOUT GETTING THE SOLUTION TO AN EQUATION. 2.4.2 RUBBER HOSES DON'T SCALE NOW, THE OBVIOUS RESPONSE IS THAT A STATE LIKE VENEZUELA CAN STILL TRY TO BEAT SOMEONE UP TO GET THAT SOLUTION, DO THE PROVERBIAL RUBBER HOSE ATTACK TO GET THEIR PASSWORD AND PRIVATE KEYS — BUT FIRST THEY'LL HAVE TO FIND THAT PERSON'S OFFLINE IDENTITY, MAP IT TO A PHYSICAL LOCATION, ESTABLISH THAT THEY HAVE JURISDICTION, SEND IN THE (EXPENSIVE) SPECIAL FORCES, AND DO THIS TO AN ENDLESS NUMBER OF PEOPLE IN AN ENDLESS NUMBER OF LOCATIONS, WHILE DEALING WITH VARIOUS COMPLICATIONS LIKE ANONYMOUS REMAILERS, MULTISIGS, ZERO-KNOWLEDGE, DEAD-MAN'S SWITCHES, AND TIMELOCKS. SO AT A MINIMUM, ENCRYPTION INCREASES THE COST OF STATE COERCION. IN OTHER WORDS, SEIZING BITCOIN IS NOT QUITE AS EASY AS IMITATING A FIAT CURRENCY. IT'S NOT SOMETHING A HOSTILE STATE LIKE VENEZUELA CAN SEIZE EN MASSE WITH A KEYPRESS, THEY NEED TO GO HOUSE-BY-HOUSE. THE ONLY REAL WAY AROUND THIS SCALABILITY PROBLEM WOULD BE A CHEAP AUTONOMOUS ARMY OF AI POLICE DRONES, SOMETHING CHINA MAY ULTIMATELY BE CAPABLE OF, BUT THAT'D BE EXPENSIVE AND WE AREN'T THERE YET.³⁴ UNTIL THEN, THE HISTORY OF SATOSHI NAKAMOTO'S SUCCESSFUL MAINTENANCE OF PSEUDONYMITY, OF APPLE'S PARTIAL THWARTING OF THE FBI, AND OF THE BITCOIN NETWORK'S RESILIENCE TO THE CHINESE STATE'S MINING SHUTDOWN SHOW THAT THE NETWORK'S PSEUDONYMITY AND CRYPTOGRAPHY ARE ALREADY PARTIALLY OBSTRUCTING AT LEAST SOME OF THE STATE'S SURVEILLANCE AND VIOLENCE. ENCRYPTION THUS LIMITS GOVERNMENTS IN A WAY NO LEGISLATION CAN. AND AS DESCRIBED AT LENGTH IN THIS PLECE, IT'S NOT JUST ABOUT PROTECTION OF PRIVATE PROPERTY. IT'S ABOUT USING ENCRYPTION AND CRYPTO TO PROTECT FREEDOM OF SPEECH, FREEDOM OF ASSOCIATION, FREEDOM OF CONTRACT, PREVENTION FROM DISCRIMINATION AND CANCELLATION VIA PSEUDONYMITY, INDIVIDUAL PRIVACY, AND TRULY EQUAL PROTECTION UNDER RULE-OF-CODE — EVEN AS THE STATE'S PAPER-BASED GUARANTEES OF THE SAME BECOME EVER MORE HOLLOW. BECAUSE THE COMPUTER ALWAYS GIVES THE SAME OUTPUT GIVEN THE SAME INPUT CODE, UNLIKE THE FALLIBLE HUMAN JUDICIARY WITH ITS ERROR-PRONE (OR POLITICIZED) ENFORCEMENT OF THE LAW. ³⁴THIS WORKS IN ANOTHER WAY: AUTONOMOUS DRONES ARE A WAY FOR A STATE TO WAGE WAR WITHOUT PAYING AS MANY PEOPLE, AS IT JUST NEEDS TO CHARGE UP ITS DRONES. PROPAGANDA DELIVERED OVER SOCIAL MEDIA IS A DIFFERENT ALTERNATIVE TO EXPENSIVE BOOTS ON THE GROUND. THESE TECHNIQUES ARE, RESPECTIVELY, THE CCP AND NYT COALITIONS' WAYS AROUND THE ECONOMIC CONSTRAINTS ON MILITARY ACTION IMPOSED BY BTC. SEE THE BOOK GOLD, BLOOD, AND POWER AND OUR LATER CHAPTER ON THE TRIPOLAR MOMENT.

2 CHAPTER 2. HISTORY AS TRAJECTORY IN THIS SENSE, THE NETWORK IS THE NEXT LEVIATHAN, BECAUSE ON KN
Dimensions IT IS BECOMING MORE POWERFUL AND MORE JUST THAN THE STATE. 2.4.3 THE NETWORK IS THE NEXT
LEVIATHAN WHEN WE SAY THAT THE NETWORK IS THE NEXT LEVIATHAN, WHICH WE CAN ABBREVIATE AS “Network >
State” IT IS USEFUL TO GIVE SPECIFICS. HERE ARE SEVERAL CONCRETE EXAMPLES WHERE THE NETWORK’S VERSION
OF A GIVEN SOCIAL PRACTICE IS MORE POWERFUL THAN THE STATE’S VERSION. 1. ENCRYPTION > STATE VIOLEN
ce. WHEN THERE IS STRONG ENCRYPTION GOVERNMENT CAN’T CRACK, THAT MEANS COMMUNICATIONS STATES CAN’T E
avesdrop ON, TRANSACTIONS THEY CAN’T INTERCEPT, AND DIGITAL BORDERS THEY CAN’T PENETRATE. IT MEANS N
othing LESS THAN THE ABILITY TO ORGANIZE GROUPS OUTSIDE STATE CONTROL, AND THUS A DIMINUTION IN THE
POWER OF STATES TO CONTROL. 2. CRYPTOECONOMY > FLAT ECONOMY. WE JUST DISCUSSED THIS IN THE CONTEXT O
F THE NETWORK’S BITCOIN BEING MONEY THE STATE CAN’T EASILY FREEZE, SEIZE, BAN, OR PRINT. IN THEORY T
HIS IS JUST A SPECIAL CASE OF THE POINT ON ENCRYPTION, BUT ITS IMPLICATIONS ARE BROAD: ALL MANNER OF
FINANCIAL INSTRUMENTS, CORPORATE VEHICLES, ACCOUNTING, PAYROLL, AND THE LIKE CAN BE DONE ON-CHAIN O
UTSIDE THE CONTROL OF STATES. 3. PEER-TO-PEER > STATE MEDIA. THERE ARE TWO KINDS OF STATE MEDIA: STA
te-controlled MEDIA AS IN CHINA’S XINHUANET, OR STATE-CONTROL MEDIA AS IN AMERICA’S THE NEW YORK TIM
es. THE LATTER CONTROLS THE STATE, THE FORMER IS CONTROLLED BY THE STATE, BUT BOTH FIGHT FREEDOM OF
SPEECH. NETWORK-FACILITATED P2P COMMUNICATION IS ANATHEMA TO THEM, PARTICULARLY IF END-TO-END ENCRYPT
ED. CITATIONS IN PARTICULAR ARE WORTH CALLING OUT HERE — ARCHIVAL REFERENCES LIKE GOOGLE BOOKS, OR
NCBI, OR ARCHIVE.IS CAN BE LINKED TO PROVE A POINT, EVEN IF OFFICIAL STATE CHANNELS AREN’T PRESENTLY
FAVORING THAT POINT OF VIEW. 4. SOCIAL > NATIONAL. SOCIAL NETWORKS CHANGE MANY THINGS, BUT A CRITIC
AL ONE IS THAT THEY CHANGE THE NATURE OF COMMUNITY. YOUR COMMUNITY IS YOUR SOCIAL NETWORK, NOT NECES
sarily THE PEOPLE WHO LIVE NEAR YOU. WHEN THE NETWORK IDENTITY IS MORE SALIENT THAN THE NEIGHOR RELA
TIONSHIP, IT CHALLENGES THE VERY PREMISE OF THE WEST-PHILIAN STATE, WHICH IS THAT (A) PEOPLE WHO LI
VE GEOGRAPHICALLY NEAR EACH OTHER SHARE VALUES AND (B) THEREFORE LAWS SHOULD BE BASED ON GEOGRAPHIC
BOUNDARIES. THE ALTERNATIVE IS THAT ONLY PEOPLE WHO ARE GEODESICALLY NEAR EACH OTHER IN THE SOCIAL N
ETWORK SHARE VALUES, AND THEREFORE THE LAWS THAT GOVERN THEM SHOULD BE BASED ON NETWORK BOUNDARIES.
5. MOBILE > SESSILE. MOBILE IS MAKING US MORE MOBILE. AND LAW IS A FUNCTION OF LATITUDE AND LONGITUD
E; AS YOU CHANGE YOUR LOCATION, YOU CHANGE THE LOCAL, STATE, AND FEDERAL LAWS THAT APPLY TO YOU. AS
SUCH, MIGRATION IS AS POWERFUL A WAY TO CHANGE THE LAW UNDER WHICH YOU LIVE AS ELECTION. COVID-19 LO
ckdowns MAY BE JUST THE BEGINNING OF STATE ATTEMPTS TO CONTROL NETWORK-FACILITATED PHYSICAL EXIT.

4. GOD, STATE, NETWORK 53 BUT IN NORMAL CIRCUMSTANCES, SMARTPHONES ARE HELPING PEOPLE MOVE EVER MORE FREELY, WHILE THE BORDERS OF PHYSICAL STATES ARE FROZEN IN PLACE. 6. VIRTUAL REALITY > PHYSICAL PROXIMITY. AS A COMPLEMENT TO MOBILE, THE NETWORK OFFERS ANOTHER WAY TO OPT OUT OF STATE-CONTROLLED PHYSICAL SURROUNDINGS: NAMELY, TO PUT ON A VR (OR AR) HEADSET, AT WHICH POINT YOU ARE IN A COMPLETELY DIFFERENT WORLD WITH DIFFERENT PEOPLE SURROUNDING YOU AND DIFFERENT LAWS. 7. REMOTE > IN-PERSON. THE NETWORK ALLOWS YOU TO WORK AND COMMUNICATE FROM ANYWHERE. COMBINED WITH MOBILE, THIS FURTHER INCREASES LEVERAGE AGAINST THE STATE. THE CONCEPT OF THE NETWORK STATE AS A DIVISION OF THE WORLD BY PEOPLE RATHER THAN BY LAND IS PARTICULARLY IMPORTANT HERE, AS NETWORK STATES ARE NATIVELY BUILT FOR GETTING VOLUNTARY SUBSCRIPTION REVENUE FROM PEOPLE AROUND THE WORLD. THE DIASPORA IS THE STATE. 8. INTERNATIONAL > NATIONAL. THE NETWORK GIVES PEOPLE MORE OF A CHOICE OVER WHAT SPECIFIC STATE THEY ARE SUBJECT TO. FOR EXAMPLE, THEY CAN MOVE A SERVER HOSTING THEIR WEBSITE FROM COUNTRY TO COUNTRY WITH A FEW CLICKS. 9. SMART CONTRACTS > LAW. THE STATE'S PAPER-BASED LEGAL SYSTEM IS COSTLY AND UNPREDICTABLE. A SIMILAR SET OF FACTS IN TWO DIFFERENT CITIES IN THE SAME COUNTRY COULD RESULT IN A DIFFERENT RULING. LAWYERS ARE EXPENSIVE, PAPER CONTRACTS HAVE TYPOS AND ILLOGIC, AND CROSS-BORDER AGREEMENTS RANGE FROM COMPLEX TO IMPOSSIBLE. WE'RE STILL IN THE EARLY DAYS OF SMART CONTRACTS, BUT AS WE GET WELL-DEBUGGED AND FORMALLY-VERIFIED CONTRACT LIBRARIES, THIS IS AN AREA WHERE THE NETWORK IS POISED TO TAKE OVER FROM THE STATE. IMAGINE TRULY INTERNATIONAL LAW: IT'S DONE PROGRAMMATICALLY RATHER THAN VIA PIECES OF PAPER, ACROSS BORDERS OUTSIDE THE DOMAIN OF LEGACY STATES, AND BY GLOBAL TECHNOLOGISTS RATHER THAN COUNTRY-SPECIFIC LAWYERS. 10. CRYPTOGRAPHIC VERIFICATION > OFFICIAL CONFIRMATION. PERHAPS THE MOST IMPORTANT ARENA IN WHICH THE NETWORK IS STRONGER THAN THE STATE IS IN THE NATURE OF TRUTH ITSELF. AS INCREDIBLE AS IT MAY SOUND, THE BLOCKCHAIN IS THE MOST IMPORTANT DEVELOPMENT IN HISTORY SINCE THE ADVENT OF WRITING ITSELF, AS IT'S A CRYPTOGRAPHICALLY VERIFIABLE, HIGHLY REPLICATED, UNFALSIFIABLE, AND PROVABLY COMPLETE DIGITAL RECORD OF A SYSTEM. IT'S THE ULTIMATE TRIUMPH OF THE TECHNOLOGICAL TRUTH OVER HISTORY, AS THERE ARE NOW TECHNICAL AND FINANCIAL INCENTIVES FOR PASSING DOWN TRUE FACTS, REGARDLESS OF THE SOCIOPOLITICAL ADVANTAGES ANY GIVEN GOVERNMENT MIGHT HAVE FOR SUPPRESSING THEM. TO FORESHADOW A BIT, THIS LEDGER OF RECORD IS HISTORY WRITTEN BY THE NETWORK RATHER THAN THE STATE. THESE EXAMPLES CAN BE MULTIPLIED. AS MENTIONED BEFORE, UBER AND LYFT ARE BETTER REGULATORS THAN THE STATE'S PAPER-BASED TAXI MEDALLIONS, EMAIL IS SUPERIOR TO THE USPS, AND SPACE X IS OUT-EXECUTING NASA. IF YOU THINK ABOUT BORDERS, YOU NOW NEED TO THINK ABOUT THE NETWORK'S TELEPRESENCE (WHICH DEFEATS PHYSICAL BORDERS) AND ITS ENCRYPTION (WHICH ERASES DIGITAL BORDERS). OR IF YOU CARE ABOUT, SAY, THE US CENSUS, THE NETWORK GIVES A REAL-TIME SURVEY WHICH IS FAR MORE UP TO DATE THAN THE STATE'S 10 YEAR PROCESS.

CHAPTER 2. HISTORY AS TRAJECTORY IN SHOrT, IF YOu CAN BRing THE NEtwork TO BEAr ON AN ISsue, IT
Ill OFten BE THE MOSt POWerful FORCE. THIS IS ESSentially WHat EVery STartup FOUnder DOes, ALI THE T
me: They TRy TO FIGure OUT THE NEtwork WAY OF DOing SOMething, Wlthout GOing THrough THE STate. THE
re's AN APp FOR THAT! THIS IS CONceptually IMportant, BEcause A STartup SOciety FOUnder THAT CAN REp
osition A PARTICULAR CON■ict SUCH THAT IT IS THE NEtwork AGainst THE STate HAS A CHance TO WIn. BUT
IF THEY GO THrough THE LEGacy STate, THEY'll BE AN ALLigator OUT OF WATER, AND THEY WILL LIkely LOse
. NEtwork > STate: TRump's DEplatforming APplying THE "Network > STate" FORMulation TO REcent EVENTS
THink ABOUT JANuary 2021, WHEN — AT THE BEhest OF THE NEW YORK TImes COMPANY AND ALI OF MAinstreAr
MEDIA — GOOGLE, APple, AMAZon, FACEBOOK, AND TWITTER COMbined TO DEplatform A Slting PRESident AND
DisappeAr HIS SUPporters' APp FROM THE INternet. THIS WAS UNdeniable PROOF OF THE US GOVERNment's I
mpotence, BEcause THE "MOSt POW- ERful MAN IN THE WORLD" WAS CLearly NO LONGer EVEN THE MOSt POWerful
I MAN IN HIS OWn COUNtry. THE INformal NEtwork (THE US ESTablishment) TRumped THE FOrmal STate (THE
US GOVERNment).³⁵ OBviously, TRump AND THE REPUBLICANS WERen't IN CONTROL OF EVents. LESS OBviously,
ELEcted DEMocrats WERen't Elther. OH, SURE, MANY OF THEM ADded THEIR VOICES TO THE CACophony. BUT BE
cause THE FIRSt AMendment CONstrains GOVERNment CAPacity TO RE- STRAIN SPEech, THEY COULdn't TELL T
HE TECH CEOs TO SHUT DOWN OPposition VOICES - BUT THE PUBLishers COULD. AND BECAUSE THE FINAL CONTR
I OVER THESE NETWORKS IS IN PRIVATE HANDS, STATE OFFICIALS DIDN'T HAVE THE FINAL SAY. PUT ANOTHER WA
Y, THE PEOPLE WITH THEIR FINGERS ON THE BUTTON ARE NO LONGER ELEcted OFFICIALS OF THE STATE. DOES TH
E US GOVERNment FEEL LIKE IT IS IN CHarge? THAT IS WHAT NETWORK > STATE MEANS. 2.4.4 THE STATE IS ST
ILL A LEVIATHAN TO BE CLear, THE NETWORK DOES NOT WIN EVERY CON■ict WITH THE STATE. IN MANY CASES TH
E ACTUAL OUTcome IS "State > Network." INdeed, THE CON■ict BETWEEN THESE TWO LEVIATHANS ³⁵THERE'S A
STRong ARGument THAT THE POWER OF THE PRESIDENCY HAS BEEN STEadily DECLining SINce FDR, WHO CAN BE
HOught OF AS A FOUR-term DIctator WHO CONSolidated POWER, PROsecuted HIS ENemies, AND RULEd TILL HE
DIED. ALI THE "Imperial PRESIDENCY" STU■like JOHN YOO'S MEMOS AND OBAMA'S EXECutive ORDERS CAN BE RE
conceptualized AS ATtempts TO STILL GET SOMETHING DONE FROM THE WHITE HOUSE DESpite THE REALity THAT
THE PRESIDENCY'S POWER WAS EVER MORE DILute. INdeed, THE US TODAY HAS SOMETHING SIMILAR TO A "Const
itutional MONarchy," NAMEly A "Bureaucratic PRESIDENCY" WHEREIN THE PRESIDENT IS IN KEY RESpects AN
INcreasingly VESTigial FIGure. SOME WHO REcognize THIS THINK IT CAN BE TURNed AROUND WITH A "True EL
ection." OTHERS THINK YOU'LL NEED TO START OVER, WITH STARTUP SOCIETIES AND NETWORK STATES.

2.4. GOD, STATE, NETWORK 55 Will Shape This Century Like The Conflict Between The God And State Leviathans Shaped The Last. Some Examples Of "State > Network" Include Ross Ulbricht's Arrest By The US Government, The Persecution Of Julian Assange And Edward Snowden, China's Crackdown On Cryptocurrency, The European Union's GDPR Regulation, The COVID Lockdowns That Inhibited Any Digital Nomad's Ability To Exit, The Rising Number Of Government Internet Shutdowns, And The US Establishment's Push To Censor The Internet. Let's Review A Few Cases Of Particular Importance: The Techxit From San Francisco, The Political Defeat Of Tech Founders In China, The Blasing Of AI In The Name Of AI Bias, And The Digital Deplatforming Of Establishment Critics In Both The West And East.

1. SF City Government > Bay Area Tech Founders. Despite How Competent The Tech Founders Of SF Were On The Network, The Political Billionaires Of The San Francisco City Government Managed To Use Their Control Of The State To Turn The City Into A Hellhole. Intentionally Or Not, This Had The Effect Of Driving Out The New Money, Their Potential Competition. Yes, There Have Been Some Successful Tech-funded Recall Efforts Recently, But It's Likely Too Little, Too Late. It's Akin To A Stock Price Showing A Bit Of An Upward Trend After A Huge And Irreversible Drop. Because The Bay Area's Monopoly Is Over. Technology Has Now Globally Decentralized Into Web3, And San Francisco (And Even Silicon Valley) Has Now Lost Its Position As The Undisputed Tech Capital Of The World. You No Longer Need To Go To The Bay Area To Build A Startup — You Can Found And Fund From Anywhere. This Is, On Balance, A Good Thing — The Fact That Tech Is No Longer Highly Dependent On The Triple Dysfunction Of SF/CA/USA Is Crucial To The World's Future. Note Also That While The Defeat Of Tech In SF Was Due To State > Network, The Reason Tech Lives To Fight Another Day Is Thanks To Remote Work, Which Allowed Movement Away From SF In A "Tech Exit." And Remote Work Is A Case Of Network > State.

2. CCP > Chinese Tech Founders. Until About 2018, Chinese Tech Founders Were Celebrated By The CCP. Imagine If Zuckerberg And Dorsey Were Given The Equivalent Of Senate Seats For Their Contribution To The Economy, Brought Into The Establishment Rather Than Standing At A Remove, And You'll Get A Sense Of What The Tone Was Like. Jack Ma (Alibaba Founder), Pony Ma (Tencent Founder), And Their Peers Were Either One Of The 95 Million CCP Members (<7% Of The Country) Or Praised By CCP Media. Then Everything Shifted. Just Like America, China Had Its Own Establishment-Driven Techlash.³⁶ The Huge Cost Of Pausing Of The Massive Ant Financial IPO³⁶ Indeed, Many Events In America Are Now Followed By A Similar Event In China, Or Vice Versa. Some Examples Include (A) Internet Censorship, (B) Nationalism + Socialism, (C) Social Credit Scores / Cancel Culture, (D) "Human Flesh Search" And Twitter Mobs, (E) COVID Lockdowns, (F) Increasing Militarization, And (G) State Takeover Of Tech Companies.

CHAPTER 2. HISTORY AS TRAJECTORY ON SOME REGULATORY PRETENSE WAS A SIGNAL. FOR THE LAST SEVERAL YEARS, THE CCP HAS PUT WHAT IT CONSIDERS TO BE THE “NATIONAL INTEREST” OVER ENORMOUS SUMS OF MONEY, INCURRING AT LEAST A TRILLION DOLLARS IN COST FOR COVID LOCKDOWNS, SHUTDOWNS OF IPOs, AND OVERNIGHT BANS OF ENTIRE INDUSTRIES LIKE GAMING AND BITCOIN MINING. THIS LOOKS STUPID. MAYBE IT IS STUPID. OR MAYBE THEY KNOW SOMETHING WE DON’T. THE CCP’S EARLY ACTION IN THE 2000s AND 2010s TO BAN FOREIGN SOCIAL NETWORKS LOOKS FARSIGHTED IN RETROSPECT, AS IF THEY HADN’T BUILT THEIR OWN WEIBO AND WECHAT, THEN US EXECUTIVES IN SILICON VALLEY WOULD HAVE BEEN ABLE TO DEPLATFORM (OR SURVEIL) ANYONE FROM CHINA WITH A KEYSTROKE. SO, UNFORTUNATELY, PERHAPS SIGNALING THAT THERE ARE “MORE IMPORTANT THINGS THAN MONEY” AND GEARING FOR CONFLICT WILL TURN OUT TO PUT THE CCP IN A BETTER POSITION FOR WHAT COMES. BE THAT AS IT MAY, THE CHINESE TECHCLASH IS AN EXAMPLE OF “STATE > NETWORK.” THE CCP-CONTROLLED CHINESE STATE BEAT THE INTERNATIONAL NETWORK OF CHINESE TECH FOUNDERS. BUT IT DIDN’T WIN FOREVER, AS MANY OF THE MOST AMBITIOUS FOUNDERS AND FUNDERS IN CHINA ARE NOW USING THE NETWORK TO MOVE ABROAD AND ESCAPE THE CHINESE STATE.

3. BLASING AI WITH AI BLAS. JON STOKES HAS WRITTEN AT LENGTH ABOUT “AI ETHICS” AND I’D ENCOURAGE YOU TO READ HIS WORK. BUT IN BRIEF, THIS ENTIRE PSEUDOFIELD IS ABOUT PUTTING A THUMB ON THE SCALE OF AI ALGORITHMS IN THE NAME OF BALANCING THE SCALES, PARTICULARLY AT INFLUENTIAL TECH GIANTS LIKE GOOGLE. IT’S ABOUT ENSURING THAT MEMBERS OF THE US ESTABLISHMENT ARE ALWAYS LOOKING OVER THE SHOULDER OF TECHNOLOGISTS, MAKING SURE THAT THEIR CODE IS 100% REGIME COMPLIANT³⁷, JUST AS THE SOVIET UNION DID WITH ITS COMMISSARS, THE NSDAP DID WITH GLEICHSCHALTUNG, AND XI HAS DONE WITH XUEXI QI LANGGUO.³⁸ THE FUNDAMENTAL CONCEPT IS ABOUT ASSERTING MORAL CONTROL OVER A TECHNOLOGICAL FIELD. AI “ETHICS” DOESN’T REALLY CONTEST WHAT IS TRUE OR FALSE, IT CONTESTS WHAT IS GOOD AND BAD. AND WHAT IS BAD? ANYTHING THAT ADVANCES A POLITICALLY UNFAVORABLE NARRATIVE. AS A CONCRETE EXAMPLE, IN 2021, UKRAINE WAS WIDELY REPORTED TO BE A CORRUPT COUNTRY FULL OF AZOV BATTALION NAZIS. BY MID 2022, THOSE REPORTS WOULD HAVE BEEN RECLASSIFIED AS “DISINFORMATION” AND PUSHED DOWN TO PAGE 10 OF THE SEARCH RESULTS³⁹, IF THE AI BLAS PEOPLE HAD THEIR WAY. NOW, THE USUAL DODGE IS THAT THERE’S ALWAYS DISCRETION INVOLVED IN THE SELECTION OF ANY MACHINE LEARNING TRAINING SET, AND JUDGMENT USED IN THE CONFIGURATION OF 37A

RECURRING THEME IN THIS BOOK IS THAT SUCH A SYSTEM OF SPEECH AND THOUGHT CONTROLS ARISES WHEN AN EXISTING REGIME DESIRES TO PRESERVE ITS POWER AND THERE ISN’T SUFFICIENT ABILITY OF CITIZENS TO EXIT. IF THEY COULD DO IT, MICROSOFT WOULD BAN THE COMPETITION — AND BAN ALL THEIR ADS AS DISINFORMATION. SO TOO FOR NYT AND CCP. ³⁸NOTE THE CCP IS INJECTING “RED GENES” INTO COMPANIES DIRECTLY: THE PARTY’S INFLUENCE IS PERVERSIVE. ³⁹THIS IS ALSO WHY PEOPLE ARE INCREASINGLY USING TWITTER AS A SEARCH ENGINE. CENSORSHIP IS MORE DETECTABLE WHEN IT’S INDIVIDUAL ACCOUNTS BEING SILENCED. THIS IS PART OF THE TRANSITION TO WEB3: THE DIGITALLY SIGNED WEB, WHERE EVERY SINGLE DATA STRUCTURE HAS A DIGITAL SIGNATURE, IS A HUGE SHIFT FROM WEB2.

4. GOD, STATE, NETWORK 57 ANY ALgorithm, SO WHO IS TO SAY WHAT “Unbiased” MEans? BUt THE GOal HE IS TO MAKE SURE THAT DIScretion DOES NOT SCatter Randomly, OR AT THE DIScretion OF THE INDividual I Nvestigator, BUt INStead CONSistently POINTS IN A SINGLE “Ethically APproved” DIREction, WHether THa t BE SUBmission TO NYT (In BLUE AMERICA) OR CCP (In CHina). IT’S CENTRALIZED POLITICAL CONTROL BY AN OTHER NAME. NOTE ALSO THAT THE NAME OF THEIR FIELD HAS BEEN CHOSEN TO WARD OFFATTACK. WHAT, ARE YOU AGAINST ETHICS IN AI? (THESE ARE THE SAME PEOPLE WHO SPEAK MOCKINGLY OF “ETHICS IN JOURNALISM” WHEN IT SUITS THEM.) SO, A BETTER TERM FOR IT IS “AI BLAS,” NOT AS IN THE STUDY OF BLAS, BUt AS IN THE ST UDY OF HOW TO BLAS AI. AND THE POWER THE AI BLAS PEOPLE HAVE IS ENORMOUS. A FEW ZEALOTS IN THE RIGHT PLACES AT BIG TECH COMPANIES CAN AND WILL DISTORT THE GOOGLE RESULTS OF BILLIONS OF PEOPLE, UNTIL A ND UNLESS GOOGLE’S MONOPOLY IS DISRUPTED, OR UNLESS THE RIGHT PEOPLE WITHIN GOOGLE PUSH TO MAKE THEI R ALgorithms TRANSPARENT.⁴⁰ NEWSPEAK ISN’T A DYSTOPIA FOR THEM, IT’S AN INSTRUCTION MANUAL. AND THEY MIGHT WELL WIN. THE EPISODE WHERE MERRIAM-WEBSTER CHANGED THE DICTIONARY IN REAL-TIME FOR POLITICAL PURPOSES IS ONLY THE BEGINNING; THE NEW GOOGLE IS ABOUT TO USE ITS POWER TO CENTRALLY CHANGE THOUGH T. THIS IS CONSIDERABLY WORSE THAN BAIDU, WHICH MORE STRAIGHTFORWARDLY FILTERS SEARCHES THAT ARE “PROBLEMATIC” FOR THE CCP. BECAUSE THE AI BLAS PEOPLE PRE- TEND THAT THEY ARE DOING IT FOR THE POWERLES S, WHEN THEY ARE REALLY DOING IT TO MAINTAIN THE US ESTABLISHMENT’S POWER.

4. DIGITAL DEPLATFORMING. ANOTHER EXAMPLE OF THE STATE TRUMPING THE NETWORK, OF POLITICAL POWER EXERCISED AGAINST TECHNOLOGIC AL TRUTH, CAN BE SEEN IN THE MUZZLING OF REGIME-DISFAVORED VOICES ON SOCIAL MEDIA. AS ALWAYS, THIS I S OBVIOUS IN CHINA. SAY SOMETHING THE CCP DOESN’T LIKE ON SINA WEIBO AND YOUR POST DISAPPEARS, AND POSSIBLY YOUR ACCOUNT AND MAYBE YOU’RE BROUGHT IN FOR “TEA” BY THE SECURITY FORCES. BUt IN THE WEST, IF YOU SAY SOMETHING THE REGIME DOESN’T LIKE ON TWITTER, YOUR POST DISAPPEARS, AND POSSIBLY YOUR ACCOUNT, AND — IN AMERICAN PROTECTORATES LIKE THE UK — MAYBE YOU’RE BROUGHT IN FOR “TEA” BY THE SECURIT Y FORCES. AH, DIDN’T EXPECT THAT, DID YOU? BUt CLICK THOSE LINKS. THE ONLY REASON THAT UK-STYLE HATE SPEECH LAWS HAVEN’T YET COME TO THE US IS THE FIRST AMENDMENT, WHICH HAS ALSO LIMITED TO SOME DEGREE THE TOTALITY OF PRIVATE ATTEMPTS AT SPEECH AND THOUGHT CONTROL. NEVERTHELESS, EVEN BY 2019 WE COULD SEE THE CONVERGENCE OF THE AMERICAN AND CHINESE SYSTEMS IN THIS RESPECT. JUST AS WECHAT BLOCKED MENTION OF TIANANMEN, FACEBOOK BLOCKED MENTION OF AN ALLEGED WHISTLEBLOWER. OPERATIONALLY, IT’S THE 40 IT’S HARD TO ASK THEM TO UNBIAS THE RESULTS. WHAT DOES THAT MEAN, 1998-2011-ERA GOOGLE? THAT’S HARD TO SPECIFY AND HARD TO DILLIGENCE. IT’S EASIER TO PUSH FOR OPEN, TRANSPARENT, SEARCH ALGORITHMS. THIS MAY COME TRUE IN WEB3; SEE THIS TALK.

3 CHAPTER 2. HISTORY AS TRAJECTORY SAME THING. IN THE EAST IT'S OFFICIAL GOVERNMENT CENSORSHIP, WHEREAS IN THE WEST IT'S UNOFFICIAL PRIVATE CENSORSHIP, BUT THAT'S NOT A SUBSTANTIVE DIFFERENCE - IT'S CENSORSHIP AS ORDERED BY THE CHINESE AND US ESTABLISHMENTS RESPECTIVELY. THE SUBSTANTIVE DIFFERENCE IS THAT IN THE WEST THERE'S A THIRD FACTION OF DECENTRALIZED CENSORSHIP RESISTANCE. THE POINT IS THAT SOMETIMES NETWORK > STATE (WHICH IS NEW), AND SOMETIMES STATE > NETWORK (WHICH IS WHAT MOST PEOPLE EXPECT), AND THE COMPETITION BETWEEN THESE LEVIATHANS WILL DEFINE OUR TIME. BUT IS IT ALWAYS COMPETITION, OR COULD IT ALSO BE CO-OPERATION? 2.4.5 THESIS, ANTITHESIS, SYNTHESIS AS LARRY ELLISON PUT IT, "CHOOSE YOUR COMPETITORS CAREFULLY, BECAUSE YOU'LL BECOME A LOT LIKE THEM." THIS IS A TECH FOUNDER'S VERSION OF THE HEGELIAN DIALECTIC, WHERE THESIS AND ANTITHESIS MIX TO FORM A SYNTHESIS. IN OTHER WORDS, WHEN YOU HAVE THREE LEVIATHANS (GOD, STATE, NETWORK) THAT KEEP STRUGGLING WITH EACH OTHER, THEY WON'T REMAIN PURE FORMS. YOU'LL SEE PEOPLE REMIX THEM TOGETHER TO CREATE NEW KINDS OF SOCIAL ORDERS, NEW HYBRIDS, NEW SYNTHESIS IN THE HEGELIAN SENSE. WE ALREADY MENTIONED THE CHINESE VERSION OF THIS FUSION ("THE BACKWARDS WILL BE BEATEN") IN THE CONTEXT OF POLITICAL POWER VS TECHNOLOGICAL TRUTH, BUT IT GOES BEYOND JUST THE DETERMINATION OF TRUTH TO HOW SOCIETY ITSELF IS ORGANIZED. FOR EXAMPLE: • GOD/STATE: THE MID-CENTURY US WAS "FOR GOD AND COUNTRY." IT STOOD AGAINST THE USSR, WHERE PEOPLE WORSHIPED THE STATE AS GOD. (THOUGH THE US ALSO HAD A PEER-TO-PEER NETWORK COMPONENT IN THE FORM OF PERMITTING CAPITALISM WITHIN ITS BORDERS, AND THE USSR DID TOO IN THE FORM OF THE "COMMUNIST INTERNATIONAL," THE GLOBAL NETWORK OF SPIES FOMENTING COMMUNIST REVOLUTION.) • GOD/NETWORK: THIS MIGHT BE SOMETHING LIKE THE MORMONS, OR THE JEWISH DIASPORA BEFORE ISRAEL, OR ANY RELIGIOUS DIASPORA CONNECTED BY SOME KIND OF COMMUNICATIONS NETWORK. IT'S A COMMUNITY OF SHARED VALUES CONNECTED BY A COMMUNICATIONS NETWORK WITHOUT A FORMAL STATE. • GOD/STATE/NETWORK: THIS IS SOMETHING LIKE THE JEWISH DIASPORA AFTER ISRAEL. OUR ONE COMMANDMENT MODEL ALSO DRAWS ON THIS, AS A STARTUP SOCIETY CAN BE BASED ON A TRADITIONAL RELIGION OR ON A MORAL IMPERATIVE THAT'S ON PAR WITH MANY RELIGIOUS PRACTICES, LIKE VEGANISM. THESE ARE POLITICAL EXAMPLES OF MIXING LEVIATHANS, BUT THERE ARE OTHER WAYS OF THINKING ABOUT THE CONCEPT.

2.4. GOD, STATE, NETWORK 59 2.4.6 SYNthesis: THE NETwork/God ONE IMportant SYNthesis THAT DEServes SPECIAL MENTION IS THE “Network/God”: A NET- WORK GOD, AN AI GOD, A GPT-9 OR DALL-E 10 THAT GLVES INSTANT, SUPERHUMAN ANSWERS TO DIFFICULT QUESTIONS USING THE KNOWLEDGE OF ALL OF HUMANITY. AFTER ALL, PEOPLE ALREADY DO CONfIDE TO GOOGLE AS IF IT WERE GOD, OR AT LEAST A CONFESSIONS BOOTH. IN THE 1980s THERE WAS A POPULAR CHILDREN’S BOOK CALLED ARE YOU THERE GOD? IT’S ME, MARGARET, AND YOU CAN IMAGINE AN APP VERSION OF THIS WHERE PEOPLE ASK A GIVEN AI GOD FOR ADVICE. THAT GOD NEED NOT BE A GENERAL AI. IT COULD ENCODE A SPECIFIC MORALITY. IT COULD BE TUNED AND TRAINED ON PARTICULAR CORPORA RATHER THAN THE GENERAL WEB. WHAT WOULD JESUS DO (WWJD), IN AN APP? THE CHINESE XUeXi QIANGGUO APP COULD IN FACT BE SEEN AS AN EARLY VERSION OF THIS — “WHAT WOULD XI JINPING DO?” — THOUGH ONE COULD ALSO HAVE DEVELOPED LOCALIZED VERSIONS. WHAT WOULD LEE KUAN YEW DO? WHAT WOULD DAVID BEN-GURION DO? WHAT WOULD GEORGE WASHINGTON DO? WHAT WOULD THE PEOPLE YOU RESPECT ADVISE IN YOUR SITUATION? A LANGUAGE MODEL TRAINED ON THEIR CORPORA — ON ALL THE PUBLIC TEXT AND AUDIO THEY’VE EMITTED OVER THEIR LIVES, WHICH COULD AMOUNT TO MANY MILLIONS OF WORDS — MAY ACHIEVE SOMETHING LIKE THE SCIENCE FICTION EPISODE WHERE PEOPLE ARE REVIVED BY AI IN AN APP. THERE’S ALREADY A V1, IT JUST NEEDS TO BE AUGMENTED WITH A VR SIMULACRUM. AND EVEN THOUGH THIS KIND OF THING IS PAINTED AS NEGATIVE IN MEDIA LIKE HER AND BLACK MIRROR, IT’S REALLY NOT OBVIOUS THAT GETTING INTERACTIVE ADVICE FROM LEE KUAN YEW’S APP IS WORSE THAN GETTING IT FROM LEE KUAN YEW’S BOOKS.

2.4.7 SYNthesis: THE NETwork/State THE STUDY OF GOD/State/Network SYNtheses BRINGS US TO THE FUSION WE’RE MOST INTERESTED IN: A NETWORK/STATE, OF WHICH ONE OF THEM IS OUR TITULAR NETWORK STATE. AND THERE ARE A FEW DIFFERENT WAYS TO GET TO A NETWORK/STATE FUSION. THE FIRST IS THE FROM-SCRATCH VERSION DESCRIBED IN CHAPTER ONE, WHERE AN INTERNET LEADER BUILDS A LARGE ENOUGH NETWORK UNION ONLINE THAT IT CAN CROWDFUND TERRITORY AND EVENTUALLY ATTAIN DIPLOMATIC RECOGNITION. BUT IT’S WORTH DISCUSSING OTHER SCENARIOS, WHERE EXISTING GOVERNMENTS FUSE WITH THE NETWORK — BOTH POSITIVE AND NEGATIVE NETWORK/STATE SYNtheses. POSITIVE SYNtheses: BTC, WEB3, EFFICIENCY START WITH THE OBSERVATION THAT COMPANIES, CITIES, CURRENCIES, COMMUNITIES, AND COUNTRIES ARE ALL BECOMING NETWORKS. AS AN ANALOGY, WE USED TO THINK OF BOOKS, MUSIC, AND MOVIES AS DISTINCT. THEN THEY ALL BECAME REPRESENTED BY PACKETS SENT OVER THE INTERNET. YES, WE LISTENED TO MUSIC

CHAPTER 2. HISTORY AS TRAJECTORY IN AUDIO PLAYERS AND VIEWED BOOKS IN EBOOK READERS, BUT THEIR FUNDAMENTAL STRUCTURE BECAME DIGITAL. SIMILARLY, TODAY WE THINK OF STOCKS, BONDS, GOLD, LOANS, AND ART AS DIFFERENT. BUT ALL OF THEM ARE REPRESENTED AS DEBITS AND CREDITS ON BLOCKCHAINS. AGAIN, THE FUNDAMENTAL STRUCTURE BECAME DIGITAL. NOW, WE ARE STARTING TO THINK OF DIFFERENT KINDS OF COLLECTIONS OF PEOPLE — WHETHER COMMUNITIES, CITIES, COMPANIES, OR COUNTRIES — ALL FUNDAMENTALLY AS NETWORKS, WHERE THE DIGITAL PROFILES AND HOW THEY INTERACT BECOME MORE AND MORE FUNDAMENTAL. THIS IS OBVIOUS FOR COMMUNITIES AND COMPANIES, WHICH CAN ALREADY BE FULLY REMOTE AND DIGITAL, BUT EVEN ALREADY EXISTING CITIES AND COUNTRIES ARE STARTING TO BE MODELED THIS WAY, BECAUSE (A) THEIR CITIZENS⁴¹ ARE OFTEN GEOGRAPHICALLY REMOTE, (B) THE CONCEPT OF CITIZENSHIP ITSELF IS BECOMING SIMILAR TO DIGITAL SINGLE SIGN-ON, (C) MANY 20TH CENTURY FUNCTIONS OF GOVERNMENT HAVE ALREADY BEEN DE-FACTO TRANSFERRED TO PRIVATE NETWORKS LIKE (ELECTRONIC) MAIL DELIVERY, HOTEL, AND TAXI REGULATION, (D) CITIES AND COUNTRIES INCREASINGLY RECRUIT CITIZENS ONLINE, (E) SO-CALLED SMART CITIES ARE INCREASINGLY ADMINISTERED THROUGH A COMPUTER INTERFACE, AND (F) AS COUNTRIES ISSUE CENTRAL BANK DIGITAL CURRENCIES AND CITIES LIKELY FOLLOW SUIT, EVERY POLITY WILL BE PUBLICLY TRADED ON THE INTERNET JUST LIKE COMPANIES AND COINS. AND THAT'S JUST FOR PRE-EXISTING POLITIES WHICH RETROFIT THEMSELVES WITH ASPECTS OF THE NETWORK. IT DOESN'T INCLUDE THE MOST FUNDAMENTAL NETWORK PROPERTY OF THE DE NOVO NETWORK STATES DESCRIBED HEREIN: NAMELY THAT THE CITIZENRY ITSELF FIRST ASSEMBLES IN THE CLOUD AND ONLY THEN CROWDFUNDS THE EARTH. EXAMPLES OF PRE-EXISTING STATES INTEGRATING WITH THE NETWORK INCLUDE (A) EL SALVADOR'S INTEGRATION WITH THE BITCOIN NETWORK, (B) WYOMING'S DECENTRALIZED AUTONOMOUS ORGANIZATION (DAO) LAW AND NORWAY'S CAPTABLE BILL, WHICH ARE INTEGRATIONS WITH THE ETHEREUM NETWORK, AND (C) PLACES LIKE ESTONIA AND SINGAPORE, WHERE EVERY GOVERNMENT WORKFLOW IS ALREADY ONLINE. IN EACH OF THESE CASES, CITIES AND STATES ARE FUSING WITH NETWORKS TO SHIP NEW SERVICES THAT ARE USEFUL TO CITIZENS. THIS IS THE BENIGN VERSION OF THE NETWORK/STATE FUSION, THE ONE PEOPLE WILL FLOCK TO. NEGATIVE SYNTHESIS: USG, CCP, MONOPOLY THE MALIGN VERSION OF THE NETWORK/STATE FUSION IS WHAT HAPPENED IN CHINA, AND IS HAPPENING IN AMERICA AT THE FEDERAL LEVEL WITH THE TECH CRACKDOWNS. IN BOTH THE CHINESE AND AMERICAN CASES THE STATE IS "ACQUIRING" CENTRALIZED TECHNOLOGY COMPANIES AT GUNPOINT, FUSING WITH THE NETWORK FROM ABOVE. IN CHINA THE RECIPE WAS (A) A FEW YEARS OF MEDIA DEMONIZATION PLUS (B) MANDATORY XI JINPING THOUGHT SESSIONS FOLLOWED BY (C) DECAPITATION AND QUASI-NATIONALIZATION — AS IS HAPPENING WITH ALIBABA AND BYTEDANCE. IN AMERICA DURING THE TECHCLASH IT WAS VERY ⁴¹SUBSTITUTE THE WORD "RESIDENT" IF YOU WILL FOR A CITY, AS A CITY DOESN'T HAVE CITIZENS IN THE PASSPORT-CARRYING SENSE.

2.4. GOD, STATE, NETWORK 61 Similar: (A) SEveral YEars OF MEdia DEmonization PLus (B) QUasi-mandator y Wokeness Wlthin FOLLOWed BY (C) ANti-trust, REGulation, AND QUasi-nationalization. SOMETimes THE DEcapitation IS FORceful (Uber WAS AN EARly TARGET HERE) AND SOMETimes IT'S QUasi-voluntary. INdeed, the THESIS ON WHY MANY OF THE MAJOR TECh FOUNders HAVE STEpped DOWN AS OF Mid-2022, OTHER THAN ZU IS THAT THEY DON'T WANT TO BECOME PERSONALLY DEMONIZED DURING THE NO-win ANTitrust PROCESS. IT'S MORE EXPLICIT IN CHINA THAT THIS WASN'T A CHOICE — JACK MA IS NO LONGER IN CONTROL OF THE COMPANY HE FOUNDED, AND MANY OTHER CHINESE FOUNders HAVE BEEN SIMILARLY RELIEVED OF THEIR DUTIES. IN OTHER WORDS, BOTH THE CHINESE AND AMERICAN ESTABLISHMENTS HAVE INVENTED RATIONALES TO ESSENTIALLY SEIZE PREVIOUSLY FOUNDER-CONTROLLED COMPANIES.⁴² THAT IS, WHATEVER THE SURFACE JUSTIFICATION, THESE ARE HOSTILE TAKEOVERS OF CENTRALIZED TECH COMPANIES BY CENTRALIZED STATES. ONCE TAKEN OVER, THESE COMPANIES WILL BE TURNED INTO TOTAL SURVEILLANCE MACHINES AND TOOLS OF SOCIAL CONTROL. IN CHINA, THIS IS ALREADY OBVIOUS. BUT IN AMERICA, ANTI-TRUST MAY MEAN ZERO TRUST. TO BE CLEAR, THIS IS PARTIALLY A FORECAST FOR THE FUTURE, AND PERHAPS IT CAN BE AVERTED, BUT IN THE AFTERMATH OF ANY OSTENSIBLY "ECONOMIC" SETTLEMENT THE US NATIONAL SECURITY STATE COULD GET EVERYTHING IT EVER WANTED IN TERMS OF BACKDOORS TO GOOGLE AND FACEBOOK. THE NSA WON'T NEED TO HACK ITS WAY IN, IT'LL GET A FRONT DOOR. AND THEN IT WILL LIKELY GET HACKED IN TURN, SPRAYING ALL OF YOUR DATA OVER THE INTERNET. THIS IS THE MALIGN VERSION OF THE NETWORK/STATE FUSION, THE ONE PEOPLE WANT TO EXIT FROM.

2.4.8 SYNTHESIS: GOD, STATE, AND NETWORK CAN WE PUT ALL THREE LEVIATHANS TOGETHER IN THE MODERN ERA? IS THERE SOMETHING THAT'D FIT? YES. THE BENIGN VERSION OF THE NETWORK/STATE SYNTHESIS WE'VE JUST DESCRIBED OFFERS GREATER ADMINISTRATIVE EFFICIENCY, GREATER ECONOMIC RETURNS, AND GREATER LEVELS OF CITIZEN CONSENT. BUT IT DOESN'T YET OFFER GREATER PURPOSE, OR MEANING. AS A PREVIEW, THAT'S WHERE THE ONE COMMANDMENT COMES IN. THE CONCEPT IS THAT YOU DON'T WANT OR NEED TO START AN ENTIRELY NEW RELIGION TO BUILD A STARTUP SOCIETY, BUT YOU DO NEED A MORAL INNOVATION OF SOME KIND. IF ALL YOU HAVE TO OFFER IS A HIGHER STANDARD OF LIVING, PEOPLE MAY COME AS CONSUMERS, BUT THEY WON'T COME FOR THE RIGHT REASONS. THE CONSUMER-CITIZEN IS COMING TO ENJOY A GREAT SOCIETY, NOT TO SACRIFICE TO MAKE A SOCIETY GREAT. THEY WON'T UNDERSTAND THE VALUES THAT UNDERPIN YOUR STARTUP SOCIETY'S VALUATION. AND YOU LIKELY WON'T BE ABLE TO BUILD THAT HIGH VALUATION OR HIGHER STANDARD OF LIVING WITHOUT A HIGHER PURPOSE, JUST AS NEITHER APPLE NOR AMERICA ITSELF

⁴²What's THE ALTERNATIVE? DEcentralize OR BE NATIONALIZED. THE BTC/web3 POLE THAT WE INTRODUCE LATER GIVES A WAY FOR FOUNders TO SHIP PROTOCOLS THAT ARE MORE ROBUST TO SEIZURE BY THE AMERICAN OR CHINESE ESTABLISHMENTS, AS THEY DON'T SIMPLY INVOLVE DEMONIZING A COMPANY BUT INSTEAD A PROTOCOL WITH THE SCALE OF A COUNTRY.

2 CHAPTER 2. HISTORY AS TRAJECTORY WAS INITIALLY BUILT FOR MONEY ALONE. YOU WANT TO RECRUIT PRODUCERS, NOT CONSUMERS, AND FOR THAT, YOU'LL NEED A PURPOSE. THAT HIGHER PURPOSE COULD BE A TRADITIONAL RELIGION, AS IN ROD DREHER'S BENEDICT OPTION, BUT IT COULD ALSO BE A DOCTRINE WITH A DEEPLY THOUGHT THROUGH "ONE COMMANDMENT," A MORAL INNOVATION THAT INVERTS ONE OF SOCIETY'S CORE ASSUMPTIONS WHILE KEEPING ALL OTHERS INTACT. FOR EXAMPLE, TAKING THE SEEMINGLY TRIVIAL MORAL PREMISE THAT "SUGAR IS BAD" AND SERIOUSLY CARRYING IT THROUGH TO BUILD A KETO KOSHER SOCIETY INVOLVES A FOCUSED YET ALL-ENCOMPASSING CHANGE TO EVERY RESTAURANT, GROCERY STORE, AND MEAL WITHIN A JURISDICTION. WE GIVE MORE EXAMPLES LATER.

2.4.9 NEW LEVIATHAN, NEW STATES THE CONCEPT OF THREE LEVIATHANS EXPLAINS WHY A NETWORK STATE IS NOW FEASIBLE. THE NETWORK IS A NEW SHERIFF IN TOWN, A NEW LEVIATHAN, A NEW FORCE THAT IS MORE POWERFUL THAN THE STATE IN MANY CONTEXTS. THAT HAS CHANGED THE BALANCE OF POWER. WHILE SYNTHESIS ARE ARISING, SO ARE CONFLICTS BETWEEN NETWORK AND STATE. AND THAT EXPLAINS MUCH OF TODAY'S INSTABILITY: WHEN LEVIATHANS WRESTLE, WHEN GODZILLA FIGHTS KING KONG, THE EARTH TREMBLES.

2.5 PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK WE'VE TALKED ABOUT THE HISTORY OF POWER, OF GOD, STATE, AND NETWORK. NOW LET'S TALK ABOUT THE RECENT HISTORY OF POWER STRUGGLES, BETWEEN PEOPLE OF GOD, PEOPLE OF THE STATE, AND PEOPLE OF THE NETWORK. STEREOTYPICALLY, THE PEOPLE OF GOD OFFER 43 THOUGHTS AND PRAYERS, THE PEOPLE OF THE STATE SAY "THERE OUGHTA BE A LAW!", AND THE PEOPLE OF THE NETWORK WRITE SOME CODE. THE DIFFERENCES GO VERY DEEP. IT'S A DIFFERENCE IN FIRST STEPS AND IN ULTIMATE LOYALTIES. ONCE YOU UNDERSTAND WHETHER SOMEONE PRIORITIZES THE GOD, STATE, OR NETWORK LEVIATHAN YOU UNDERSTAND WHAT TACTICS THEY'LL PREFER, WHAT VALUES THEY HOLD, AND WHERE THEY'RE COMING FROM. TO ILLUSTRATE THIS, LET'S APPLY THE LENS OF LEVIATHANS TO ANALYZE (A) THE INTERNAL DIVISIONS WITHIN AMERICA'S CONSERVATIVE REDS AND PROGRESSIVE BLUES, (B) THE CONFLICT BETWEEN GLOBAL TECHNOLOGY AND THE US ESTABLISHMENT, AND (C) THE MENTAL MODEL OF THE BASE-RATERS LOYAL TO THE US ESTABLISHMENT.

43 I'M SOMEWHAT SYMPATHETIC TO SOME OF THE PEOPLE OF GOD, AS THOUGHTS AND PRAYERS ARE HARDER TO SCREW UP THAN RULES AND REGULATIONS. MOREOVER, WHEN TRAGEDIES OCCUR, THE AMERICAN PEOPLE OF GOD TEND TO BE MORE GENUINELY CHARITABLE THAN THE PEOPLE OF THE STATE. THE LATTER TEND TO FEEL THAT THEY "GAVE AT THE OFFICE".

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK63 AS WE’LL SEE, THE INTRODUCTION OF THE NETWORK LEVIATHAN CLARIFIES SOME CONFLICTS AND SPLITS SOME FACTIONS. 2.5.1 AMERICAN TRIBES AND THEIR LEVIATHANS THE WHOLE WORLD TUNES IN DAILY TO WATCH THE ENDLESS AMERICAN DIGITAL CIVIL WAR ON TWITTER. (“I FEEL BAD FOR OUR COUNTRY. BUT THIS IS TREMENDOUS CONTENT.”) COUNTLESS WORDS HAVE BEEN WRITTEN ABOUT THIS TOPIC. BUT THE LENS OF THE LEVIATHANS OFFERS A NEW PERSPECTIVE ON THESE WARRING TRIBES, ON THE CONSERVATIVE REDS, PROGRESSIVE BLUES, AND LIBERTARIANISH GRAYS NAMED BY SCOTT ALEXANDER. THE GRAY TRIBE IS THE EASIEST TO ANALYZE. IT IS FAIR TO SAY THAT THEY ARE PRIMARILY PEOPLE OF THE NETWORK LEVIATHAN. THESE TECHNOLOGICAL PROGRESSIVES ARE NOT JUST ATHEISTS, THEY ARE ALSO ASTATISTS, AS THEY DO NOT TYPICALLY BELIEVE IN EITHER GOD OR THE STATE. THEY ARE GENUINELY INTERNATIONALISTS IN A WAY NEITHER RED NATIONALISTS NOR BLUE FAUX44 INTERNATIONALISTS ARE, AS THEY DON’T SUBSCRIBE TO AMERICAN EXCEPTIONALISM, AND INTERACT WITH PEOPLE FROM OTHER COUNTRIES THROUGH THE NETWORK AS EQUALS. THE BLUES AND THE REDS ARE MORE COMPLEX, HOWEVER. IT’S NOT AS SIMPLE AS “BLUE EQUALS STATE” AND “RED EQUALS NON-STATE.” NOT AT ALL. A SIGNIFICANT FRACTION OF BLUES HAS NOW GONE TO THE NETWORK; THESE ARE THE LEFT-LIBERTARIANS, THE WEB3 SOCIALISTS. AND A GOOD CHUNK OF REDS WILL REMAIN LOYAL TO THE STATE; LET’S CALL THEM SECULAR NATIONALISTS. SO IF AND WHEN THINGS LINE UP AS NETWORK VS STATE, IF THERE’S A HIGHLY INFLATIONARY EVENT THAT PLTS THE ORANGE BITCOIN AGAINST THE GREEN DOLLAR, WE MAY SEE AN ACCELERATION OF THE ONGOING REALIGNMENT. MANY BLUES WILL LINE UP WITH GRAYS AND REDS ON THE SIDE OF THE INTERNATIONAL NETWORK, AND MANY REDS WILL SIDE WITH BLUES TO DEFEND THE CENTRALIZED AMERICAN STATE. LET’S EXPLAIN. BLUE TRIBE: LEFT-AUTHORITARIANS, LEFT-LIBERTARIANS EACH MEMBER OF BLUE TRIBE WILL HAVE TO MAKE A CHOICE IN THE YEARS TO COME: ARE THEY LOYAL TO NEUTRAL DECENTRALIZED NETWORKS THAT TREAT BOTH AMERICANS AND NON-AMERICANS EQUALLY, OR ARE THEY ACTUALLY JUST LOYAL TO THE US ESTABLISHMENT — ESSENTIALLY NATIONALISTS IN DISGUISE? IS THEIR DEFINITION OF “DEMOCRACY” COMMENSURATE WITH A WORLD WHERE THE 4% (NAMELY THE AMERICANS) RULE THE 96% (NAMELY THE NON-AMERICANS), INFLATING AWAY THE GLOBE’S SAVINGS, DESTROYING LOCAL CULTURES, AND SURVEILLING THE WORLD AT ALL TIMES? OR DO THEY BELIEVE THE REST OF THE WORLD DESERVES DIGITAL SELF-DETERMINATION? IN SHORT, WILL 44WHY CALL BLUES “FAUX” INTERNATIONALISTS? BECAUSE THEIR RELATIONSHIP WITH OTHER COUNTRIES IS NOT REALLY ONE OF EQUALS. THE NGO TYPE WANTS PETS, NOT PEERS. THE STATE DEPARTMENT TYPE WANTS MEMBERS OF THE COALITION-OF-THE-WILLING TO GET IN LINE, NOT TO GO OFFSCRIPT. THE BLUES ARE SLIGHTLY MORE DIPLOMATIC THAN THE CARTOONISHLY NATIONALIST REDS, BUT ONLY SLIGHTLY, AND PARTICULARLY IN RECENT YEARS THEY’VE SHIFTED AWAY FROM OBAMA-ERA MULTILATERALISM TO THEIR OWN VARIETY OF UNILATERALISM. SEE ALVAREZ’S WORK HERE, HERE, AND HERE, PUBLISHED IN LATE 2020 AND WHICH HAS HELD UP QUITE WELL.

54 CHAPTER 2. HISTORY AS TRAJECTORY THE Internationally-minded Liberal CHoose THE DEcentralized NEtw
ork OR THE CEntralized STate? TO UNDERstand THis CHOice, LET's ORient OURselves. THE BLue TRibe IS T
He MOst POWERful IN WEstern SOciety TOday, AND HAS TWo45 MAIn INtErnal FAcTions: THE LEft-authoritar
ians WHO WORship THE STate, AND THE LEft-libertarians WHO ARE (Unconsciously) PEople OF THE NEtwork.
46 Wokeness IS A DOctrine, NOT A RELigion BEfore WE BEgin, WE NEED TO UNDERstand THAT THE BLUE BELIE
f SYstem OF "Wokeness" ISn't EXactly A RELigion. IT's A DOctrine, AND IT INcludes BOTH PEople OF THE
STate AND THE NEtwork. THAT IS, WHILE IT's BEcome POPular TO TALK ABout WOKENess AS A RELigion, AND
WHILE THERE IS SOMething TO THis, IT's MORE PREcise TO TALK ABout IT AS A DOctrine: NAMEly, "A BELi
ef OR SEt OF BELiefs HELd AND TAught BY A CHURch, POLitical PARTY, OR OTHER GROup." THE CONcept OF A
DOctrine ENcompasses RELigious AND POLitical BELiefs, BOTH GOD- AND STate-worship. AND NOWadays THE
"Other GROup" COuld BE A NEtwork ENTity OF Some KInd, LIKE A SOCIAL NEtwork OR CRYptocurrency. SO N
OW WE HAVE AN UMBrella TERM: DOctrine. GOD-worshippers HAVE RELigions (Reli- Glous DOctrines), STate
-loyalists HAVE POLitical PARTies (With POLitical DOctrines), AND NEtwork-centrists HAVE SOCIAL NEtw
orks OR CRYptocurrencies (With Tightly ENforced CON- TENT MOderation OR CRYptO TRIBalism RESpectivel
y, WHICH ARE NEtwork DOctrines). EACH DOctrine HAS A LEviathan, A MOst POWERful FORCE. AND A RELigio
n IS THEN JUst A TYpe OF DOctrine. Wlth THis DEfinition, WE CAN RETURN TO THE QUestion: IS CAPITAL-W
OKENess, LIKE COM- MUNISM AND NAZISM BEfore IT, A RELigion THAT EVolved TO JUMP OVER THE FORMAL PR
nciple OF CHURch/STATE SEPARation BY POSing AS A NON-religion? WELL, AS SEveral HAVE NOW OB- SERVED,
WOKENess DOES HAVE COgnates TO MANY ASpects OF CHristianity — WE ALI HAVE THE CALVINIST ORIGINAL SI
N OF Blgotry, WE're GOing TO THE WARM HELL OF CLimate CHange UNless WE REPent, UNbelievers MUSt "Rec
ant," HEResy MUSt BE SUPpressed, THE WEst's BELiefs MUSt BE EVangelized AT GUnpoint, AND SO ON. SEE
CURtis YARvin's HOW DAWkins GOT PWned, JOHN MCWhorter's WOKE Racism, ANDrew SULLivan ON AMERICA's NE
w RE- Lligions, NOah SMith ON WOKENess AS OLd-Time RELigion, TOM HOLLand's CONcluding CHapter IN DOMi
nion, PAul GRAham ON HEResy, AND Mlchael SHellenberger AND PETER BOghossian's DETailed INFographic F
OR PERSpectives ON THis TOPic. BUT WHILE IT's DIREctionally ACCurate, CALLing WOKENess A RELigion DO
esn't QUite FIT BECAUSE THE WOKES HAVE A DIfferent THEORY OF THE PRIME MOVER. WOKENess IS BETTER TERM
ed A DOctrine, BECAUSE IT's ACTually CRucial TO NOTE THAT WOKES DO NOT WORSHIP GOD; INStead, ONE FAC
tion OF WOKES WORships THE STate AND THE OTHER IS, LESS CONsciously, PEople OF 45THERE ARE STILL CON
ventionally RELigious BLues, PEople OF GOD, BUT THEY ARE NOT AMONG THE ELite. 46Reddit's R/political
compassmemes ABbreviates THESE AS AUthleft AND Libleft RESpectively.

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK65 The NETwork. These INTERNAL DENational SPlits ARE DEfined BY CHOICE OF LEviathan. AND THEY'll BE IMportant IN THE ESCalating CONflict BETWEEN STATE AND NETwork, BETWEEN DOLLAR AND BLtcoin, BETWEEN ESTablishment JOURNALISTS AND DEcentRALIZED MEDIA, BETWEEN THE AMERICAN GOVERNMENT AND THE GLOBAL INTERNET, AS THESE DIVISIONS PROMISE TO SPlit BLUE TEAM IN TWO. BLUE STATE: LEFT-Authoritarians FOR THE LEFT-authoritarians AMONG THE BLUEs, THEIR PRIMARY LEviathan IS THE STATE, WHICH IS VERY REAL AND CAN DO VIOLENCE AGAINST ITS/their ENemies, AS OPPOSED TO WHAT THEY THINK OF AS AN IMAGINARY GOD. THIS IS WHY STATE-worshippers MOCK THE CONCEPT OF "THOUGHTS AND PRAYERS" IN FAVOR OF "PASSING A LAW." THE STATE EXISTS, AFTER ALL, AND CAN ORGANIZE PEOPLE TO APPLY COERCIVE FORCE. BUT GOD'S VEHICLE, THE CHURCH, NO LONGER HAS ENOUGH BELIEF BEHIND IT (IN THE WEST AT LEAST) TO DO THE SAME. THIS IS ALSO WHY LEFT-authoritarians TEND TO TAKE FOR GRANTED THAT ALL ILLS CAN BE SOLVED BY "PRAYING FOR RELIEF" TO THE STATE, BY FORMING SOME AGENCY, BY APPROPRIATING EVER MORE MONEY. TAXES ARE SECULAR TLTHES, AND THE GOV-FEARING MAN IS LIKE THE GOD-FEARING MAN — YOU SIMPLY CANNOT PAY ENOUGH MONEY AND RESPECT TO THE STATE, BECAUSE AS THE DNC VIDEOSAYS OUTRIGHT, "GOVERNMENT IS THE ONE THING WE ALL BELONG TO." IT'S NOT ABOUT RESULTS, IT'S ABOUT FEALTY. EVEN THOUGH THEY CULTURALLY LOVE THE STATE AND HATE THE NETWORK, IT'S IMPORTANT TO NOTE THAT THE LEFT-authoritarians IN THE US HAVE MANAGED TO RECENTLY TAKE CONTROL OF BIG CHUNKS OF THE NETWORK, THROUGH PLACING SYMPATHIZERS IN KEY POSITIONS AT BIG TECH COMPANIES DURING THE TECHlash AND GREAT AWAKENING OF THE 2010s. (THERE ARE INCIPIENT SIGNS OF PUSHBACK HERE, THOUGH, AT PLACES LIKE NETfix AND EVEN GOOGLE, WHERE THE VERY WOKEST ARE BEING TERMINATED.) WHAT DO LEFT-authoritarians GENERALLY LOOK LIKE FROM AN OCCUPATIONAL STANDPOINT? THE BODY OF LEFT-authoritarians ARE THE NPCs PAYING THE NEXT MONTHLY SUBSCRIPTIONS FOR THE OFFICIAL "TRUTH," SLAVISHLY TURNING THEIR HEADS WITH EVERY NEW SOFTWARE UPDATE, INSISTING THAT MASKS DON'T WORK BEFORE THEY DO, RELIABLY SURGING BEHIND THE CURRENT THING. THESE ARE JUST FOOT SOLDIERS, BUT INTERESTINGLY THE MOST IMPORTANT LEFT-authoritarians AREN'T THE ELECTED OFFICIALS. AS YARVIN IN PARTICULAR HAS DOCUMENTED AT LENGTH, THE MOST IMPORTANT LEFT-authoritarians ARE NOT FORMALLY PART OF THE ELECTED STATE AT ALL. THEY ARE THE PROFESSORS, ACTIVISTS, BUREAUCRATS, AND JOURNALISTS. THE KEY CONCEPT IS THAT MUCH OF AMERICA'S CONTROL CIRCUITRY HAS EVOLVED TO LIVE OUTSIDE THE FORMAL STATE, THEREBY MAKING IT RESISTANT TO DISPLACEMENT BY DEMOCRATIC ELECTION. THEY LAUD "DEMOCRACY" BUT AVOID IT IN PRACTICE, THROUGH DUAL CLASS STOCK, TENURE FOR THEIR BUREAUCRATS AND PROFESSORS, TAX-EXEMPT COMPOUNDING FOR THEIR FOUNDATIONS, AND IDEOLOGICAL PURIFICATION OF THEIR ORGANIZATIONS. AS WITH THE COMMUNISTS WHO ENDLESSLY BURLED ABOUT THEIR "DEMOCRATIC PEOPLE'S REPUBLICS" WHILE ESCHEWING ELECTIONS, THE LEFT-

66 CHAPTER 2. HISTORY AS TRAJECTORY Authoritarians DON't ACTually SUBJECT Their CONTROL OF KEY INSTItutions TO A VOTE.⁴⁷ THERE ARE DIffERent NAMES FOR THIS LEFT-authoritarian NETWORK THAT CONTROLS THE STATE FROM OUTSIDE BY "HOLDING IT ACCOUNTABLE." WE CAN CALL IT THE PAPER BELT (WHICH EM-PHASIZES THEIR RUST-BELT-LIKE TECHNOLOGICAL BACKWARDNESS), WE CAN CALL IT THE CATHEDRAL (WHICH EMPHASIZES THEIR HOLINESS), WE CAN CALL IT THE REGIME (WHICH EMPHASIZES THEIR ILLEGITIMACY), OR WE CAN CALL IT SIMPLY THE AMERICAN ESTABLISHMENT (WHICH EMPHASIZES THEIR ENDURING POWER). LATER WE WILL CALL IT NYT/USD, TO EMPHASIZE THEIR SOURCE OF TRUTH AND DIGITAL ECONOMY RELATIVE TO BTC/web3 AND CCP/RMB. IT'S IMPORTANT TO UNDERSTAND THAT THE POWER OF THE LEFT-authoritarians COMES FROM GETTING THE OFFICIALS OF THE CENTRALIZED AMERICAN STATE AND (MORE RECENTLY) THE EXECUTIVES OF THE CENTRALIZED BIG TECH NETWORK TO CRUSH THEIR ENEMIES. THE MAIN TECHNIQUE IS TO "MANIPULATE PROCEDURAL OUTCOMES", OFTEN BY GETTING SOMETHING TRUE TO BE OFFICIALLY DEEMED DISINFORMATION (AS IN THE EXAMPLE OF THE PRE-2020 ELECTION LAPTOP STORY), OR CONVERSELY GETTING SOMETHING FALSE TO BE DEEMED OFFICIAL TRUTH (AS IN THE CASE OF THE CAMBRIDGE ANALYTICA STORY). THE LEFT-authoritarians ARE THE MAIN PROponents OF THE POLITICAL POWER THEORY OF TRUTH, AS "TRUTH" IS WHATEVER THEY FIND HELPFUL TO MOVE POLITICAL POWER INTO ACTION. WHEN AN EMPLOYEE OF A MEDIA CORPORATION TALKS ABOUT AN ARTICLE HAVING "IMPACT," FOR EXAMPLE, THEY MEAN IMPACT IN THE SENSE OF A GOVERNMENT TRUNCHEON IMPACTING YOUR HEAD, VIA A NEW RULE OR REGULATION. GO READ THE DESCRIPTIONS OF THE PRIZES THEY AWARD TO EACH OTHER, AND YOU'LL SEE THEM CELEBRATE THEMSELVES FOR MAKING SOMETHING THAT WAS PREVIOUSLY VOLITIONAL NEWLY MANDATORY OR FORBIDDEN. "OUR REPORT LED TO GOVERNMENT ACTION!" WHETHER THAT ACTION WAS THE BOMBING OF LIBYA OR THE BANNING OF PLASTIC STRAWS MAKES NO NEVERMIND; IMPACT IS IMPACT. LAWS AREN'T THE ONLY FORM OF IMPACT. GETTING SOMEONE FIRED IS TOO. WE TALK OF HIT PIECES AND CANCEL CULTURE AS IF THEY'RE ABERRATIONS, BUT THEY'RE ACTUALLY THE CORE OF LEFT-authoritarian CULTURE. RECALL THAT THE MOST PRESTIGIOUS THING ANY ESTABLISHMENT JOURNALIST EVER DID WAS WATERGATE: NAMELY, GETTING A PRESIDENT FIRED WHILE SELLING MILLIONS OF COPIES OF THEIR NEWSPAPER. THIS EPISODE HAS BEEN ENDLESSLY ROMANTICIZED, BUT HERE'S A DIFFERENT PERSPECTIVE ON IT : THE CORPORATE TAKEOVER OF AMERICA WE'RE SUPPOSED TO BE CONSTANTLY VIGILANT FOR ACTUALLY ALREADY OCCURRED 50 YEARS AGO, JUST FROM THE LEFT, WHEN A FEW PRIVATELY-OWNED MEDIA CORPORATIONS COOPERATED TO GET NIXON FIRED AND THE PENTAGON PAPERS LEAKED, PROVING THAT THE CONTROL CIRCUITRY OUTSIDE THE STATE WAS UPSTREAM OF THE MERE ELECTED GOVERNMENT AND US MILITARY. NOW, WAS WATERGATE A CRIME? SURE, BUT WORSE THAN THE GULF OF TONKIN RESOLUTION? WORSE THAN THE NASIRIYAH TESTIMONY? WORSE THAN WMD? WORSE THAN THE LIES USED TO ⁴⁷THEY ALSO AREN'T DIVERSE, DESPITE HOW MUCH THEY CATERWAUL ABOUT THE TOPIC. LOOK AT TECHJOURNALISMsmislessdiversethantech.com OR HAIDT'S STUDY OF COMMITTED PROGRESSIVES THAT SHOWS THE FAR LEFT TO BE FAR WHITE.

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK67 DRive AMerica's MAny WARs? AND evantly, WORse THAN WHAT JFK DID TO GET ELected? AFTER ALI, CONtra HIS PRotestations, NIXon MAY WEll HAVE BEEN A CRook, BUT AS SEymour HERsh HAS CONvincingly REported, SO WAS JOhn F. KENNedy — YET THE EXposure OF HIS WATERgate-level ELEction SHenanigans SOMEHOW WAITED TILL THIRTY YEARS AFTER HE ASCeNDed TO THE PResidency OVER ONE RICHARD MILHous NIXon. ANYway, THE PROblem ISn't JUSt THE ASymmetry OF THE "Accountability" — THAT'S NOT REALLY ABOUT HYPocrisy, BUT HIERarchy. THE PROblem WITH AMerica's LEFT-authoritarians IS ALSO THAT THEY've BUILT A TERRIBLE CULTure. A SOCIety THAT PUTS WATERgate ON A PEdestal IS JUSt FUNDamentally DIfferent FROM ONE THAT PUTS NASA (OR SPaceX) ON A PEdestal. BECaUSE IF WHAT'S APplauded IS PUTTING A MAN OUT OF WORK, RATHER THAN PUTTING A MAN ON THE MOon, THERE WILL BE A LOT OF Cancellation AND NOT A LOT OF CREation. FIRing SOMEone SHOULD BE A NECESSARY EVIL, NOT THE HIGHEST GOOD. WE Linger ON WATERgate BECaUSE IT WAS THE MOMent WHEN THE LEFT-authoritarian AMer-ICan Network OUTside THE STATE BECame UNambiguously ASCendant. IT WAS THE PUBlic DEMonstration OF A VERY DIfferent MODEL FROM THE LEFT-authoritarian SOviets. THE SOviets HAD A STATE-controlled PRESs, BUT AMerica NOW HAD A PRESS-controlled STATE. AFTER WATERgate, THE LEFT-authoritarians KNEW THAT THEY WERE THE BOSS OF THE BOSS, THAT THEY COULD GET THE PRESIDENT FIRed, THAT THEY COULD "HOLD SOMEONE ACCOUNTABLE" — AND, CONversely, THAT NO ONE COULD REALLY HOLD THEM ACCOUNTABLE IN ANY WAY. FOR EXample, WHAT WAS THE PUnishment FOR PRinting THE "Disinformation" THAT LED TO, SAY, THE IRAq WAR, OR THE HOlodomor? SUSpension FROM Social MEDIA? REparations FOR THE DEad? OR NOTHING? MUch EASier TO FIN IT ALI ON A SINGLE NIXon, OR EVEN A STalin FOR THAT MATter, THAN A DEcentralized MASS OF NAMEless LEFT-authoritarians.48 TWO ADDitional POINTS BEFORE WE MOVE ON FROM OUR GOD/State/Network-informed ANAL-YSIS OF THE LEFT-authoritarians. FIRST, MORE REcently, AS AMerican STATE CAPacity HAS DECLined, THE LEFT-authoritarians HAVE SHifted THEIR TARGETS TO THE NEW AUTHORITIES: THE CEOs OF TECH COMPaniES IN PARTICULAR. THEY REalize ON SOME LEVEL THAT (A) NETWORK > STATE IN MANY CONTEXTS AND FURTHERmore THAT (B) THE NETWORK-aided GLOBAL ASCent OF TECH FOUNDERS AND POPulist LEaders COULD REDuce THEIR CONTROL OVER THE STATE, SO THEY HAVE CHosen TO (C) STRIKE FIRSt BY GAINing CONTROL OF THOSE TECH COMPANIES THAT HAVE ACHieved STATE-like SCALE. THEIR MODus OPERandi WAS MUch THE SAME AS IT IS FOR INFLuencing THE STATE: USE REPORTING TO HARass TECH EXECutives INTO FIRing PEOPLE THAT LEFT-authoritarians DON't LIKE, THEN PUSH THEM TO ENact POLicies THAT LEFT-authoritarians DO LIKE — SUCH AS "Content MODeration" OVER ANY MESSAGE OTHER THAN THAT EMANating FROM APPROVED ESTablishment OUTlets. THE LEFT-authoritarians HAVE EVEN ADMitted TO THIS IN UNGuarded MOMents; SEE FOR EXample THIS CHaracter TALKing ABOUT HOW "JOURNALISM IS ABOUT RAW POWER" OR THIS ADMission THAT THE MEDIA'S EXPLICIT GOAL WAS TO USE THE STATE AS A BILLY CLUB AGAINST THE NETWORK FOR FUN AND PROfit. 48THIS SCHOOL-of-Fish STRATEGY IS PART OF THE DEFense. INDIVIDUALS CAN BE SINGled OUT, BUT A GROUP CAN ONLY REALLY BE BEATEN BY AN other GROUP.

8 CHAPTER 2. HISTORY AS TRAJECTORY SEcond, AN IMportant INSight IS THAT BEHind MANY OF THESE LEFT-authoritarian JOURNALISTS (AND ACTIVISTS AND NONPROFITS) IS AN OLD-MONEY BILLIONAIRE, A NEPOTISTIC HEIR OF SOME KIND. YOU WON'T FIND SOMEONE AT THE ATLANTIC CRITICIZING LAURENE POWELL JOBS, YOU WON'T FIND SOMEONE AT NPR GOING AFTER SOROS, AND YOU WON'T FIND SOMEONE AT THE NEW YORK TIMES COMPANY THAT EVEN PUBLICLY ADMITS THAT THEIR BOSS, ARTHUR GREGG SULZBERGER, IS A RICH WHITE MALE NEPOTIST. THIS PUTS THEIR BEHAVIOR INTO STARK RELIEF: THE LEFT-AUTHORITARIAN WANTS TO GET YOU FIRED, OR GET YOUR BOSS TO FIRE YOU, BUT WON'T EVEN MENTION THEIR BOSS. THEY ARE FUNDAMENTALLY JUST DOGS ON A LEASH, HIT ME IN FOR OLD MONEY, ASSASSINS FOR THE ESTABLISHMENT. BLUE NETWORK: LEFT-LIBERTARIANS THERE IS A SPLIT AMONG BLUE AMERICANS. SOME OF THEM, THE LEFT-LIBERTARIANS, ARE ACTUALLY BEST MODELED AS PEOPLE OF THE NETWORK — MEANING, THE SOCIAL NETWORK. THEY TRULY AREN'T PRIMARILY LOYAL TO THE DEMOCRAT PARTY OR EVEN THE INSTITUTIONS THAT ARE UPSTREAM OF IT, BUT TO THEIR COMMUNITY ONLINE — WHICH INCREASINGLY DIVERGES FROM THE PARTY LINE. THESE ARE THE DEPLATFORMED SEX WORKERS, THE ONES ENGAGING IN RISKY PUBLIC ACTIVISM RATHER THAN THE ONES MERELY FUNDING IT, THE ANARCHISTS, THE JOURNALISTS SO CONSISTENT IN THEIR BELIEFS THAT THEY'RE ACTUALLY STRIKING AGAINST THEIR NEPOTISTIC OWNERS, AND THE ETHICAL ANTI-IMPERIALISTS. THEY REALLY DON'T IDENTIFY WITH THE US ESTABLISHMENT THAT MUCH, EVEN IF THEY SOMETIMES WISH IT WOULD EXECUTE THE REDISTRIBUTION STRATEGY OF THEIR DREAMS. THEIR PRIMARY PEOPLE ARE THE OTHERS IN THEIR SOCIAL NETWORK. AND THAT NETWORK IS BECOMING THEIR NEW LEVIATHAN. FOR THE PROFESSIONAL PROTESTER, FOR EXAMPLE, THEY CAN USE THE OFFLINE TACTICS FROM BEAUTIFUL TROUBLE OR ROOTS TO POWER TO LABORIOUSLY ORGANIZE AN IN-PERSON PROCESSION OUTSIDE A GOVERNMENT OFFICE. . . OR THEY CAN DO THE SAME THING ONLINE BY SIMPLY POSTING A HASHTAG AND MATERIALIZING A DIGITAL CROWD, THEN GOING DIRECT WITH THEIR CAUSE RATHER THAN NEGOTIATING WITH AN ESTABLISHMENT JOURNALIST FOR EXPOSURE. SO WHAT'S GIVING THEM MORE LEVERAGE THESE DAYS: THE INSTITUTIONS THAT SURROUND THE LEGACY STATE, OR THE FEATURES OF THE DECENTRALIZED NETWORK? ANOTHER FACTOR PUSHING LEFT-LIBERTARIANS AWAY FROM THE US ESTABLISHMENT IS THE STRONG LEFT-AUTHORITARIAN SHIFT TOWARDS HOLINESS OVER COOLNESS. FREDRIK DEBOER ACTUALLY DISCUSSED THIS SHIFT WHILE IT WAS UNDERWAY, WHILE SOCIETY WAS STILL TRANSITIONING FROM THE OLD-TIME RELIGION OF JUDEO-CHRISTIANITY TO THE NEW DOCTRINE OF WOKENESS: SILICON VALLEY TYPES, BY CONTRAST, BELIEVE IN THINGS. . . TANGIBLE VALUES ABOUT PROGRESS AND CULTURE. THE CALIFORNIAN IDEOLOGY PLUS THE BLOCKCHAIN OR WHAT-EVER. THERE'S CONTENT THERE. . . THE MEDIA HAS NONE OF THAT. THE OLD SCHOOL MEDIA VALUES OF TRUTH TELLING AND MUCKRAKING HAVE LONG SINCE BEEN ABANDONED BY THE MEDIA ITSELF, AS REAL VALUES REQUIRE SINCERITY AND MEDIA CULTURE ABHORS SINCERITY. YOU CAN'T SIT ON TWITTER ALL DAY TELLING SHITTY JOKES ABOUT HOW NOTHING MATTERS AND THEN TURN AROUND AND SAY "BUT ALSO WE'RE THE GUARDIANS OF TRUTH AND DEMOCRACY."

. PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK69 IF Silicon Valley HAS Captured The Value OF Media For Shareholders AND IS Slowly Strangling The Industry TO DEATH, Righting The Course Will REquire PEople Within Media WHO ARE Willing TO STand UP AND SAY, "Here ARE MY VALues. They ARE WHat They ARE. I EmbodY Them Without IRony AND THus I AM VULnerable. IF YOU VALue THESE THINGS TOO YOU HAVE TO FIGHT TO SAVE OUR Industry." SUCH A POSition WOULD REquire A Willingness TO LEave BLank S Arcasm ASide AND TO STart WRiting AGain FOR THE World INStead OF ONLY WRiting TO APpear CLever TO OT her WRiters. CAN THE Media MAKE THis KInd OF MOve? I DON't SEe HOW They CAN; The SOcial CAPture OF T He ENTire Industry IS JUSt FAR TOO ACute. AS SMART AS THis POST WAS, THings DIdn't WORK OUT QUite AS DEBoer EXpected. The PUSH TOward Sincerity — TOwards FILLing THAT GOd-shaped HOLE — ENded UP CLeaving THE BLues IN TWo. THAT IS, CONTRA DEBoer's FOREcast ("I DON't SEe HOW They CAN"), SOME OF THE EAR nest BLues ACTually DId DEclare THEMSELVES CHampions OF "Moral CLarity", AND HAVE NOW GONE OVER PURE ly TO UNironic STATE-worship, TO APplauding MULTI-day PRayer VIGils WITH Liz CHeney FOR THE WRongs V Isited UPon THEIR SACred CAPITol. AS GLEnn GREENwald HAS WRitten ABOUT AT LENGTH, THERE'S NO DAYligh t ANYmore BETWEEN THE DEMocrats AND THE DEpartment OF DEFense, NO CRiticism OF THE CENTral INTElligence Agency BY CNN. THis FUSion WASN't THE FULL COMMunism THAT DEBoer SOMetimes CLAIMS TO PREFER, BUT IT WAS A FULsome DECLARATION OF VALues BY THE Media49 NEvertheless. IT's THE CULmination OF THE TREnd TOwards DEVout WOKENess THAT SCott ALEXander IDENTiFied YEARS AGO IN "Gay Rites ARE CIVIL Rites." THE LEFT-authoritarians HAVE DONE TO WOKENess IN A FEW YEARS WHAT NIETZSCHE NOTED HAD BEEN DONE TO CHristianity OVER THE SPAN OF EONS: NAMEly, THEY've TRANSformed IT FROM A REVolutionary IDEology INTO A RULing-class IDEology. BUT EVERY ACTION HAS A REaction, EVERY ACTivity SPawns A SOROS-like REFLEXivity, AND SCott ALEXander WAS ACTually AHEAD OF THE CURve AGAIN HERE AS WELL. BEFORE "Gay Rites ARE CIVIL Rites", HE ALSO IDENTiFied A SEcond DYNAMIC OF RElevance, THE TREnd AWAY FROM DEVout WOKENess THAT HE DESCRIBED IN "Right IS THE NEW LEFT." AND THis BRings US TO BACK TO THE LEFT-libertarians. THE Kind OF BLUE THAT LIStens TO GRAY ZONE, RED SCare, OR JIMMY DORE IS REpelled BY STATE WORship. THEY DON't WANT TO CHOOSE SOMETHING AS DOWN THE MIDDLE AS PLEDging ALlegiance TO THE AMERICAN FLAG AND THE NATIONAL SECURITY STATE FOR WHICH IT STANDS. THEY ACTually BELIEVED THE THINGS THEY SAID AGAINST THE ESTablishment, AND DON't ENDorse IT SIMPLY BECAUSE IT's OSTensibly "THEIR" TEAM NOW WEARING THE NSA HEADsets. 49ALL BLUES AREN't IN MEDIA, BUT TO FIRSt ORDER ALL MEDIA ARE BLUE. AS CPI FOUND, 96% OF JOURNALIST POLITICAL DONATIONS WENT TO DEMocrats.

CHAPTER 2. HISTORY AS TRAJECTORY BLUE STATE VS BLUE NETWORK THE LEFT-libertarian SUBgroup OF BLUE HAS BEGUN TO FLIRT WITH DECENTRALIZED MEDIA AND WEB3, BECAUSE THEY'RE REALIZING THE NETWORK COULD BE MORE INTERESTING THAN THE DECLIN- ING AMERICAN STATE. COULD SUBSTACK BE MORE REMUNERATIVE THAN SUBSTACKER? COULD SATOSHI'S COMMUNITY DELIVER MORE FOR THEM THAN BERNIE'S? IF THEY NEED TO REDEFINE ALL THAT AS "SOCIALISM," SO BE IT! AND IF THEIR FUNDING STREAM IS CHANGING, THEIR IDE- OLOGY IS SLOWLY SHIFTING TOO. YES, THEY MAY HAVE STARTED AS MERE PAWNS OF AMERICA'S LEFT-authoritarian ESTABLISHMENT , BUT WHAT THEY VALUE IS INCREASINGLY COMING FROM THE DECENTRALIZED GLOBAL NETWORK RATHER THAN THE CENTRALIZED AMERICAN STATE. SO THEY ARE BEGINNING TO UNCUPLE. AND THAT'S THE EMERGING NETWORK-vs-State DIVISION WITHIN BLUE TRIBE. RED TRIBE: SECULAR NATIONALISTS, INTERNATIONALIST CAPITALISTS EACH MEMBER OF RED TRIBE, THE CONSERVATIVES, WILL ALSO HAVE TO MAKE A CHOICE IN THE YEARS TO COME: DO THEY BELIEVE IN THE FOUNDING PRINCIPLES ENCODED IN THE BILL OF RIGHTS AND THE CONSTITUTION, OR WILL THEY SIMPLY ENFORCE WHATEVER EDICTS EMANATE FROM AN INCREASINGLY MALIGN US ESTABLISHMENT — SUPPORTING STATISTS IN PRACTICE? IS THEIR DEFINITION OF "AMERICA" COMMENSURATE WITH A WORLD WHERE THE US FEDERAL GOVERNMENT IS ITSELF THE MOST DETERMINED OPPONENT OF LIBERTY, INFRINGING AWAY THEIR SAVINGS, DESTROYING CONSERVATIVE AMERICA'S CULTURE, AND SURVEILLING THEM AT ALL TIMES? OR DO THEY BELIEVE AMERICAN CITIES AND STATES DESERVE DIGITAL SELF-dETERMINATION? IN SHORT, WILL THE AMERICAN NATION CHOOSE THE DECENTRALIZED NETWORK OR THE CENTRALIZED STATE? THIS WILL EVENTUALLY BE A CONSCIOUS CHOICE. RIGHT NOW, IT'S AN UNCONSCIOUS THREE-way SPLIT. THE THREE-legged STOOL OF REAGANISM — THE RELIGIOUS CONSERVATIVES, THE SECULAR NATIONALISTS, AND THE INTERNATIONALIST CAPITALISTS — SLIDE WITH THE GOD, STATE, AND NETWORK LEVIATHANS RESPECTIVELY. THESE ARE THEIR PRIMARY IDENTITIES, BECAUSE THEY CORRESPOND TO THAT THING WHICH THEY THINK OF AS THE MOST POWERFUL FORCE IN THE WORLD: ALMIGHTY GOD, THE US MILITARY, OR (IMPLICITLY) THE GLOBAL NETWORK OF TRADE AND COMMUNICATION THAT WILL SOON SIMPLY BE IDENTIFIED WITH CRYPTOCURRENCY. RED GOD: RELIGIOUS CONSERVATIVES DURING THE COLD WAR, RELIGIOUS CONSERVATIVES BELIEVED IN AN ALMIGHTY GOD, UNLIKE THE "GODLESS COMMUNISTS" THEY FOUGHT AGAINST. TODAY, THE PEOPLE OF GOD AMONG THE REDS HAVE SHARPLY REDUCED NUMBERS, BUT THEIR MORAL COMPASS REMAINS THE MAIN ONE. INsofar AS THERE IS A RELIGIOUS REVIVAL, IT MAY BE DRIVEN BY THE ONE COMMANDMENT- BASED STARTUP SOCIETIES WE DESCRIBE LATER ON. SEE ROD DREHER ON THE PROTESTANTS, ADRIAN VERMEULE AND SOHRAB AHMARI ON THE CATHOLICS, AND TABLET'S BLOG TENT TO GET A SENSE OF THEIR VIEWS.

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK71 RED STate: SEcular NATionalists T
PEople OF The STate AMong The REDs ARE MORE PRominent. These ARE The SEcu- LAr NATionalists, The NA
tional SEcurity HAWks, The PEople WHO MAY NOt Like The LEft- AUTHORitarians BUT WHO WILL NEvertheles
s RE■exively SUPport THE US IN EVery FOREIGN INTervention. They MAY AGree THAT THE US IS TRending IN
A BAd DIRECTION, BUT They THINK CHina IS FAR WORse. AS SUCH, They're STILL BUILDing DRones, CODing
SURveillance, AND CHEERING VIdEOS Like THIS ONE WHERE THE US ADMITS TO FOMENTING THE COLOR REVOLUTIO
NS THAT ARE OFTEN OTHERWISE DENIED. I'm Somewhat SYmpathetic TO THIS GRoup — AFTER ALI, They AREn't
BURning Their OWN COUNtry DOWN! — BUT UNfortunately, ON FOREIGN POLICY They ARE HELPing TO BURn DOWN
OTHER PEople's COUNtries, AND OFTEN FOR NO GOOD REASON. THE ISSue IS THAT IN THE ABsence OF A COMpe
lling ALternative, OR AN UNdeniable COLLAPse, YOU're SIMply NOT GOING TO CONvince A SEcular NATional
ist THAT AMerica AND CHina ARE BOTH BEcoming DIGital TOTALitarian STATES, OR THAT A US ESTablishment
THAT HAS PUSHed HALF A DOZEN COUNtries INTO MURderous CHAOS ISn't QUITE THE MORAL EXEMPLAR THAT THE
y THINK IT IS. THE REASON IS BECAUSE THE RED STATIST IS A SEcular NATionalist: They DON't HAVE A GOD
, BUT They DO BELIEVE IN THE STATE, THE GOOD VISION OF AMerica AS A SHINING CITY ON A HILL. IT REAll
y DOESn't MATter IF THIS DOESn't EXIST — IT's THE USA FROM THEIR YOUTH AND FROM THEIR MOVIES. IT's T
OP GUN AMerica, AND They'll KEEP PAYing TO WATCH THE INSpiring REMakes, NOT THE DEpressing FOOTage O
F WHAT THE US MIlitary ACTually DID IN IRAq, LIBYA, AFghANistan, AND SYria. THERE's BOTH A LAudable
ASpect TO THIS Kind OF LOYalty, AND A FRustrating ONE. These FOLks ARE Like THE SOviet SOLDiers THAT
DUTifully SERVED IN AFghANistan. YOU MIGHT ARGue They're FIGHTing FOR A CAUSE THAT IS AT BEST POINT
less AND AT WORst EVil, AND THAT They'll ONLY COME HOME TO FIND THEIR SHELVES EMpty AND THEIR CULTur
e CRushed. . . BUT YOU HAVE TO ACKnowledge They're RIsking Their LIVES REgardless. FUndamentally, TH
e RED SEcular NATionalist OFTEN UNDERstands HOW BAd THE US ESTab- LISHment IS AT HOME, BUT DOESn't W
ANT TO HEAR ABOUT THE NEEdless DEstruction WReaked BY THE US MIlitary ABroad. IN THIS They HAVE THE
OPposite SET OF BLind SPots FROM THE BLue LEft-libertarian, WHO CAN CLearly SEE THE RUIN OF COUNtrie
s UNfortunate ENough TO EXperience A 21st CENTury US "Intervention," YET IMagines THE SAME GOVERNmen
t THAT's A CHAotic DESTROYER ABroad CAN BECOME A BENEvolent REDISTRIBUTOR AT HOME. IN OTHER WORDS, W
HILE THE RED SEcular NATionalist MAIntains AN IMPLICIT HOLLYWOOD- MOVIE-style BELIEF IN A US MIlitar
y THAT CAN BEAT UP ANYone, THE BLue LEft-libertarian PERSists IN THEIR BELIEF THAT THE STATE's CIVIL
IAN GOVERNment COULD FIX ANYthing AT HOME IF ONLY ENOUGH PEOPLE WILLED IT. USING THE LENS OF THE LEV
IATHANS, THESE ARE BOTH CLEARLY WAYS THE STATE BECOMES A STAND-IN FOR GOD, IN ITS TERRIBLE FATHER AN
d BENEvolent MOTHER FORMS RESpectively.

CHAPTER 2. HISTORY AS TRAJECTORY WHAT ABOUT CHINA, HUH? LET'S DIGRESS AND ENGAGE THE CHINA POINT FOR A SECOND, AS IT'S THE GO-TO ARGUMENT OF THE RED SECULAR NATIONALIST. TO PARAPHRASE, THE RED NATIONALIST OFTEN CONCEDES THAT US MILITARY INTERVENTION ABROAD HAS BEEN REGRETTABLE, BUT CCP DOMINANCE WOULD BE SO MUCH WORSE THAT WE NEED THE US MILITARY TO NOT JUST STICK AROUND BUT TO EXPAND AND GROW STRONGER. THE SHORT COUNTERARGUMENT IS THAT IT MAY INSTEAD BE BEST FOR COUNTRIES TO REARM, AND TAKE ON THEIR OWN DEFENSE – RATHER THAN HAVING AN INCREASINGLY CHAOTIC US TRY TO FIGHT A SECOND COLD WAR ON OTHERS' BEHALF IN THE MIDDLE OF AN INTERNAL COLD CIVIL WAR AND WHAT MIGHT BECOME A SECOND GREAT DEPRESSION. THAT IS, WE GET THERE BY A DIFFERENT ROUTE, BUT WE ARRIVE AT MUCH THE SAME CONCLUSION AS AN ISOLATIONIST RIGHTIST OR AN ANTI-IMPERIALIST LEFTIST. WHETHER YOU THINK AMERICA IS TOO GOOD FOR THE WORLD, OR WHETHER YOU THINK IT'S AN ILLEGAL EFFECT ON COUNTRIES ABROAD, OR SOME COMPLEX COMBINATION OF BOTH, WE MAY WANT (AND OBSERVE) US MILITARY WITHDRAWAL AND REGIONAL REARMAMENT RATHER THAN A SECOND COLD WAR. WHAT'S THE LONG-FORM VERSION OF THE ARGUMENT? START WITH THE OBSERVATION THAT THE CCP IS MORE OPPRESSIVE AT HOME THAN THE US ESTABLISHMENT, BUT IT'S ALSO EMPIRICALLY LESS DESTRUCTIVE ABROAD WHY? NOT BECAUSE OF BENEVOLENCE, BUT BECAUSE THE CCP IS CHECKED BY THE US MILITARY ABROAD. THUS CHINA IS FOCUSED ON BUILDING UP AFRICA WHILE AMERICA IS BLOWING UP THE MIDDLE EAST. YES, YOU CAN ARGUE THE CHINESE ARE BUILDING COLONIES IN AFRICA. . . BUT THEY'RE FUNCTIONAL COLONIES, WITH NEW ROADS AND PORTS TO CARRY RAW MATERIALS, UNLIKE THE BLASTED HELLSCAPES LEFT BY US MILITARY INTERVENTION IN IRAQ, SYRIA, LIBYA, AND THE LIKE. WITH THAT SAID, WE SHOULD HAVE NO ILLUSIONS: CHINA'S NEIGHBORS IN SOUTHEAST ASIA KNOW THE DRAGON WOULD THROW ITS WEIGHT AROUND WITHOUT A US MILITARY PRESENCE. RIGHT NOW IT CAN'T, BECAUSE CHINA IS BOXED IN BY THE US MILITARY. CONVERSELY, AT HOME THE CCP HAS NO ORGANIZED DOMESTIC POLITICAL OPPOSITION, SO IT CAN BE ABSOLUTELY RUTHLESS. THE US ESTABLISHMENT HAS THE OPPOSITE SET OF CONSTRAINTS: UNLIKE CHINA, IT DOESN'T FACE ORGANIZED MILITARY OPPOSITION ABROAD, SO IT'S HIGHLY INCAUTIOUS IN ITS FOREIGN POLICY. BUT ALSO UNLIKE THE CCP IT DOES FACE ORGANIZED DOMESTIC POLITICAL OPPOSITION AT HOME, SO IT CAN'T BE AS RUTHLESS DOMESTICALLY AS IT WANTS TO BE. LET'S DRILL INTO THE DOMESTIC POINT FIRST, AND THEN THE MILITARY POINT. IT'S REALLY CRUCIAL TO UNDERSTAND THAT THE US ESTABLISHMENT IS NOT MORE ETHICAL THAN THE CCP WHEN IT COMES TO CIVIL LIBERTIES. IT'S JUST LESS COMPETENT! AFTER ALI, THE US ESTABLISHMENT ALSO DOES WARRANTLESS SURVEILLANCE VIA THE NSA, UNCONSTITUTIONAL SEARCH AND SEIZURE VIA THE TSA, ARBITRARY CONSCISCATION OF PROPERTY VIA CIVIL FORFEITURE, AND SO ON. AND THAT'S JUST WHAT'S ALREADY BEEN ROLLED OUT — THE AMBITIONS OF THE US ESTABLISHMENT ARE JUST AS TOTALITARIAN AS THE CHINESE STATE'S, AS WE CAN SEE FROM ITS PARTIALLY FAILED ATTEMPTS AT DISINFORMATION AGENCIES, CIVILIAN DISARMAMENT, DIGITAL CENSORSHIP, AND THE LIKE. UP TO THIS POINT, THESE PUSHES HAVE NOT BEEN THWARTED BY THE "ETHICS" OF THE

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK73 US EStablishment, BUT BY SOME C
nation OF POLitical OPposition, CONStitutional CONstraint, AND BUreaucratic INcompetence. They KEep
TRYing, THOUGH. THE US EStablishment ISn't ORganized ENough TO COordinate ALI THE PLeceS, BUt UNfort
unately THE REcently CAPtured GOogle, AMazon, APple, AND Mlcrosoft ARE CAPable OF THat LEVEL OF COor
dination, AS WE SAW DURING THE PARler DEplat- FORMing, AND THE Tlananmen-like CENSORship OF THE "Whi
stleblower." SO WE'LL SEE WHat HAPPens. NOW ON THE MILitary POINT. DURING THE COLD WAR, THE SOviet C
ONstraint MEant THE US WAS MORE CAutious IN ITS INTerventions, AND ACTually GENERally ACHieved FAR B
ETTER REsults. SOUTH KOREa WAS BETTER OFFthan NORTH KOREa, WEST GERMANY WAS BETTER OFFthan EAST GERM
any, AND TAIwan WAS BETTER OFFthan MAoist CHina. EVEN GIVen ALI THE LIES ON ALI SIDes AROUND VIETNAM
, HAD THE US WON IN SOUTH VIETNAM, IT'S QUITE POSSIBLE THAT WOULD HAVE BEEN A SOUTH KOREA TOO; BUT B
ECAUSE IT LOST, COUNTLESS PEOPLe HAD TO FLEE AND COMMUNISM CLaimed MANY LIVES IN SOUTHEAST ASIA. AFT
er THE COLD WAR ENDED, HOWEVER, THE US MILitary BECame A HYperpower - AND GRadually EVolved INTO A G
LOBal FOMenter OF CHaos RATHER THAN THE GENERally CONservative GUardian OF STability IT WAS BEFORE 1
991. THE IRAQ WAR CAN BE SEEN AS A TRAnsition POINT, AS CAN SAMantha POWER's R2P DOctrine THAT LEFT
SYria IN RUins. BY 2022, THE QUESTION OF WHETHER AMERICA PROduces CHaos WITH ITS MILitary INTerventi
ONS CAN HARDLY BE GAinsaid — EVEN THE MOST COMMITTED AMERICAN NATionalist IS HARD PRESSED TO NAME A
COUNTRY THAT'S BETTER OFFafter A REcent US MILitary INTervention, SOMETHING THAT WASN'T THAT HARD TO
DO FROM 1945-1991.50 OK, SO LET'S PUT IT ALI TOGETHER. THERE IS TRUTH TO THE IDEA THAT THE US MILit
ary IS CHECKING CHINA, AND THAT CHINA WOULD ACT MORE AGgressively IN THE ABsence OF THE US MILitary.
. . BUT IT'S TRUE IN THE SAME WAY THE SOviet MILitary WAS ONCE CHECKING THE US, AND THEN THE US MIL
itary ACTed MORE AGgressively IN THE ABsence OF THE SOviet MILitary. THAT IS, IT'S TRUE THAT THE SOV
iet MILitary WAS ON BALANCE NOT A FORCE FOR GOOD DURING 1945-1991, BUT IT'S ALSO TRUE THAT THE US MI
litary HAS ON BALANCE NOT BEEN A FORCE FOR GOOD DURING 1991-2021. IT'S COMPLICATED. EVEN IF THEIR MI
litary DID IN SOME SENSE RESTRAIN THE US FROM RANDOMLY BLOWING UP THE MIDDLE EAST, IT'S TOUGH TO ARG
UE THAT YOU'D STILL WANT THE SOviet UNION TO STILL BE AROUND TO LIMIT US MILitary INTervention. SIMI
LARLY, IT'S HARD TO CONTEND THAT THE PRICE OF CONSTRAINING CHINA'S LAWful EVIL AMBITIONS IN EAST ASI
A SHOULD BE TOLERANCE FOR AMERICA'S CHAotic EVIL INTerventions IN THE MIDDLE EAST, THAT DEFENDING AG
AINST A 50No, UKRAINE DOESN'T COUNT. THE US MILitary FAILED TO DETEr, PUSHED THE COUNTRY INTO ANothe
r SYria-like CONflict, AND HAS BASICALLY BEEN USING UKrainians TO BLEED RUssians IN A PROxy WAR. A MI
LLION UKrainian REFugees, THEIR COUNTRY BLOWN TO SMITHEREENS, THOUSANDS DEAD, SOARING GAS PRICES IN
EUROPE, A RADICALIZED RUssian POPulation, AND THE THREAT OF WW3 OR EVEN NUclear WAR - THIS IS JUST C
HAOS, RATHER THAN COMPETENT DETerrence.

CHAPTER 2. HISTORY AS TRAJECTORY POTENTIAL CHINESE DRONE ARMADA SHOULD MEAN ACCEPTANCE OF ENDEESTABILIZATION BY THE US MILITARY. IDEALLY THERE'S A THIRD WAY, A BETTER CHOICE - AND THAT THIRD WAY MAY SIMPLY BE DECENTRALIZED DEFENSE, WHERE COUNTRIES LIKE JAPAN AND GERMANY RE-ARM, RATHER THAN OUTSOURCING EVERYTHING TO THE US OR FOLDING TO CHINA. THIS HAS ITS OWN ISSUES, OF COURSE — BUT IF WE'RE MOVING BACK INTO THE 1800S AND 1700S, AS PER THE FUTURE IS OUR PAST THESIS, LIMITED WARS BETWEEN GOLD-LIMITED GREAT POWERS ARE ARGUABLY PREFERABLE TO GIANTIC GLOBAL CONFLICTS BETWEEN UNLIMITED SUPERPOWERS. IN SHORT: THE SECULAR AMERICAN NATIONALIST HAS AN OPTION THAT DOESN'T INVOLVE EITHER CAPITULATING TO CHINA OR PRETENDING THE US MILITARY IS CURRENTLY ACHIEVING FRUITFUL THINGS ABROAD. THAT THIRD WAY IS TO SUPPORT REGIONAL REARMAMENT RATHER THAN FIGHTING EVERYONE ELSE'S WARS ON THEIR BEHALF.

RED NETWORK: INTERNATIONALIST CAPITALISTS GETTING BACK TO OUR ORIGINAL TOPIC, THE THIRD GROUP WITHIN RED TRIBE ARE THE INTERNATIONALIST CAPITALISTS. WE IDENTIFY THEM AS PEOPLE OF THE NETWORK. THIS IS ARGUABLY SOMETHING OF A RETCON, BECAUSE THE INTERNET AS WE CURRENTLY KNOW IT WAS BARELY A FACTOR DURING THE COLD WAR.⁵¹ HOWEVER, THIS SUBGROUP INVOLVED THE FOLKS IN FAVOR OF COMMERCE AND TRADE NETWORKS, BOTH WITHIN AND ACROSS BORDERS — THE CAPITALISTS. TODAY, THAT KIND OF CAPITALISM IS ALMOST SYNONYMOUS WITH INTERNET STARTUPS AND TECHNOLOGY. THE MOST VALUABLE COMPANIES IN THE WORLD WERE BORN ON THE NETWORK. AND THE FUTURE OF NETWORK CAPITALISM IS CRYPTO-CAPITALISM, BECAUSE IT'S NOT JUST TRANSACTIONS THAT CAN BE REPRESENTED ON-CHAIN — IT'S ENTIRE FINANCIAL STATEMENTS, AND COMPANIES THEMSELVES, AND EVENTUALLY THE ENTIRE ECONOMY. THE RISE OF BITCOIN MEANS RED PEOPLE OF THE NETWORK HAVE A VERY SPECIFIC WAY TO THINK ABOUT THEIR LEVIATHAN, SOMETHING DISTINCT FROM BOTH GOD AND THE STATE. BECAUSE BTC CANNOT BE SEIZED WITH ONE CLICK BY EITHER THE US OR CHINESE GOVERNMENTS, IT'S A SYMBOL OF INTERNATIONAL FREEDOM AND PROSPERITY THAT IS MORE POWERFUL THAN ANY STATE. ON BALANCE, I'M SYMPATHETIC TO THIS GROUP AS WELL, BUT IT HAS ITS OWN INTERNAL ISSUES. FOR ONE THING, BITCOIN MAXIMALISM IN PARTICULAR IS SIMILAR TO WOKE CAPITAL IN ITS FUNDAMENTALISM. THE MAIN DIFFERENCE IS THAT MAXIMALISM IS ZEALOUS MONONUMISM (DEVOTION TO A SINGLE COIN) RATHER THAN MONOTHEISM (A SINGLE GOD) OR MONOSTATISM (A SINGLE STATE). THE NETWORK DOESN'T MAKE THE FANATICAL ASPECT OF HUMANITY VANISH; IT JUST MOVES IT FROM GOD OR THE STATE TO THE NETWORK. RED STATE VS RED NETWORK WE NOW SEE THAT THE GOD, STATE AND NETWORK LEVIATHANS ALL HAVE THEIR SUPPORTERS WITHIN THE CONSERVATIVE MOVEMENT. ⁵¹SEE ALSO THIS SECTION ON "CULTURE" AS A THIRD FORCE ALONGSIDE CHURCH AND STATE IN JACOB BURCKHARDT'S FORCE AND FREEDOM FROM THE MID 1800S. IT MAPS TO OUR CONCEPT OF THE NETWORK, BEFORE THE INTERNET.

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK⁷⁵ AN INTERESTING POINT IS THAT SOME OF OUR NATIONALISTS, BEING DISPOSITIONALLY CONSERVATIVE, CAN OFTEN STICK WITH A SYMBOL LONG AFTER ITS SUBSTANCE HAS CHANGED. THINK ABOUT THE MANY "RUSSIAN NATIONALISTS" WHO STUCK WITH THE SOVIET UNION EVEN WHEN IT WAS A COMPLETE INVERSION OF WHAT HAD EXISTED PRIOR TO 1917. THEN COMPARE THIS US ARMY AD FROM 2008 WITH THIS RECENT AD FROM 2021. SO, IN THE EVENT OF ANY CONFLICT BETWEEN THE NETWORK AND THE STATE, SUCH AS A POSSIBLE STRUGGLE BETWEEN THE INFLATING DOLLAR AND THE DEFLATIONARY BITCOIN, THE RIGHT-STATISTS COULD TAKE THE SIDE OF THE NATIONAL FLAG WHILE THE RIGHT-CAPITALISTS TAKE THE SIDE OF THE DIGITAL CURRENCY. THAT IS, IF AND WHEN IT'S CLEAR THAT THE CONTINUATION OF AMERICAN EMPIRE DEPENDS ON THE ABILITY TO CONTINUALLY INFLATE, THE PEOPLE OF THE STATE MAY SIDE WITH THE LEGACY STATE, AND THE PEOPLE OF THE NETWORK WILL SIDE WITH THE DECENTRALIZED NETWORK.⁵² SO, THAT'S THE NETWORK-VS-STATE DIVISION WITHIN RED TRIBE. THE REALIGNMENT IF WE ADD UP ALL THESE PIECES, WE GET A POSSIBLE FUTURE WHERE THE LEFT- AND RIGHT- LIBERTARIANS FROM BOTH PARTIES LINE UP AGAINST THE LEFT- AND RIGHT-AUTHORITARIANS. WE'RE ALREADY STARTING TO SEE THIS IF WE LOOK AT SUBSTACK VS ESTABLISHMENT JOURNALISTS, TUCKER CARLSON AND GLENN GREENWALD VS FOX NEWS/NYT, BTC VS USD, WEB3 VS BIG TECH, THE MIGRATION OF ETHNIC MINORITIES TO THE REPUBLICANS AND THE MIGRATION OF NEOCONSERVATIVES TO THE DEMOCRATS. PEOPLE HAVE TALKED ABOUT ZOMBIE REAGANISM, BUT IN THIS SCENARIO A NEW COALITION WOULD BE FINALLY POPPING INTO VIEW. AND IT'S A TOTALLY DIFFERENT CARVING OF THE POLITICAL SPECTRUM THAN THE REAGAN ERA. RATHER THAN NATIONALISTS AND CAPITALISTS (THE RIGHT) AGAINST INTERNATIONALISTS AND SOCIALISTS (THE LEFT), IT'S INTERNATIONALISTS AND CAPITALISTS (LEFT- AND RIGHT-LIBERTARIANS) AGAINST SOCIALISTS AND NATIONALISTS (LEFT- AND RIGHT-AUTHORITARIANS).⁵³ THAT REALIGNMENT WOULD BE THE NETWORK AGAINST THE STATE. THE AUTHORITARIANS WOULD OUTNUMBER THE LIBERTARIANS DOMESTICALLY, AND HAVE THE INSTITUTIONS ON THEIR SIDE. BUT THE LIBERTARIANS WOULD HAVE STRONGER INDIVIDUAL TALENT, AS THEY'D DRAW THE ICONOCLASTS, AND THEY'D ALSO DRAW SUPPORT FROM THE REST OF THE WORLD.

2.5.2 TECH VS MEDIA, AKA PC VS PC LET'S SWITCH GEAR HERE AND APPLY THE LENS OF THE LEVIATHANS TO A DIFFERENT CONFLICT. WHY ARE GLOBAL TECHNOLOGY AND THE US ESTABLISHMENT AT ODDS? • ECONOMICS. YOU CAN SAY IT'S BECAUSE TECHNOLOGY DISRUPTED EVERYTHING FROM MADI-SO ON AVENUE TO HOLLYWOOD, AS ARGUED HERE. LOOKING AT JUST THE 80% DROP IN US 52 WHERE DO THE RED PEOPLE OF GOD LAND UP? WELL, IT'S A WILDCARD, BUT SOME WILL STICK WITH THE DEVIL THEY KNOW, THE STATE THEY GREW UP WITH, WHILE OTHERS MAY BET ON BITCOIN TO ENABLE THE BENEDICT OPTION AND OPT OUT OF A SINFUL SOCIETY. ⁵³IN THE LANGUAGE OF THE POLITICAL COMPASS, THE REAGAN ERA WAS RIGHT-VS-LEFT, WHEREAS THE NETWORK- VS-STATE ERA WOULD BE TOP VS BOTTOM.

CHAPTER 2. HISTORY AS TRAJECTORY MEDIA REVENUE ALONE FROM 2008 TO 2012, IT'S HARD TO BELIEVE THAT WASN'T A FACTOR. • GEOGRAPHY. YOU COULD NOTE THAT THE PRE-2020 CENTER OF TECHNOLOGY WAS SILICON VALLEY, WHICH IS 3000 MILES AWAY FROM THE BOS-WASH CORRIDOR THAT HOUSES THE US ESTABLISHMENT. • DEMOGRAPHICS. YOU CAN CLAIM IT'S BECAUSE TECH IS LARGELY IMMIGRANT AND THE US ESTABLISHMENT IS 20-30 POINTS WHITER. CERTAINLY BY THE HIGH EVIDENTIARY STANDARDS OF AMERICA'S LEADING DISPARATE IMPACT ANALYSTS AND CRITICAL RACE THEORISTS, THIS FACT ALONE IS PRIMA FACIE EVIDENCE THAT THE US ESTABLISHMENT IS INSTITUTIONALLY RACIST TOWARDS THEIR TECH DISRUPTORS. • PSYCHOLOGY. YOU CAN CONTEND IT'S DUE TO A PSYCHOLOGICAL DIFFERENCE BETWEEN TECHNICAL/FINANCIAL TYPES VS SOCIAL/POLITICAL ELITES, BETWEEN PEOPLE WHO FOCUS ON WHAT IS TRUE VERSUS THOSE WHO CARE ABOUT WHAT IS POPULAR. THIS RELATES TO THE DISTINCTION BETWEEN TECHNICAL AND POLITICAL TRUTHS. • METABOLISM. YOU MIGHT OBSERVE THAT THE RIVALRY IS PARTICULARLY PRONOUNCED BETWEEN US TECH AND MEDIA. THE OTHER ARMS OF THE US ESTABLISHMENT, LIKE ACADEMIA, HOLLYWOOD, AND GOVERNMENT ALL NEEDED MULTI-YEAR CYCLES TO SHIP ANYTHING, WHILE ONLY THE NEWS MEDIA HAD THE 24/7 METABOLISM TO MATCH TECH'S DNA. SO THEY BECAME THE POINT OF THE SPEAR FOR THE US ESTABLISHMENT'S COUNTERATTACK. THIS IS ALSO WHY TECH FAVORS NEWSLETTERS, PODCASTS, SLIDE DECKS, AND OTHER TYPES OF FAST-TURNAROUND CONTENT THAT THE ESTABLISHMENT DOESN'T NATIVELY SPECIALIZE IN. • BIFURCATION. YOU CAN REMARK THAT THERE'S A DEEP STRUCTURAL SIMILARITY BETWEEN A SOCIALIST PROFESSOR AND TECHNOLOGIST FOUNDER: BOTH FEEL LIKE THEY SHOULD BE IN CHARGE. THAT'S WHY TECH IS A CULTURAL FORK OF THE US ESTABLISHMENT, JUST AS THE US ITSELF WAS A FORK OF THE BRITISH EMPIRE. IT'S THE SAME ROOT, DIFFERENT BRANCHES. THE AMBITIOUS INTELLECTUAL WHO WOULD IN A PREVIOUS LIFE HAVE BECOME AN ACADEMIC THEORIST, JURIST, OR JOURNALIST IS NOW A FOUNDER, ENGINEER, OR INVESTOR.⁵⁴ BECAUSE THERE'S A COMMON THREAD BETWEEN MEDIA AND TECH, WHICH IS THE HANDLING AND PRESENTATION OF INFORMATION. COMPUTER SCIENCE TOOK IT ONE STEP FURTHER: IT COLLAPSED THE DISTINCTION BETWEEN THE WORD AND THE DEED, AND TURNED A GENERATION OF INTELLECTUALS INTO SOFTWARE CEOs. MANY PEOPLE WHO PREVIOUSLY THOUGHT THEY'D JUST ADVOCATE FOR A LAW TO BE PASSED AND NOT WORRY ABOUT THE DETAILS FOUND OUT HOW HARD IT WAS TO BUILD THINGS, TO MANAGE PEOPLE, TO TURN A PROJECT, TO BE THE ONE IN THE ARENA. THEY BECAME PEOPLE OF THE NETWORK. AND THEN THEY CAME INTO CONFLICT WITH THOSE WHO REMAINED PEOPLE OF THE STATE. ALL OF THESE ARE FACTORS. BUT THE LAST ONE PROBABLY GETS TO THE ROOT OF THE ISSUE, BECAUSE FUNDAMENTALLY, TECH-VS-MEDIA IS A CLASH OF LEVIATHANS. ⁵⁴Sometimes literally, AS IN THE CASE OF MESSRS. GRAHAM, THIEL, AND MORITZ RESPECTIVELY. PAUL GRAHAM WAS AN ACADEMIC COMPUTER SCIENTIST AT HARVARD, PETER THIEL HAS SPOKEN ABOUT HOW HE MIGHT HAVE GONE FOR A SUPREME COURT CLERKSHIP, AND MIKE MORITZ WAS A JOURNALIST BEFORE HE BECAME

A VENTURE CAPITALIST.

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK77 AFTER ALI, THE IMMIGRANT TECHNOLOGICAL SKILLS MOVES BETWEEN COUNTRIES WHILE KEEPING THEIR TECHNICAL SKILLS AND NETWORK CONNECTIONS. FOR THEM, THE NETWORK PROVIDES THEIR PRIMARY COMMUNITY, WHILE THE STATE IS SECONDARY. CONVERSELY, THE AMERICAN ESTABLISHMENTARIAN GAINS THEIR POWER FROM THE STATE. IT IS ALL ABOUT PASSING A LAW OR INFLUENCING A POLICYMAKER. AND IF THE NETWORK INTERFERES WITH THIS PROCESS, PERHAPS BY GIVING PEOPLE ACCESS TO INFORMATION THAT UNDERMINES THE STATE? THEN SO MUCH FOR THE NETWORK. TECH-VS-MEDIA IS THEN BEST UNDERSTOOD AS A COLLISION OF FUNDAMENTAL VALUES, BETWEEN THE PEOPLE OF THE NETWORK AND THE PEOPLE OF THE STATE. THE CONFLICT: TECHNOLOGICAL PROGRESSIVES VS TECHNOLOGICAL CONSERVATIVES YOU CAN THINK OF THE "PEOPLE OF THE NETWORK" AS TECHNOLOGICAL PROGRESSIVES, AND THE "PEOPLE OF THE STATE" AS POLITICAL PROGRESSIVES (CHARITABLY) OR TECHNOLOGICAL CONSERVATIVES (PERHAPS MORE REALISTICALLY). BOTH ARE SEEMINGLY ALIGNED AT A HIGH LEVEL ON THE GOAL OF SOLVING PROBLEMS LIKE CONTROLLING COVID-19, BUILDING HOUSING, OR REDUCING CAR CRASHES. BUT THE PEOPLE OF THE NETWORK USUALLY START BY WRITING CODE AND THINKING ABOUT INDIVIDUAL VOLITION, WHEREAS FOR THE PEOPLE OF THE STATE THE FIRST RECOURSE IS PASSING LAWS AND COLLECTIVE COERCION. PUT ANOTHER WAY, THE PEOPLE OF THE NETWORK START BY THINKING ABOUT GETTING A PIECE OF THE NETWORK TO CALL THEIR OWN. A DOMAIN NAME, SOMETHING THEY CAN BUILD UP FROM SCRATCH, STARTING WITH A BARE WEBSITE LIKE REDDIT.COM AND ENDING UP WITH A MASSIVE ONLINE DESTINATION THAT EVERYONE VOLUNTARILY SEEKS OUT. THE PRIMARY GOAL OF THE TECHNOLOGICAL PROGRESSIVE, THE TECH FOUNDER IS TO BUILD — AND FOR NO ONE TO HAVE POWER OVER THEM. BY CONTRAST THE PEOPLE OF THE STATE START BY THINKING ABOUT CAPTURING A PIECE OF THE STATE. TO WIN AN ELECTION, TO INFLUENCE LEGISLATION VIA A NONPROFIT, TO WRITE AN ARTICLE THAT HAS "IMPACT" IN THE SENSE OF IMPACTING POLICY, TO BE APPOINTED UNDERSECRETARY OF SOMETHING OR OTHER. . . THIS IS THEIR MINDSET. THE GOAL IS TO GET A PIECE OF THIS GLORIOUS BATON THAT IS THE GOVERNMENT, TO GET A CLUB TO COERCE PEOPLE (FOR THEIR OWN GOOD OF COURSE), TO MAYBE GET A LITTLE BUDGET ALONG THE WAY, AND TO FINALLY "CHANGE THE WORLD" BY CHANGING THE POLICY. TO MAKE SOMETHING THAT WAS PREVIOUSLY DISCRETIONARY EITHER MANDATORY OR FORBIDDEN, TO REDIRECT THE FLOW OF PRINTED MONEY, TO EXERT FORCE THROUGH THE LAW. THE PRIMARY GOAL OF THE POLITICAL PROGRESSIVE IS THUS THE OPPOSITE OF THE TECHNOLOGICAL PROGRESSIVE: THEIR GOAL, VERBALIZED OR NOT, CONSCIOUS OR NOT, IS TO EXERT POWER OVER OTHERS. NOW, THIS IS A CARICATURE. OF COURSE THERE ARE GOOD PEOPLE OF THE STATE, JUST LIKE THERE ARE BAD PEOPLE OF THE NETWORK. IT IS POSSIBLE TO USE A MINIMAL AMOUNT OF COERCION FOR GOOD AGAINST GENUINELY BAD ACTORS; THIS TRUTH IS THE DIFFERENCE BETWEEN MINARCHISM AND ANARCHISM. BUT OBVIOUSLY, THESE WORLDVIEWS COLLIDE. ONE GROUP WANTS NO ONE TO HAVE POWER OVER THEM, WHILE THE OTHER SEEKS TO EXERT POWER OVER OTHERS.

CHAPTER 2. HISTORY AS TRAJECTORY AS A POSSIBLE FUTURE SCENARIO, ONE WAY THIS COULD BE RESOLVED
IF THE PEOPLE OF THE STATE USE THE LAW TO SMASH AMERICAN TECH OVER THE 2020s, THEREBY GAINING MORE
POWER DOMESTICALLY. BUT TECH HAS ALREADY GONE GLOBAL THANKS TO REMOTE WORK, AND MOST TECHNOLOGISTS ARE
RE IMMIGRANTS ALREADY. . . SO THE PEOPLE OF THE NETWORK MAY SIMPLY SHIFT THEIR ATTENTION OVERSEAS —
OR NOT COME IN THE FIRST PLACE. SO THE FEDERAL ACTION WOULD MERELY DRIVES AWAY IMMIGRANT FOUNDERS, AND
THE AMERICAN STATE WOULD LOSE POWER ON A GLOBAL SCALE. (LOCAL AND STATE GOVERNMENTS IN THE US MAY
RESPOND DIFFERENTLY, WHICH IS AN INTRIGUING TWIST). THE SAME THING IS ALSO HAPPENING IN CHINA, BY THE
WAY, WHERE MANY OF THE MOST ABLE TECHNOLOGISTS ARE NOW ALIGHTING FOR NEW COUNTRIES — AND NO LONGER
COMING TO THE US, WHERE THEY AREN'T WELCOME ANYWAY. THE ENORMOUS STATE, NOT THE ENTREPRENEURIAL STATE
AS A BIT OF A SLIDEBAR, A FREQUENT ARGUMENT THAT AMERICAN PEOPLE OF THE STATE MAKE IS THAT THE PEOPLE
OF THE NETWORK OWE THEIR VERY EXISTENCE TO THE STATE. AFTER ALL, WAS IT NOT THEIR GOD, THE US GOVERNMENT,
THAT FUNDED THE INTERNET? DO WE NOT NEED PUBLIC MONIES TO BACK BASIC RESEARCH? AND SHOULDN'T
THE PEOPLE OF THE NETWORK THEREFORE DUTIFULLY BOW THEIR HEADS AND SUBMIT, JOYFULLY PAYING EVER MORE
IN TRIBUTE TO THE SACRED UNCLE SAM? THERE ARE A FEW RESPONSES TO THIS. ONE IS THAT THE ANTECEDENT
OF THE PEOPLE OF THE NETWORK WERE THE PRE-INTERNET INDUSTRIALISTS, WHO CERTAINLY WERE NOT WELL TREATED
BY THE STATE IN THE EARLY 1900s. ANOTHER IS THAT WHILE THE UK SIMILARLY GAVE RISE TO THE US IN SOME
SENSE, AMERICANS DO NOT GENUINELY IN THE DIRECTION OF THE BRITISH ISLES FIVE TIMES PER DAY. BUT THE
DEEPEST RESPONSE STARTS BY ACKNOWLEDGING A KERNEL OF TRUTH: THERE WAS A PERIOD FROM ROUGHLY 1933-
1970 WHEN THE CENTRALIZED US GOVERNMENT DID THE HOOVER DAM, THE MANHATTAN PROJECT, AND APOLLO. THE TRANSISTOR
AND EARLY INTERNET CAME OUT OF THIS ERA AS WELL. AND THERE WERE SOME LATER INNOVATIONS ALSO
CATALYZED BY THE STATE (ALBEIT OFTEN BY NON-BUREAUCRATS WHO MANAGED TO COMMANDEER BUREAUCRAT FUNDS
) LIKE THE HUMAN GENOME PROJECT AND THE SELF-DRIVING CAR. HOWEVER, BOTH BEFORE AND AFTER THIS PERIOD
, THE CENTRALIZED STATE WAS NOT THE LOCUS OF TECHNICAL AND SCIENTIFIC INNOVATION. THAT SHOULD BE OBVIOUS
TODAY FOR ANYTHING IN DIGITAL TECHNOLOGY; ACADEMIA HAS BEEN RAIDED BY TECH COMPANIES AND VENTURE
CAPITALISTS. BUT IT'S ALSO TRUE FOR THE PERIOD BEFORE THE (WELL-INTENTIONED) VANNEVER BUSH MEMO THAT
KICKED OFF THE GOVERNMENT CENTRALIZATION OF SCIENCE. AFTER ALL, MOST OF PHYSICS — FROM NEWTON TO MAXWELL
TO EINSTEIN — WAS DISCOVERED BEFORE THE NATIONAL SCIENCE FOUNDATION (NSF) WAS EVEN CREATED. THAT
SAID, LET'S TALK ABOUT THE 1933-1970 PERIOD ITSELF. THIS PERIOD OF "PEAK STATE" WAS REAL, BUT IN
OVERSTATED FORM IT HAS BECOME THE BASIS FOR BOOKS LIKE MAZZUCATO'S ENTREPRENEURIAL STATE — WHICH I DISAGREE
WITH, AND WHICH MINGARDI AND MCCLOSKEY HAVE REBUTTED AT LENGTH IN THE MYTH OF THE ENTREPRENEURIAL
STATE.

PEOPLE OF GOD, PEOPLE OF THE STATE, PEOPLE OF THE NETWORK79 Here's WHY I Disagree With The T
is OF THE ENTrepreneurial STate: • THE NAME ITself IS OXymoronic. AS MACroeconomists NEVer Tlre OF T
Elling US, GOVERNments AREn't HOuseholds, BEcause UNlike ACTual ENTrepreneurs THE STate CAN SEize FU
nds AND PRint MONEY. SO THERE IS NO FINAncial RIsk, AND HENCE NOthing OF "Entrepreneurship" IN THE E
Ntrepreneurial STate. • THE BOOK DOesn't CONsider THE FACT THAT MOST MATH/physics/etc WAS INvented P
rior TO THE FOUNDing OF NSF, AND THEREfore DOesn't NEED NSF TO EXist. • IT FURther DOesn't ACKnowled
ge THAT IT WAS POSSible TO DO SCience AND TEchnology BEFORE THE MASSive CENTralized STate, THrough T
He DISTributed MODEL OF THE "Gen- TLeman SCientist," AND THAT THIS MODEL IS RETurning IN THE FORM OF
OPEN SOURCE AND (NOW) DEcentralized SCience. • IT DOesn't TAKE INTO ACCount THE WAXing AND WANing O
F CENTralized STate CAPacity DUE TO TEchnology. • IT DOesn't CONTend WITH THE STATE-caused SLOWdown
IN PHYSical WORLD INNovation THAT HAPPened DURING THE POST-1970 PERIOD, WHICH THIEL, COWEN, AND J ST
ORRS HALL HAVE ALI DOCUMENTED. • IT DOesn't LOOK AT HOW DI■cult VC OR ANGEL INVESTing ACTually IS, S
O IT DOesn't REALLY ASK WHETHER THOSE "INvestments" BY THE STATE HAD REAL RETURNS. • MOST IMPORTANTl
y, IT DOesn't ENGage WITH THE COUNTERfactual OF WHAT WOULD HAP- PEN IF WE HAD MANY INDEPENDENT FUNdi
NG SOURCES, RATHER THAN A SINGLE CENTralized STate. SO, IT'S TRUE THAT THERE WAS A PERIOD MID-CENTUR
WHERE ALI OTHER ACTors BESIDES THE US AND USSR WERE SQUASHED DOWN AND CENTralized STATES DOMINATE
INNovation. BUT IT'S NOT BECAUSE THEY WERE NECESSARILY BETTER AT INNovATING, IT'S BECAUSE THEY WERE
BETTER AT DOMINATING, DUE TO THE CENTralized TECH OF THAT TIME. IT WAS MORE ABOUT THE ENORMOUS STAT
E THAN THE ENTrepreneurial STate. AND THAT'S WHY THE TECHNOLOGICAL PROGRESSIVES OF THE NETWORK DON'T
RE■EXIVELY GENU■ECT BEFORE THE POLITICAL PROGRESSIVES OF THE STATE. 2.5.3 THE BASE-RATER AS A FLAT-
CURVER Someone WHO WORSHIPS AN ALMIGHTY GOD WON'T READILY CHANGe THEIR BELIEFS. NEITHER WILL SOMEONE
WHO WORSHIPS AN ALMIGHTY STATE. ONCE IN A WHILE, A RELIGIOUS MILLenarian's BELIEF IS PUT TO THE TES
T WHEN THERE'S A CONCRETE PREDICTION MADE BY THE FAITH THAT DOesn't PAN OUT. THAT'S ALSO WHAT HAPPEN
ED FOR THE "SECULAR" BELIEVERS IN COMMUNISM WHEN THE BERLIN WALL AND THEN THE SOVIET UNION FEEL. THE
SE EVENTS ARE ALWAYS FASCINATING FOR THE NON-BELIEVER - WHETHER IT'S HEAVEN'S GATE, QANON, "MUELLER
DAY," OR THE "WITHERING OF THE STATE", IT'S INTERESTING TO SEE WHAT HAPPENS WHEN A PROPHECY DOesn't
WORK OUT.55 55Not ALI PROPhecies FAIL, THOUGH. JFK DID GET A MAN ON THE MOON PRIOR TO 1969. EINSTEIN
WAS

CHAPTER 2. HISTORY AS TRAJECTORY INdeed, That's WHy PEople WRote BOoks LIke THE GOd THAT FAIled
en They TUrned AWAY FRom COMMunism. A LEviathan HAd Glven UP THE GHost. WHether THAT LEviathan WA
GOd ITself OR THE STATE, IT WAS A CRushing COLLapse OF FAith. AS PER THE BOOk OF THE SAme TItle, EVE
rything WAS FOrever, UNTil IT WAS NO MOre. THis OFFers A USEful WAY OF THInking ABout THE BLue AND R
Ed STATists ALike, THE LEft- AUthoritarians AND THE SEcular NATIONALists WE DIscussed EARlier. THE A
Merican STATE IS THEIR GOd REPLACEMENT, AND THEY TRuly CAN't ENvision A WORLD Wlthout IT. WHether TH
ey THInk OF IT IN TERMS OF "THE CONStitution" (THE CONservative FRaming) OR "OUR DEMocracy" (THE PRO
gressive FRaming), THE CIVIC RELigion OF THE US IS THEIR RELigion, ESpecially WHEN FAith IN GOd HAS
FAlLEN OFF A CLIFF. SO, THEY MAY NOT BE DIspassionately RATional WHEN FOREcasting WHether THEIR GOd, T
HE STATE, MIGHT FAIL. THERE ARE THREE IDEAS THAT ARE HELpful HERE. • THE FIRSt IDEA IS FLatland. THE
PREmise OF FLatland IS THAT IT'S A 2D PLANE, AND ENTITIES Wlthin FLatland CAN't REally UNderstand 3
D THINGS. THEY ENCOUNTER SPHERES AS CIRCLES THAT STArt AS POINTS, EXpand TO THEIR MAXimum RADus, AND
THEN CONTRACT BACK DOWN. • THE SEcond IDEA IS THE PREmise THAT HISTORICAL TIME IS FAR LONGer THAN H
UMAN TIME. WE LIVE ON A TINY PIECE OF A GRAND HISTORICAL CURVE, A TRAJECTORY THAT LOOKS FLAT TO US O
VER MONTHS AND YEARS, BECAUSE HISTORICAL TIME (USUALLY) MOVES SLOWly. • THE THIRD IDEA IS WHAT TYLER
COWEN DIPLOMATICALLY CALLS A "BASE-RATER", THE ES- TABLISHMENT TYPE WHO ESSENTIALLY THINKS EVERYTHI
NG REMAINS CONSTANT. THIS IS THE KIND OF PERSON WHO'LL SARDONICALLY REMARKS "Oh, THIS TIME IS DIffere
nt, HUH?", NOT REALIZING THAT (A) THEY'RE QUOTING THAT STATEMENT OUT OF CONTEXT, AND (B) THE OB- VIO
USLY FALLACIOUS OPPOSITE OF THAT SAYING IS THE ASsertion THAT "THINGS WILL NEVER CHANGE." PUT THESE
IDEAS TOGETHER AND YOU START TO GET A MENTAL MODEL OF THE BASE-RATERS, THE BLUE AND RED STATISTS. TH
ey THINK EVERYTHING WILL ALWAYS STAY THE SAME, THAT IT'LL STICK AT A BASE RATE. THE ONLY CYCLES THEY
'RE FAMILIAR WITH ARE SHORT ONES: THE CYCLE OF BREATH OVER A FEW SECONDS, THE CYCLE OF SLEEP OVER ONE
DAY, AND THE CYCLE OF SEASONS OVER ONE YEAR. BUT THEY AREN'T FAMILIAR WITH ANY CYCLE THAT EXTENDS
BEYOND ONE HUMAN LIFE, BECAUSE THEY USUALLY DON'T KNOW MUCH HISTORY BEYOND WHAT THE ESTABLISHMENT HAS
POINTED THEM TOWARDS. BECAUSE THEY DON'T THINK ABOUT CYCLES, THEY DON'T THINK ABOUT CURVES. THEY LIVE
ON A KIND OF FLATLAND, EXCEPT RATHER THAN BEING FLAT AS IN THE SENSE OF TWO-DIMENSIONAL, IT'S FL
AT AS IN THE SENSE OF A CURVE WITH ZERO-DERIVATIVE. BUT AS RAY DALIO HAS NOTED, THINGS MAY NOT STAY
FLAT IN HISTORICAL TERMS FOR LONG. AS SUCH, THE BLUE AND RED STATISTS MAY CORRECT THAT AN ATOMIC BOMB
COULD BE BUILT. ELON MUSK DID MANAGE TO GET REUSABLE ROCKETS TO WORK. THE BEST TECHNOLOGICAL PROPH
ECIES ARE ANCHORED IN PHYSICAL FEASIBILITY, NOT JUST HUMAN BELIEF.

2.6. IF THE NEWS IS FAKE, IMAGINE HISTORY 81 BE IN FOR A RUDE SHOCK. USING THE LENS OF THE LEVIATHANS, THEY REALLY THINK THEIR GOD, THE STATE, CAN NEVER FAIL. 2.6 IF THE NEWS IS FAKE, IMAGINE HISTORY THE COLLISION OF LEVIATHANS HAS KNOWN SOMETHING LOOSE. ACCESS TO ALL THAT INFORMATION FROM THE NETWORK HAS CHANGED OUR PERCEPTION OF THE PRESENT, AND WITH IT THE PERCEPTION OF THE PAST. THE HISTORICAL INEVITABILITY AND (EVEN MORE IMPORTANTLY) THE DESIRABILITY OF THE US ESTABLISHMENT'S VICTORY OVER ALL OPPOSITION IS NOW VERY MUCH IN QUESTION. BOTH OUTSIDE AND INSIDE THE US, THERE'S THE SENSE THAT THE US-DOMINATED POSTWAR ORDER IS EITHER ON ITS LAST LEGS OR ALREADY OVER, AND THAT THE ANCIENT LEGISLATORS AND ENDLESS REMAKES REFLECT A FADING CULTURE TRYING TO HANG ON BY ITS FINGERNAILS TO PREVENT WHAT COMES NEXT. THOUGH PEOPLE ARE GEARING UP AS IF ON AUTOPILOT FOR A SECOND COLD WAR, IT'S NOT OBVIOUS THAT THE US WILL MAKE IT OUT OF THE FIRST ROUND GIVEN ITS INTERNAL COLD CIVIL WAR. THE DECLINE IN STATE CAPACITY, IN INTERNAL ALIGNMENT, IN BUDGETARY RESOURCES, IN WHEREWITHAL, AND IN POLITICAL WILL IS TANGIBLE. IT'S TRUE THAT THE MOST DEDICATED ESTABLISHMENTARIANS DO STILL OPERATE AS IF THE EMPIRE WILL ALWAYS BE THERE. BUT THE QUESTION OF WHAT AMERICA'S ROLE IN THE WORLD SHOULD BE NEXT REMAINS UNANSWERED, BECAUSE THE QUESTION OF WHAT AMERICA REPRESENTS AT HOME REMAINS UNANSWERED. WITHIN THE US, GROUPS ON BOTH RIGHT AND LEFT ARE NOW ASKING THEMSELVES IN DIFFERENT WAYS: ARE WE THE BADDIES? THE LEFT ASKS WHETHER THE US IS INSTITUTIONALLY RACIST, THE RIGHT ASKS WHETHER THE US IS IRREDEEMABLY LEFTIST, AND MORE FACTIONS ON EACH SIDE WANT A NATIONAL DIVORCE. AS WE CAN SEE FROM THE GRAPHS, AMERICA IS NOT REALLY A SINGLE "NATION STATE" ANYMORE; IT'S AT LEAST BINATIONAL, WITH TWO WARRING GROUPS. THERE'S BEEN A COLLAPSE IN INSTITUTIONAL TRUST, AND IN EACH OTHER. AND THE QUESTIONS NOW ARISING ARE FUNDAMENTAL. • IS THE US ESTABLISHMENT A FORCE FOR GOOD IN THE WORLD? • IS THE US ESTABLISHMENT A FORCE FOR GOOD AT HOME? • WOULD OTHERS COPY TODAY'S AMERICA OF THEIR OWN FREE WILL? • WOULD THE US ESTABLISHMENT TELL YOU THE TRUTH? • WAS IT EVER A FORCE FOR GOOD AT HOME OR ABROAD? 56 THE BLUE SLIDE HAS WRITTEN IT'S TIME FOR A BLUEXIT (TNR 2017), MAYBE IT'S TIME FOR AMERICA TO SPLIT UP (NYMAG 2018), AND THE CASE FOR BLUE STATE SECESSION (THE NATION 2021). THE RED SLIDE HAS PUT OUT THE CASE FOR AMERICAN SECESSION (MALICE 2016) AND NATIONAL DIVORCE IS EXPENSIVE, BUT IT'S WORTH EVERY PENNY (REABOI 2021). FOR AN OVERVIEW OF BOTH, SEE AN AMERICAN SECESSION? IT'S NOT THAT FAR-FETCHED (BLOOMBERG/WAPO 2021) AND HOW SERIOUSLY SHOULD WE TAKE TALK OF US STATE SECESSION (BROOKINGS 2021).

CHAPTER 2. HISTORY AS TRAJECTORY MY PERhaps IDiosyncratic ANswers TO THese QUestions ARE: NO, NO, NO, NO, AND YES. NO, I DON't THINK THE US ESTablishment IS NOWadays ON BALANCE A FORCE FOR GOOD ABROAD OR AT HOME, OR THAT THE US MODEL WOULD BE CLONED TODAY BY SOMEONE SETTING UP A NEW STATE, OR THAT THE US ESTablishment CAN BE TRUSTED TO TELL THE TRUTH. I DO, HOWEVER, THINK THE COLD WAR AMERICA OF 1945-1991 WAS ON BALANCE BETTER FOR ITS CITIZENS AND ALLIES THAN ITS SOVIET OPPOSITIONS. BUT WHILE I CAN JUSTIFY⁵⁷ THESE ANSWERS, MY RESPONSES AREN'T AS IMPORTANT AS WHY THESE QUESTIONS ARE ARISING IN THE FIRST PLACE. THE REASON IS THAT THE US ESTablishment HAS LOST CONTROL OVER THE NARRATIVE. THE DISTORTION OF THE PRESENT, AND THE PAST, HAS CAUGHT UP TO THEM.

2.6.1 Distortion OF THE PRESENT "If The News IS FAKE, IMAGINE HISTORY."

THIS PLTHY TWEET REVERSES ORWELL, BECAUSE HE WHO IS ACKNOWLEDGED TO BE FAKING THE PRESENT CAN NO LONGER DISTORT THE PAST. THAT IS, ONCE ENOUGH PEOPLE SEE THAT THE ESTablishment HAS BEEN LYING ABOUT TODAY'S EVENTS, THEY NATURALLY BEGIN TO THINK THE ESTablishment MIGHT HAVE BEEN LYING ABOUT YESTERDAY'S NEWS AS WELL. TO CALIBRATE THIS, LET'S START WITH A GRAB BAG OF MEDIA FAILURES FROM THE RECENT PRESENT, THE LAST 5-15 YEARS OR SO. YOU'LL NO DOUBT HAVE YOUR OWN LIST.

- REMEMBER THE "OOPS" ON THE IRAQ WAR, AFTER THE MEDIA CORPORATIONS THAT WERE SUPPOSED TO "HOLD THE GOVERNMENT ACCOUNTABLE" INSTEAD HELPED JUSTIFY THE INVASION OF IRAQ UNDER FALSE PRETENSES?
- REMEMBER THE THOUSANDS OF REPORTS ON "RUSSIA GATE" THAT COMPLETELY DISAPPEARED AFTER THE MUeller REPORT?
- REMEMBER WHEN THE NYT SAID HILLARY CLINTON HAD A 91% CHANCE TO WIN, GIVING THE STRONG IMPRESSION THAT THE 2016 ELECTION WASN'T EVEN CLOSE?
- REMEMBER THE DETAILED, EMOTIONAL, MULTIPART CALIPHATE PODCAST, ENDORSED BY SAM DOINICK, A SENIOR MEMBER OF THE NEW YORK TIMES COMPANY'S RULING OCHS-SULZBERGER FAMILY, WHICH TURNED OUT TO BE COMPLETELY FAKE?
- REMEMBER THE MILES TAYLOR EPISODE, WHERE A JUNIOR FUNCTIONARY WAS FALSELY REPRESENTED AS A SENIOR ADMINISTRATION OFFICIAL?
- REMEMBER WHEN SULZBERGER'S EMPLOYEES PUBLISHED EDITORIAL AFTER EDITORIAL AGAINST FREE SPEECH, BEFORE THEY PRETENDED THEY WERE FOR IT, BEFORE THEY OPPOSED IT AGAIN?
- REMEMBER WHEN THEY SAID YOUTUBE'S REMAINING FREEDOM OF SPEECH WAS A BAD THING IN THE US, AND THEN PRAISED ITS FREEDOM OF SPEECH THE NEXT DAY WHEN IT WAS HELPFUL IN GETTING THEIR CONTENT INTO RUSSIA?

⁵⁷See Bitcoin IS Civilization AND GREAT PROTOCOL POLITICS FOR THESES ON DOMESTIC AND FOREIGN POLICY.

6. IF THE NEWS IS FAKE, IMAGINE HISTORY 83 • REMEMBER WHEN KARA SWISHER REPORTED THAT INNOCENT HIGH SCHOOL STUDENT NICK SANDMANN HAD DONE SOMETHING WRONG FOR MERELY STANDING STILL IN FRONT OF A MAN WHO STRODE UP TO HIM POUNDING A DRUM? • REMEMBER WHEN KARA SWISHER'S RECODE ALSO SAID COVID-19 WAS CONTAINED," BEFORE IT ENDED UP KILLING MORE THAN A MILLION AMERICANS? • REMEMBER ALL THE OFFICIAL DISINFORMATION ON COVID, HOW THEY CALLED PEOPLE RACISTS FOR WARNING ABOUT IT, AND SAID THAT MASKS DIDN'T WORK BEFORE THEY DID? • REMEMBER WHEN EVERYONE SWITCHED SIDES ON VACCINES, AND EVERYTHING ELSE RELATED TO COVID, AS MICHAEL SOLANA ABLY CHRONICLED HERE? • REMEMBER WHEN THE US ESTABLISHMENT PUBLISHED REPORTS CREDULOUSLY PREDICTING THAT INFLATION WOULD BE TRANSITORY? • AND REMEMBER WHEN THERE WAS MINIMAL MAINSTREAM COVERAGE OF THE 2017 BATTLE FOR MOSUL, THE WORLD'S LARGEST MILITARY OPERATION SINCE THE INVASION OF IRAQ IN 2003, THE WAR THAT OBAMA WAS SUPPOSED TO HAVE ENDED? YOU PROBABLY DIDN'T REMEMBER THAT LAST ONE, MAINLY BECAUSE THERE WAS MINIMAL COVERAGE, BUT WATCH THIS AND THEN ASK WHY YOU'VE NEVER HEARD OF IT BEFORE. IN EACH OF THESE CASES, WE HAVE SOMETHING PREDICTED TO GO TO ZERO THAT ENDS UP AT MILLIONS, OR A CERTAINTY THAT WINDS UP A NULLITY, OR A HOT WAR FEATURING THE US MILITARY AND 482 SUICIDE CAR BOMBINGS THAT SOMEHOW REGISTERED ON THE PUBLIC CONSCIOUSNESS AS ZERO. IF THE US ESTABLISHMENT COULD ERASE MOSUL FROM MEMORY IN THE AGE OF THE INTERNET, YOU START TO SEE HOW PUTIN'S RUSSIA COULD PRETEND THE 2022 INVASION OF UKRAINE WAS JUST A "SPECIAL OPERATION." AND YOU START TO REALIZE THAT IT'S NOT SUFFICIENT TO SIMPLY "TAKE THE ARTICLES WITH A GRAIN OF SALT", AND DISCOUNT THEM A BIT. BY LISTENING TO THE ESTABLISHMENT, YOUR PERCEPTION OF REALITY MAY BE OFF BY ONE MILLION FEET. PATTERNS OF INFORMATION DISTORTION THERE ARE A FEW COMMON PATTERNS HERE, WAYS IN WHICH THE INFORMATION SUPPLY CHAIN HAS BEEN DISTORTED. CHANNEL DISTORTION. THAT WHICH FAVORS THE US ESTABLISHMENT IS MAGNIFIED 100X, WHILE THAT WHICH DISFAVORS IT IS DOWNRANKED 100X OR SILENCED ENTIRELY, SUCH THAT THE NET DISTORTION IS 10,000X OR MORE. WE CAN THINK OF THIS AS ANALOGOUS TO CHANNEL DISTORTION IN SIGNAL PROCESSING. MEDIA CORPORATIONS AREN'T JUST CENSORS, THEY'RE SENSORS - AND SELF-INTERESTED ONES. THAT IS, THEY'RE OSTENSIBLY MEASURING THE WORLD, BUT THEY ACTUALLY HAVE SELF-INTERESTED REASONS FOR REPORTING THAT SOME NUMBERS ARE LOW (LIKE INFLATION AND CRIME) AND OTHERS ARE HIGH (LIKE WHATEVER SOCIAL ILI THEY WANT TO ADDRESS). THERE ARE MANY SUCH CHANNEL DISTORTIONS, INCLUDING (A) ABSENCE OF CRITICISM OF MEDIA OWNERS, (B) A/B TESTING TO PROMOTE LITERAL HATE SPEECH FOR MORE CLICKS, (C) SELF-REFERENTIAL QUOTING TO GIVE THE IMPRESSION OF IMPARTIALITY, AND SO ON.

CHAPTER 2. HISTORY AS TRAJECTORY NARRATIVE ALIGNMENT. THE WAY THE ESTABLISHMENT DETERMINES WHAT TO PUT ON THE FRONT PAGE OUT OF MILLIONS OF POSSIBLE STORIES SHOULD REMIND YOU OF THE POLITICAL POWER THEORY OF HISTORY. IT'S ONLY THINGS THAT SUPPORT THE NARRATIVE: THEIR FAVORED STATE POLICIES WILL ALWAYS SUCCEED, THEIR DISFAVORED TECH COMPETITORS WILL ALWAYS FAIL, THEIR ERRORS ARE HONEST MISTAKES, YOUR ERRORS ARE FIRING OFFENSES, THE OPPOSITIONS OF THE ESTABLISHMENT ARE X-ISTS AND TRAITORS, FREE SPEECH IS THE ENEMY, AND SO ON. QUANTITATIVELY SPEAKING, IT'D BE RELATIVELY STRAIGHTFORWARD TO USE WORD2VEC OR SOMETHING MORE RECENT TO LITERALLY SCORE AND RANK STORIES FOR THEIR NARRATIVE ALIGNMENT. POWER OVER TRUTH. IN THESE INCIDENTS, IF YOU STOP TO COUNT, YOU OFTEN REALIZE THAT THE REPORTS WERE OFFNOT BY SAY 50%, BUT BY 1000X OR MORE. WHY DO THESE "REPORTERS" STILL HAVE THEIR JOBS, THEN? BECAUSE THEIR JOB WASN'T TO MAKE MONEY, BUT TO MAKE POWER. THAT IS, THEY WEREN'T TRYING TO PREDICT THE FUTURE CORRECTLY FOR THE SAKE OF MAKING GOOD INVESTMENTS, BUT TO REPEAT THE PARTY LINE TO KEEP PEOPLE IN LINE. THEY'RE LIKE ACTORS, IN THAT THEIR ROLE WAS TO SAY (OR WRITE) THE RIGHT THING AT THE RIGHT TIME, TO MANUFACTURE YOUR CONSENT, TO MISINFORM YOU ABOUT EVERYTHING FROM WEAPONS OF MASS DESTRUCTION TO THE PROBABILITY OF INFLATION, AND TO THEN CLAIM DEMOCRATIC LEGITIMACY AFTER PEOPLE VOTED ON THE BASIS OF THEIR OFFICIAL MISINFORMATION. COMPARISON TO AN ALIGNED SENSOR. IT'S WORTH COMPARING THE REPORTS BY THESE MEDIA CORPORATIONS TO REPORTS BY AN ALIGNED SENSOR, ONE WHERE THERE IS NO WAY FOR THE SENSOR TO "WIN" AT YOUR EXPENSE BY DISTORTING THE INFORMATION IT'S GIVING TO YOU. YOUR GAS TANK DOES NOT REPORT THAT THE GAS IS AT 90% BEFORE SUDDENLY DRIPPING TO 20%. YOUR BANK ACCOUNT DOES NOT ZOOM UP IN ORDER TO FAKE YOU OUT AND GET YOU TO BUY SOMETHING FROM THE BANK, AND THEN SILENTLY DOWN AGAIN, LIKE AN ESTABLISHMENT JOURNALIST TRYING TO MANIPULATE SOMEONE BEFORE AN ELECTION. THE METRICS ON YOUR DASHBOARD AT WORK ARE NOT TYPICALLY FALSIFIED BY PEOPLE TO MAKE THEM MORE SENSATIONAL. IN EACH OF THESE CASES, YOU ARE RECEIVING REPORTS FROM EITHER A DISPASSIONATE MACHINE OR AN INSTITUTION (LIKE YOUR COMPANY) WHERE YOU HAVE ECONOMIC ALIGNMENT AND NO SIGNIFICANT PRINCIPAL/AGENT ISSUES. BY CONTRAST, THE MEDIA CORPORATION CAN REPORT FALSE INFORMATION TO YOU AND STILL MAKE MONEY; IT HAS A MIND AND WALLET OF ITS OWN, UNLIKE THE SENSORS YOU OWN. NETWORK RESCUE. NOTE SOMETHING ELSE: THE ONLY REASON YOU ARE HEARING ABOUT THESE INCIDENTS, AND THE ONLY REASON THE REBUTTALS TO THEM EVER CAME OUT IN THE FIRST PLACE, IS THE NETWORK. IT IS ONLY BECAUSE THE STATE'S FILTERING OF SOCIAL MEDIA IS NOT YET COMPLETE, THAT THEIR DOWNRANKING OF DISSIDENT VOICES NOT FULLY EFFICIENT, THAT THEIR LATE-BREAKING ATTEMPT TO IMPOSE SPEECH AND THOUGHT CONTROLS ON A FREE SOCIETY NOT FULLY CONSUMMATED, THAT (A) THE INITIAL REFUTATIONS WERE EVEN PUBLISHED AND (B) THAT YOU ARE SEEING SOME OF THEM COMBINED INTO ONE DOCUMENT. THIS LAST POINT IS WORTH HOVERING ON. WHY DO WE KNOW ABOUT THESE DISTORTIONS OF THE PRESENT? IT'S AGAIN BECAUSE OF A COLLISION OF LEVIATHANS, BECAUSE THE NETWORK ROUTED INFORMATION AROUND THE STATE, GIVING PEOPLE ACTUAL RATHER THAN OSTENSIBLE FREEDOM OF SPEECH.

6. IF THE NEWS IS FAKE, IMAGINE HISTORY 85 THE NETWORK DELIVERED ACTUAL FREEDOM OF SPEECH WE ELABORATE ON THIS IN THE FRAGMENTATION THESIS, BUT THE NETWORK IS ACCELERATING A GREAT DECENTRALIZATION OF WESTERN SOCIETY THAT BEGAN SHORTLY AFTER THE PEAK CENTRALIZATION OF ABOUT 1950. TOWARDS THE END OF THIS PROCESS, IN OUR CURRENT ERA, THE US ESTABLISHMENT GOT SO FAT AND HAPPY THAT IT FORGOT HOW AGGRESSIVE ITS PREDECESSORS HAD BEEN IN IMPOSING SPEECH AND THOUGHT CONTROLS. BASICALLY, THE ESTABLISHMENT DIDN'T REALIZE THEY'D INHERITED A HIGHLY REGULATED, CENTRALIZED COMMUNICATIONS APPARATUS WHERE THE VAST MAJORITY OF AMERICANS HAD NO PRACTICAL FREEDOM OF SPEECH UNLESS THEY OWNED A MEDIA CORPORATION OR WERE EMPLOYED BY ONE. AS SUCH, IN THE 1990S AND 2000S, THE AMERICAN ESTABLISHMENT COULD SEEM TO EAT ITS CAKE AND HAVE IT TOO — ENJOYING THE RHETORICAL WINDFALL OF CLAIMING TO HAVE A FREE SOCIETY, WHILE IN PRACTICE HOLDING AN ENORMOUS DISTRIBUTION ADVANTAGE OVER THE COMMON MAN ("NEVER ARGUE WITH A MAN WHO BUYS INK BY THE BARREL"). NOW, IT WAS TRUE THAT THE US WAS MORE FREE THAN THE USSR, BUT IT IS NOT TRUE THAT THE US WAS MORE FREE THAN THE INTERNET. AS WE DISCUSS LATER, SOCIAL MEDIA IS AMERICAN GLASNOST AND CRYPTOCURRENCY IS AMERICAN PERESTROIKA. SO AS THE INTERNET SCALED, AND AMERICANS ACTUALLY GOT THE RIGHTS TO FREE SPEECH AND FREE MARKETS THAT THEY WERE NOMINALLY PROMISED, THE ESTABLISHMENT STARTED TO FEEL THREATENED. WHY? BECAUSE WHILE SPEECH ONLY INFLUENCES VOLITIONAL BEHAVIOR (LIKE VOTING), VOLITIONAL BEHAVIOR IN TURN INFLUENCES COERCIVE BEHAVIOR (LIKE LEGISLATING). SO, IF THE US ESTABLISHMENT LOST CONTROL OVER SPEECH THEY WOULD HAVE LOST CONTROL OVER EVERYTHING. THE ESTABLISHMENT LAUNCHED THE COUNTER-DECENTRALIZATION THUS BEGAN THE GREAT COUNTER-DECENTRALIZATION IN 2013, THE TECHCLASH PLUS THE GREAT AWAKENING, WHAT JACK BRATICH CALLS A "WAR OF RESTORATION" BY AN ESTABLISHMENT THAT HAD BEEN ECONOMICALLY DISRUPTED BY THE NETWORK BUT THAT RETAINED THE CAPABILITY TO MORALLY DENOUNCE ITS ENEMIES. THE THREATENED US ESTABLISHMENT INCREASED THE VOLUME OF ATTACKS ON THEIR RIVALS IN BOTH SENSES OF THE TERM; THE SHEER QUANTITY OF ATTACKS AND THE LEVEL OF VIOLENCE SOARED, AS YOU CAN SEE FROM THE CHARTS. THEIR RIVALS WERE BASICALLY EVERYONE — TECH, TRUMP, CHINA, RUSSIA, ISRAEL, BRAZIL, HUNGARY, BREXITEERS, MACRON — EVERYONE THAT WASN'T A LOYAL PART OF THE US ESTABLISHMENT'S SOCIAL NETWORK. AND FROM 2013-2020, AGAINST ALL ODDS, THIS MULTIFRONT CAMPAIGN SEEMED TO BE WORKING. AMERICA'S ESTABLISHMENT SPENT DOWN HUGE AMOUNTS OF REPUTATION, BUT THEY MANAGED TO WOKIFY GOOGLE, AMAZON, APPLE, AND THE MAJOR TECH COMPANIES, DEPLATFORM TRUMP AND GET HIM OUT OF OFFICE, AND TERRIFY THE COUNTRY WITH MASSIVE RIOTS. THEY COMPLETELY REVERSED COURSE FROM THE OBAMA ERA, SILENTLY STOLE THE CHINA ISSUE FROM TRUMP, 58 RECALL THAT OBAMA HAD BEEN GENERALLY FRIENDLY WITH TECH, CALLED FOR A "RESET" WITH RUSSIA, DISMISSED

CHAPTER 2. HISTORY AS TRAJECTORY AND POLARIZED RELATIONS WITH RUSSIA. THEY CANCELED, DEPLATFORMED, DEMONIZED, AND DOMINATED FOR THE BETTER PART OF A DECADE. THEN, SUDDENLY, AFTER FEBRUARY 2021, THERE WAS A DISTINCT SLACKENING OF SUPPORT, OF INTENSITY. THE COALITION THAT HAD PREDATED TRUMP, THAT HAD ARGUABLY CAUSED TRUMP, DIDN'T SEEM TO OUTLIVE TRUMP. AT THE TIME OF WRITING, IT'S HARD TO TELL WHETHER THIS IS A MOMENTARY SHIFT OR A PERMANENT ONE, BUT SOCIAL ENGAGEMENT IS DOWN. PEOPLE HAVE TUNED OUT. THE US ESTABLISHMENT IS ONLY TALKING TO THEIR HARDCORE SUPPORTERS NOW. ALL THE OTHER SOCIAL NETWORKS THEY'VE ATTACKED — ESSENTIALLY EVERYONE IN THE WORLD WHO ISN'T A TRUE BLUE AMERICAN STATE-WORSHIPPER — THEY AREN'T LISTENING ANYMORE. INSTEAD, THEY'RE REASSESSING THEIR RELATIONSHIP WITH THE US ESTABLISHMENT, AND WITH THE US ITSELF.

2.6.2 DISTORTION OF THE PAST

THE DISTORTION OF AMERICA'S PRESENT HAS LED PEOPLE TO RE-EVALUATE AMERICA'S PAST. ONCE THEY REALIZE THEY'VE HAD GELL-MANN AMNESIA, THEY START TO WONDER IF THEIR MENTAL MODEL IS ONE OF GELL-MANN AMERICA. RECALL THAT GELL-MANN AMNESIA REFERS TO THE PHENOMENON WHERE YOU READ SOMETHING IN THE PAPER ABOUT AN AREA YOU HAVE INDEPENDENT KNOWLEDGE OF. SUPPOSE IT'S COMPUTER SCIENCE. WHEN YOU READ ARTICLES ON THE TOPIC, YOU SEE GRIEVOUS FALLACIES, AND INVERSIONS OF CAUSE AND EFFECT. THEN YOU TURN THE PAGE AND READ ABOUT, SAY, PALESTINE AS IF THE REPORTING ON THAT TOPIC WAS TRUSTWORTHY. YOU FORGET WHAT YOU JUST SAW, THAT THE REPORTING WAS FLAWED IN THE AREA WHERE YOU COULD INDEPENDENTLY CHECK IT. YOU GET AMNESIA. THE MECHANISTIC REASON FOR GELL-MANN AMNESIA IS THE HUB-AND-SPOKE TOPOLOGY OF THE PRE-INTERNET INFORMATION ENVIRONMENT. SUPPOSE YOU WERE AN EXPERT IN COMPUTER SCIENCE, ANOTHER PERSON WAS AN EXPERT ON JAPAN, A THIRD KNEW ABOUT THE BOND MARKET, AND SO ON. YOU ARE SPOKES THAT ARE ALL CONNECTED TO THE HUB (SAY, THE NEW YORK TIMES) BUT NOT EACH OTHER. EACH SPOKE HAS SUPERIOR LOCAL INFORMATION, AND CAN FALSIFY NYT REPORTS IN THEIR OWN DOMAIN, BUT HAS NO MECHANISM FOR COORDINATING WITH OTHER SPOKES, LET ALONE ESTABLISHING A SUPERIOR HUB. UNTIL THE INTERNET, THE BLOCKCHAIN, AND THE ADVENT OF CRYPTOHISTORY. THE LONG-TERM CONSEQUENCE OF GELL-MANN AMNESIA IS GELL-MANN AMERICA. PEOPLE KNOW NOW THAT WE ARE SYSTEMATICALLY MISLED ABOUT THE PRESENT. BUT AT LEAST WE LIVE IN THE PRESENT, SO WE HAVE LOCAL INFORMATION THAT CAN FALSIFY MANY NEWS STORIES. WE DO NOT LIVE IN THE PAST, SO ALL WE KNOW IS THAT WE MAY BE WILDLY OFF-BASE IN OUR UNDERSTANDING OF HISTORY. THERE ARE NO PEOPLE FROM THE PAST AROUND TO GIVE FIRST HAND ACCOUNTS. . . THOUGH WE CAN READ THEIR BOOKS AND SOMETIMES WATCH THEIR FILMS. HERE ARE SOME QUICK LINKS THAT MAY SURPRISE YOU ABOUT THE PAST. CONCERN OVER RUSSIA AS LATE AS 2012, MOCKED TRUMP'S EMPHASIS ON CHINA IN 2015, AND EVEN PRODUCED THE RELATIVELY PRO-CHINA MOVIE AMERICAN FACTORY IN LATE 2019.

2.6. IF THE NEWS IS FAKE, IMAGINE HISTORY 87 • IN 1958, PRESIDENT NASSER OF EGYPT LAUGHED AT THE IDEA THAT EGYPTIAN WOMEN WOULD EVER BE FORCED TO WEAR THE HIJAB. SURPRISE: THE MUSLIM WORLD WAS FAR MORE SECULAR WITHIN LIVING MEMORY. • AFTER WORLD WAR 2, OPERATION PAPERCLIP PUT REFORMED GERMAN SCIENTISTS TO WORK ON THE AMERICAN SPACE PROGRAM. SURPRISE: THE REAL HIDDEN FIGURES WERE NAZIS. • GERMANY SENT VLADIMIR LENIN INTO RUSSIA, POTENTIALLY AS PART OF A STRATEGY TO DESTABILIZE THEIR THEN-RIVAL IN WAR. ANTHONY SUTTON'S BOOKS DOCUMENT HOW SOME WALL STREET BANKERS APPARENTLY FUNDED THE RUSSIAN REVOLUTION (AND HOW OTHER WALL STREET BANKERS FUNDED THE NAZIS YEARS LATER). LEON TROTSKY SPENT TIME IN NEW YORK PRIOR TO THE REVOLUTION, AND PROPAGANDISTIC REPORTING FROM AMERICANS LIKE JOHN REED AIDED LENIN AND TROTSKY IN THEIR REVOLUTION. INDEED, REED WAS SO USEFUL TO THE SOVIETS — AND SO MISLEADING AS TO THE NATURE OF THE REVOLUTION — THAT HE WAS BURIED AT THE BASE OF THE KREMLIN WALL. SURPRISE: THE RUSSIAN REVOLUTION WASN'T DONE WHOLLY BY RUSSIANS, BUT HAD SIGNIFICANT FOREIGN INVOLVEMENT FROM GERMANS AND AMERICANS. • THE OCHS-SULZBERGER FAMILY, WHICH OWNS THE NEW YORK TIMES COMPANY, OWNED SLAVES BUT DIDN'T REPORT THAT FACT IN THEIR 1619 COVERAGE. • NEW YORK TIMES CORRESPONDENT WALTER DURANTY WON A PULITZER PRIZE FOR HELPING THE SOVIET UNION STARVE UKRAINE INTO SUBMISSION, 90 YEARS BEFORE THE TIMES DECIDED TO INSTEAD "STAND WITH UKRAINE." • HERBERT MATTHEWS, ALSO A NEW YORK TIMES CORRESPONDENT, HELPED CASTRO WIN POWER IN CUBA, LEADING TO THE MURDEROUS CUBAN REVOLUTION AND THE SUBSEQUENT CUBAN MISSILE CRISIS THAT ALMOST RESULTED IN NUCLEAR WAR. • ANOTHER AMERICAN "JOURNALIST," EDGAR SNOW, WROTE BOOKS SUCH AS RED STAR OVER CHINA THAT PRAISED CHAIRMAN MAO TO THE HEAVENS BEFORE, DURING, AND AFTER MAO EMBARKED ON PROGRAMS OF MASS MURDER AND COLLECTIVIZATION. • PRESIDENT FRANKLIN DELANO ROOSEVELT, ARCHITECT OF THE US ADMINISTRATIVE STATE, RECRUITED YOUNG MEN TO SLEEP WITH GAY SEAMEN IN ORDER TO ENTRAP THEM. • THE AMERICAN ARCHITECT OF BRETTON WOODS, THE IMF, AND THE WORLD BANK, HARRY DEXTER WHITE, SPIED FOR THE SOVIETS. HE WAS ONE OF DOZENS, ACCORDING TO THE VENONA DECRYPTS, DECLASSIFIED AFTER THE END OF THE COLD WAR. • HENRY WALLACE, VICE PRESIDENT OF THE UNITED STATES DURING ROOSEVELT'S TERM IN 1940, TOURED THE SOVIET GULAG OF MAGADAN AND PRONOUNCED IT FINE AND DANDY, RIGHT BEFORE HE JUST BARELY LOST THE VP NOMINATION FOR 1944 TO HARRY TRUMAN — WHO THEN BECAME PRESIDENT IN 1945. • THE "LIBERATING" SOVIET RED ARMY RAPED ITS WAY ACROSS EASTERN EUROPE IN THE 1940s, THE SAME COMMUNISTS THAT THE TIMES EXTOLLED AS GIVING WOMEN A "BETTER SEX LIFE" IN ITS 2017 ANNIVERSARY SERIES ON THE RUSSIAN REVOLUTION.

CHAPTER 2. HISTORY AS TRAJECTORY • THE NYT's OTto TOLischus REported POland INvaded GERmany IN 1939, REversing THE DIrection OF THE NAzi ASSault. • SEymour HERsh DETails IN THE DARK Slde OF CAMELOT HOW JOHN F. KENNEDY's MEN IN ILLinois HELped RIg THE 1960 ELEction, AN UNmentioned SCandal A FULL DECADE BEFORE WATERGATE. AND THAT'S JUST 59 THE 20th CENTury, WITH A FOCUS ON THE COLD WAR! ONCE YOU START SEEing THAT MANY DIssonant FACTS, PLEnty OF THEM FROM THE SAME OR- GAnizations LIKE THE NEW YORK TIMES COmpany THAT CALL THEMSELVES THE "PAPER OF REcord" AND THE "FIRST DRAFT OF HIStory," THAT LIterally RUN BILLboards CALLing THEMSELVES THE "TRuth". . . YOU START TO REALize THAT THERE IS AN UNreliable NARRator PROblem. WHAT IF SULzberger IS MORE LIKE KEyser SÖZE? WHAT IF HIS EMPLOYEES ARE HIGHLY SELF- INTERested PROfessional PREvaricators? WHAT IF THEY'VE ALWAYS BEEN LIKE THAT? WHAT IF YOU CAN'T TRUST ANYthing THEY SAY, AND BY EXTENSION ANYthing THE US ESTablishment SAYS, WITHOUT CHECKING IT YOURSELF? AS THE COLD WAR ENDED, AND THE INTERNET ROSE IN THE LATE 1990s, A SPATE OF MOVIES CAME OUT — THE MATRIX, MEMENTO, THE TRUMAN SHOW, FLIGHT CLUB, THE GAME, MEN IN BLACK, THE ETERNAL SUNSHINE OF THE SPOTLESS MIND — ALL ABOUT A CONSTRUCTED REALITY WHERE OUR MEMORIES AREN'T REAL. IT'S ALMOST AS IF WITH THE RISE OF THE NETWORK, THAT THERE WAS A DIM REALIZATION IN THE COLLECTIVE SUBCONSCIOUS THAT EVERYONE HAD BEEN LIED TO, DECEIVED, ANESTHETIZED, SEDATED BY THE CENTRALIZED STATES OF THE 20th CENTURY — NOT JUST BY THE FASCISTS AND THE COMMUNISTS, BUT THE DEMOCRATIC CAPITALISTS TOO. JUST LIKE SOMEONE WHO GREW UP IN CHINA AND MIGRATED TO THE US IN ADULTHOOD WOULD FIND THAT THEY'D HAVE BEEN LIED TO — THAT MAO WASN'T REALLY "7 PARTS GOOD AND 3 PARTS BAD," BUT FAR WORSE THAN THAT — THOSE WHO GREW UP IN THE US AND MIGRATED TO THE INTERNET IN ADULTHOOD ARE STARTING TO REALIZE THAT SOMETHING IS UP. THE REASON IS THAT THE AMERICAN ESTABLISHMENT DIDN'T REALLY UNDERSTAND WHAT THE INTER- NET WOULD MEAN FOR THEM. BECAUSE DURING THE 20th CENTURY THEY'D MADE OBVIOUS-BUT- THREATENING TRUTHS, LIKE THE EXISTENCE OF SOVIET SPIES IN THE US, RUDE TO TALK ABOUT. THEN A PROGRESSION HAPPENED: AFTER THE OBVIOUS BECAME RUDE, THE RUDE BECAME UNSAYABLE, THE UNSAYABLE BECAME UNTHINKABLE, AND THE UNTHINKABLE WENT UNTHOUGHT. AND ONCE IT WENT UNTHOUGHT, IT WAS NO LONGER EVEN THOUGHT ABOUT AS A POTENTIAL THREAT. MOREOVER, THE ORIGINAL PEOPLE WHO'D CONSCIOUSLY SUPPRESSED THAT OBVIOUS-BUT-THREATENING TRUTH HAD PASSED AWAY. SO THESE UNTHOUGHT IDEAS WERE THEN SITTING THERE WAITING IN A DUSTY TOME, WAITING FOR SOMEONE TO HAPPEN UPON THEM, AND ACCIDENTALLY REDISCOVER THEM AND PUT THEM ON THE INTERNET. WHETHER GOOGLE BOOKS OR WIKILEAKS OR THE SOVIET ARCHIVES OR THE CENSORSHIP-RESISTANT WEB, THERE ARE NOW TOO MANY SECRETS IN PLAIN VIEW. 59 THE ESTABLISHMENT'S HOSTILITY TO TECHNOLOGY HAS BEEN A CONSTANT AS WELL. HERE ARE THEIR EARLY DENUNCIATIONS OF AVIATION (AIRPLANES WILL NEVER HAPPEN IN A MILLION YEARS!) AND ROCKETRY (GODDARD DOESN'T KNOW PHYSICS!).

6. IF THE NEWS IS FAKE, IMAGINE HISTORY 89 THE QUESTION NOW IS WHETHER A NEWLY AWAKENED US ESTABLISHMENT CAN USE ITS CONTROL OF CHOKEPOINTS LIKE GOOGLE AND ITS VARIOUS "FACT-CHECKERS" TO SUPPRESS ACCESS TO THESE INCONVENIENT TRUTHS, OR WHETHER WEB3-MEDIATED SERVICES WILL MAKE IT PERMANENTLY DIFFICULT FOR THE STATE TO SUPPRESS THE NETWORK. YOU AS THE READER MAY HAVE SOME INPUT ON THAT.

2.6.3 JURASSIC BALLPARK AS A NOT-SO-SIDE NOTE, IN ADDITION TO FALSIFIED NEWSPAPERS AND HISTORY TEXTBOOKS, YOUR DISTORTED IMPRESSION OF THE PAST — YOUR GELL-MANN AMERICA — LIKELY COMES FROM MOVIES, TO A GREATER EXTENT THAN YOU MIGHT THINK. IF YOU HAVEN'T STUDIED SOMETHING IN DEPTH, YOUR MENTAL MODEL OF IT OFTEN IMPLICITLY REDUCES TO A FEW SCENES FROM A HOLLYWOOD MOVIE. LET'S CALL THIS PHENOMENON "JURASSIC BALLPARK." IF YOU RECALL THE SCENE FROM JURASSIC PARK WHERE THEY SPICE IN AMPHIBIAN DNA TO SPACKLE OVER THE GAPS IN THEIR GENETIC RECONSTRUCTION, THAT'S SIMILAR TO WHAT MEDIA CONSUMPTION HAS DONE TO YOUR BRAIN.⁶⁰ YOU'RE UNCONSCIOUSLY SPLICING MOVIE SCENES INTO REAL-LIFE AS A BALLPARK APPROXIMATION. THE GAPS IN YOUR KNOWLEDGE HAVE BEEN FILLED IN BY TV AND MOVIES. THESE ARE UNRELIABLE NARRATORS. FOR EXAMPLE:

- WHAT'S YOUR IMAGE OF THE US MILITARY? OFTEN SOMETHING FROM TOP GUN OR TRANSFORMERS. EVEN THE NEGATIVE PORTRAYALS DEPICT IT AS ALI-Powerful.⁶¹
- WHAT'S IT LIKE TO RUN A BUSINESS? THE EVIL CEO IS A TV TROPE. COUNTLESS STORIES CAST A CORPORATION WITH LIMITLESS RESOURCES⁶² AS THE MAIN BAD GUY, FROM THE TERMINATOR FRANCHISE TO LOST.
- WHO'S GOING TO SAVE US FROM THE VIRUS? WHY, THE COMPETENT PUBLIC SERVANTS AT THE CDC, AS PORTRAYED IN CONTAGION. BY CONTRAST, YOU VERY RARELY SEE DEPICTIONS OF JOURNALISTS, ACTIVISTS, PROFESSORS, REGULATORS, AND THE LIKE AS BAD GUYS. THE PUBLIC LACKS TELEVISED NARRATIVES FOR HOW PEOPLE IN THOSE ROLES CAN GO WRONG. THAT'S WHY THE BEHAVIOR OF JOURNALISTS IN REAL LIFE WAS SUCH A SURPRISE TO PAUL GRAHAM: ONE OF THE BIGGEST SURPRISES OF MY ADULT LIFE IS HOW UNETHICAL REPORTERS ARE. IN MOVIES THEY'RE ALWAYS THE GOOD GUYS. "IN MOVIES THEY'RE ALWAYS THE GOOD GUYS." INDEED! IF YOU THINK ABOUT IT, SUPERHEROS ARE LITERALLY PORTRAYED AS JOURNALISTS (THAT'S THE DAY JOB OF BOTH CLARK KENT AND PETER PARKER). OF COURSE, I'M WELL AWARE OF THE IRONY THAT EVEN THIS REFERENCE IS ITSELF DEPENDENT ON A MOVIE!

⁶¹THE IDEA THAT THE US MILITARY WILL WIN ANY BATTLE WHERE IT REALLY "TRIES" IS THE TRUE FAITH OF THIS AGE, BELIEVED BY ANTI-IMPERIALIST LEFTISTS AND AMERICAN GREATNESS NEOCONS ALIKE. IF THAT CHANGES, EVERYTHING CHANGES. IN THIS SENSE BOTH SIDES BELIEVE IN THE STATE LEVIATHAN, THOUGH THE FORMER THINKS OF IT AS SATAN AND THE LATTER AS GOD. ⁶²EVEN THOUGH ANYONE WHO ACTUALLY RUNS A COMPANY IS WELL AWARE JUST HOW LIMITED ITS RESOURCES REALLY ARE.

00 CHAPTER 2. HISTORY AS TRAJECTORY Parker), AND JOURNALISTS ARE LIKEWISE PORTRAYED AS SUPERHEROS (SEE MOVIES LIKE SPOTLIGHT AND THE POST). THE INTREPID REPORTER IS AS MUCH OF A STOCK CHARACTER AS THE EVIL CORPORATION.⁶³ YOU DON'T HEAR MUCH ABOUT THE EVIL REPORTER, THOUGH. YOU DON'T HEAR MUCH ABOUT THE EVIL COMMUNIST, EITHER. WHY? MORE THAN 20 YEARS AGO, REASON MAGAZINE RAN A STORY THAT STILL HOLDS UP WELL TODAY, CALLED HOLLYWOOD'S MISSING MOVIES, ABOUT HOW THE FILM INDUSTRY AIRBRUSHED THE DRAMA OF THE COLD WAR OUT OF THE 20TH CENTURY. SO IT'S NOT JUST THAT THE MOVIE INDUSTRY RAN POSITIVE PORTRAYALS OF US ESTABLISHMENT JOURNALISTS, THEY ALSO RAN POSITIVE PORTRAYALS OF OUT-AND-OUT COMMUNISTS - BUT I REPEAT MYSELF.⁶⁴ THERE ARE EXCEPTIONS. ONCE IN A WHILE YOU DO SEE A HOUSE OF CARDS THAT DEPICTS EVIL NONPROFITS, DEMOCRATS, AND JOURNALISTS. ONCE IN A WHILE YOU DO GET A DALLAS BUYERS CLUB OR GHOSTBUSTERS THAT DEPICTS EVIL REGULATORS FROM THE FDA OR EPA. AND MORE RECENTLY YOU'VE STARTED TO SEE A FEW MOVIES THAT EVEN DEPICT EVIL COMMUNISTS, NOT IN THE INTERCHANGEABLE CARTOON VILLAIN SENSE OF A ROCKY IV, BUT IN THE IDEOLOGICAL SENSE - THE LIVES OF OTHERS, THE WAY BACK, BRIDGE OF SPIES, AND THE DEATH OF STALIN RESPECTIVELY DEPICT THE SPYING, GULAGING, IMPRISONING, MURDERING COMMUNIST STATES FOR WHAT THEY REALLY WERE. STILL, THESE ARE VERY MUCH EXCEPTIONS. AI VIDEO ANALYSIS COULD QUANTIFY THIS, BUT IF YOU TOOK THE TOP N MOST POPULAR MOVIES AND TV SHOWS OVER THE PAST SEVERAL DECADES, IN TERMS OF RAW HOURS OF FOOTAGE WATCHED, I'D BET THE WORLD HAS SEEN A >1000:1 RATIO OF SCENES FEATURING EVIL CAPITALISTS TO SCENES FEATURING EVIL COMMUNISTS. OF COURSE, THESE ARE FICTIONAL STORIES, BUT AS GRAHAM'S QUOTE ILLUSTRATES, THEY SERVE AS REAL WORLD ARCHETYPES. EVEN THE FDA KNOWS WHAT A TRICORDER IS, AND THEY THINK OF IT AS "GOOD" ONLY BECAUSE IT WAS PORTRAYED AS GOOD IN STAR TREK. BUT MOST OF THE TIME BIOMEDICAL INNOVATORS ARE PORTRAYED AS EVIL, WITH ALL THE ATTENDANT CONSEQUENCES. FALSE HISTORIES SHAPE OUR REALITY. WE ALL LIVE IN JURASSIC BALLPARK. 2.6.4 FURTHER READING PERHAPS YOU NOW AGREE THAT HISTORY HAS BEEN DISTORTED. BUT WE'VE ONLY SCRATCHED THE SURFACE. WHILE WE CAN'T RECAPITULATE THE HISTORY OF THE WHOLE WORLD HERE, WE CAN RECOMMEND SOME REFERENCES THAT SHOW HOW THE PAST IS DIFFERENT THAN YOU MIGHT THINK. WE HAVE IDIOSYNCRATICALLY CATEGORIZED THEM AS "TECHNO-ECONOMIC HISTORY" AND "20TH CENTURY" HISTORY. IF YOU CLICK THESE LINKS AND EVEN SKIM THE BOOKS, LET ALONE BUY AND FULLY READ THEM, YOU'LL START TO UNDERSTAND THE DEGREE OF HISTORICAL DISTORTION IN STANDARD TEXTBOOKS, NEWSPAPERS, AND MOVIES. AND YOU'LL BE EQUIPPED TO ANSWER THE FUNDAMENTAL QUESTIONS WE RAISED AT THE BEGINNING OF THIS CHAPTER. ⁶³THOUGH IT IS RARELY POINTED OUT ON SCREEN JUST HOW MANY OF THOSE REPORTERS ARE, IN REAL LIFE, EMPLOYED BY EVIL CORPORATIONS. ⁶⁴THIS IS NO EXAGGERATION. BEZMENOV AND VERNONA DOCUMENTED THIS AT LENGTH. THEN READ ABOUT JOHN REED (LENIN'S JOURNALIST), WALTER DURANTY (STALIN'S JOURNALIST), EDGAR SNOW (MAO'S JOURNALIST), HERBERT MATTHEWS (CASTRO'S JOURNALIST), AND PHAM XUAN AN & DAVID HALBERSTAM (HO CHI MINH'S JOURNALISTS).

2.6. IF THE NEWS IS FAKE, IMAGINE HISTORY 91 First, Some REading ON TEchno-economic Hlstory: • Patri
ckcollison.com/fast — HOW FAST CONstruction ONce WAS. • WThappenedin1971.com — HOW MANY ECONOMIC IN
dicators WEnt OFFtrack IN 1971, ARound THE Time THE US GOt OFFthe GOLD STANDARD. • J STorrs HALL: WH
ere's MY FLying CAR? — HOW THE WORLD USED TO BE ON AN INcreasing ENergy PROduction CURve TILL THE RE
gulatory BARrier OF THE 1970s (See ALSO THE REview BY ROots OF PROgress). • MAtt RIdley: HOW INnovat
ion Works — HOW Tech FOunders ALWAYS HAd TO FIGHT AGainst THE ESTablishment, MUCh LIKE THE PREsent D
Ay. • William REes-Mogg AND JAMES DAle DAvidson: THE SOvereign INDividual — HOW THE CENTralized POWer
r OF THE 20th CENTury IS ACTually Hlstorically ABerrant. • RAY DALio: PRinciples OF THE CHanging ECO
nomic ORder — HOW TOday's AMerica REsembles THE DUtch AND BRITish EMpires OF THE PAST IN TERMS OF IT
s MONetary OVerextension. • PETER TURchin: WAR AND PEACE AND WAR — HOW QUAntitative METHods CAN IDen
tify REcurrent CYcles. • William STRauss AND NEil HOWe: THE FOURth TURNing — HOW A CYclic THEORY OF
Hlstory FOREcasts A SERious AMERICAN CONflict IN THE 2020s (WRITTEN IN THE MID- 1990s). • BRIan MCCul
ough: HOW THE INTERNET HAppened: FROM NETscape TO THE IPHONE — REMinds US THAT THE TECH ERA IS VER
NEW, ONLY REALLY ABOUT 10 YEARS OLD, AND ONLY BEgan IN EARnest WITH IPHONE ADOption. • KAI-FU LEE:
AI SUPERpowers — HOW THE REcent Hlstory OF THE CHinese TECH BUILD- OUT IN THE 2010s SHOWS THAT THEY
AREN't JUST COpycats. THEN, SOME REading ON 20th CENTury Hlstory: • CURtis YArvin: UNquali ed REServ
ations — A BRoad SURvey OF WEstern Hlstorical ANomalies, WITH A FOCUS ON THE 20th AND 19th CENTuries
. • ALEksandr I. SOLzhenitsyn: THE GULag ARCHipelago — WHAT THE SOviet UNION WAS ACTually LIKE. • YU
ri SLEzkine: THE HOuse OF GOVERNment — HOW THE SOviet UNION ACTually WORKed. • JANet MALcom: THE JOU
rnalist AND THE MURderer — HOW JOurnalists "Befriend AND BETray" THEIR SUBjects FOR CLicks, A BOOK T
AUGHT IN JOurnalism SChools AS SOMething OF A HOW-to MANual. • ANtony C. SUTton: WALL STreet AND THE
BOLshevik REvolution AND WALL STreet AND THE RIse OF HITler — HOW DIfferent GROups OF CAPITALISTS FU
nded THE COMMUNIST

92 CHAPTER 2. HISTORY AS TRAJECTORY AND FAscist REvolutions REspectively. • ASHley Rlndsberg: THE GRay LADy Winked — HOW THE NEW YORK TImes SYstem- ATically MIsrepresented THE TRuth OVER THE 20th CENTury. • Nicholson BAKer: HUman SMOke — HOW World WAR 2 WAS FAR MORe BRutal AND CONfusing THAN CONVenionally CONveyed IN TEXTbooks. • SEan MCMeeKin: STalin's WAR — HOW STalin DROve WW2, AND (Among OTHeR THINGS) SOUGHT TO PUSH JAPAN AND THE US INTO CONflict SO HE WOULdn't HAVE TO FIGHT Elther OF THEM.

- Viktor SUvorov: THE CHief CULprit — HOW STalin WAS PREparing TO ATtack HItler PRIor TO HItler's ATtack ON STalin; VIndicated BY Some OF MCMeeKin's WORK.
- JOHN EARl HAYnes AND HARvey KLehr: VENona AAnd DIana WEst: AMERICAN BE- TRAYal — HOW THE US WAS INdeed RIdDled WItH COMMUnist SPIes BEFORE AND AFTer World WAR 2.
- KEnneth ACKerman: TRotsky IN NEW YORK AND SEan MCMeeKin: THE RUSSIAN REVolution HOW THE RUSSIAN REVolution WAS ENabled BY OVERseas MONEY AND THE GERMAN Hlgh COMmand IN WW1.
- IAN GRillo: EL NARco — INSIDE MEXico's CRImInal INSurgency — HOW MEXico IS FAR MORe BEset BY VIOlence THAN COMMONly UNDERstood, AND HOW THIS RELates TO REcent AMERICAN INfLUence.
- WOLfgang SCHIVelbush: THREE NEW DEALs — HOW ROOSEVELT's NEW DEAL WAS DI- RECTly INSPIred BY FAscist ITALy AND GERMANY.
- STEphen KOTkin: 5 QUESIONS FOR STEPHEN KOTKIN — HOW THE SOVIETS WERE IN THE FINAL ANALYSIS ACTually DEVout COMMUnists, NOT CYnics.
- FRank DIkötter: THE CULTural REVolution — HOW MAO's CULTural REVoluTION RE- SEMbles THE WOKENess OF MODern AMERICA, WItH THE BLM RIots OF 2020 PROving PARTICULARly SIMilar.
- CIXin LIU: THE THREE BODy PROblem — WHILE FICtional, THE FIRSt CHapter OF THIS BOOK ILLUstraes THE MADness UNleashed UNDER MAoism, AND WHAT THE CHInese PEople ENDured BEFORE DEng. SEE ALSO THE SEcret DOcument THAT TRAnsformed CHINA.
- BRyan BURrough: DAYS OF RAGE AND DAVID TALbot: SEASON OF THE WItch — HOW AMERICA IN THE 1970s INVolved FAR MORE VIOlent ACTs AND DOMestic TERRORISM THAN IS COMMONly REMembered.
- WILLIAM H. WHYte: THE ORganization MAN AND JAMES BURnham: THE MANagerial REVolution — HOW THE US IN THE 1950s WAS MUch MORE CORPORatist AND SIGNIf- Cantly LESS CAPitalist THAN I T S POPularly REMembered.

FRAGMENTATION, FRONTIER, FOURTH TURNING, FUTURE IS OUR PAST⁹³ • STEPHEN WERTHEIM: TOMORROW, WORLD; THE BIRTH OF US GLOBAL SUPREMACY — HOW THE US DID NOT ACHIEVE WORLD DOMINATION BY ACCIDENT, BUT INTENTIONALLY SET OUT TO DO SO. • AMITY SHLAES: THE FORGOTTEN MAN — HOW FDR'S "BOLD, PERSISTENT EXPERIMENTATION" HELPED TURN A RECESSION INTO A GREAT DEPRESSION. • ADAM FERGUSON: WHEN MONEY DIES AND MEL GORDON: VOLUPTUOUS PANIC — THE MONETARY AND CULTURAL CHARACTER OF THE WEIMAR REPUBLIC, AND HOW IT RESEMBLES PRESENT DAY AMERICA. THIS IS FOCUSED ON THE WEST AND IN PARTICULAR 20TH CENTURY AMERICA, BUT SOMEONE WHO'D GROWN UP IN CHINA COULD PROBABLY PREPARE A SIMILAR LIST USING GLOBAL SOURCES TO DEBUNK VARIOUS KINDS OF CCP PROPAGANDA. FOR EXAMPLE, THE FACT THAT NORTH KOREA IS DARK MAKES CHINA'S MOVIE EXTOLLING THEIR MILITARY SUPPORT FOR THE GLORIOUS NORTH KOREAN REGIME A LITTLE DARKER. 2

.7 FRAGMENTATION, FRONTIER, FOURTH TURNING, FUTURE IS OUR PAST NEW COUNTRIES BEGIN WITH NEW STORIES. ONCE WE'VE DISLODGED THE "ARC OF HISTORY" FROM OUR HEADS, THAT THING WE DIDN'T EVEN KNOW WAS THERE, THE STORY THAT TOLD US OF THE US ESTABLISHMENT'S INEVITABILITY AND INSTITUTIONAL GOODNESS. . . ONCE WE'VE REALIZED JUST HOW SIMILAR THAT STORY IS TO THE USSR'S SIMILAR NARRATIVE OF INEVITABILITY AND INSTITUTIONAL GOODNESS. . . ONCE WE'VE REALIZED WE CAN'T COUNT ON THE US ESTABLISHMENT TO BE THE "LEADER OF THE FREE WORLD" OR EVEN TO SUCCESSFULLY MANAGE ITS DOMESTIC AFFAIRS ANYMORE. . . WHAT'S LEFT? WE'RE GOING TO NEED NEW STORIES. MOVIES WHERE THE BIG DECISION DOESN'T END UP ON THE US PRESIDENT'S DESK, WHERE THE US MILITARY ISN'T COUNTED ON TO SAVE US FROM ALIENS. NEWS FEEDS THAT DON'T PUT AMERICAN EVENTS BY DEFAULT ON THE FRONTPAGE. SUPPLY CHAINS AND DIGITAL SERVICES THAT DON'T RELY ON AN INCREASINGLY UNPREDICTABLE AND ANARCHIC AMERICA. STORIES THAT DECENTER THE US, IN OTHER WORDS, BUT THAT STILL GIVE THE WORLD HOPE. THAT MOVIE POINT IS A DISORIENTING ONE, ISN'T IT? YOU MIGHT BE TEMPTED TO SAY IT'S NOT IMPORTANT. BUT IT'S ALL-IMPORTANT. WE DON'T TELL FICTIONAL STORIES ABOUT THE KAZAKHSTANI MILITARY SAVING THE WORLD BECAUSE IT WOULDN'T BE REALISTIC. AND AFTER 2021, IT ISN'T REALISTIC TO MAKE STORIES ABOUT THE US ESTABLISHMENT SAVING THE WORLD EITHER. FOR EXAMPLE, A MOVIE LIKE 2011'S CONTAGION THAT DEPICTS A COMPETENT CDC IS NOW JUST TOO FAR AWAY FROM REALITY TO PERMIT SUSPENSION OF DISBELIEF. SO INSTEAD WE GET A MOVIE LIKE 2021'S DON'T LOOK UP, WHICH DEPICTS A CHAOTIC AMERICA THAT'S STILL SOMEHOW THE CENTER OF EVENTS, STILL THE COUNTRY WHICH THE WORLD RELIES ON, BUT WHOSE INTERNAL CHAOS CAUSES IT TO FALL SHORT. THE NEXT MOVIE IN THAT IMAGINARY TRILOGY WILL PROBABLY NOT CENTER AMERICA. WHAT COULD IT CENTER INSTEAD?

4 CHAPTER 2. HISTORY AS TRAJECTORY Unfortunately, The Default Right Now Would Be To Center China. He Chinese Are After All Putting Out Blockbuster Movies Like Wolf Warrior 2 And Battle Of Lake Changjin Where They Beat The Americans, Save The World, And End Up As Number One. They Have That Civilizational Confidence. And These Movies Are Not Laughable Like They Would Have Been Even A Decade Ago. China IS A Real Contender For The Crown, Unlike Chad Or Chile. So That's The Set Of Stories That Is Waiting In The Wings. One Response Is To Deny This And Double Down On American Nostalgia, Rolling Out Top Gun: Maverick And Electing People Born In The 1940s Forever. This Is What The US Establishment Is Currently Doing, Hanging On For Dear Life To The Postwar Order, Denying That Any Change Is Underway — And Thereby Refusing To Gracefully Adapt. Another Response Is To Come Up With New Stories That Center Neither China Nor America, But That Do Center Certain Universal Values - And That Glve A Bridge Between America And What Comes Next, As America Itself Was A Bridge Between The British Empire And The Post-WW2 World. We Glve Four Concrete Examples In This Chapter. But To Be Clear, Just Because A Story Decenters America Doesn't Mean It Has To Be Punitive. That Is, These Stories Don't Have To Condemn The US, Anymore Than The Postwar Order Of 1945-1991 Put The UK In The Dock, Or The 1991-2021 Order Really Beat Up On The Soviets That Much. Indeed, A New Story Could Well Feature Past Aspects Of The US In Laudatory Ways. The Main Commonality Is That We Need New Stories That No Longer Assume That The US Establishment Will Continue To Be At The Center Of The World, Or Else People Will Be Psychologically Unprepared For That Eventuality. Another Way Of Thinking About It Is That The Right Kind Of New Story Turns Constants Into Variables. Just As Bitcoin Turned The Constant Of The US Dollar Into A Variable, We Need New Stories That Turn The Constant Of The US Establishment Into A Variable. By Decentering The US Establishment In Our Mental Models, We Enable Decentralization. We Envision A World Where The US May Not Be There For Us, Because It Was Not Always There In The Past, And May Not Endure Far Into The Future. Here Are Four Such Stories. The First Is The Tale Of The Fragmentation Of The Postwar Consensus. The Second Is A Generalization Of Fredrick Jackson Turner's Frontier Thesis. The Third Recapitulates The Fourth Turning Concept From Strauss And Howe, As Well As Turchin And Dalio's Work, All Of Which Predict Significant Conflict To Come In The West. The Fourth Talks About How Our Future Is Our Past, How The Mid-20th Century Is Like A Funhouse Mirror Moment, And How We Are Now Seeing A Bizarre Phenomenon Where We Repeat Past Events But Get Opposite Outcomes. All Of Them Turn Constants Into Variables, As They Describe A Pre-American Era Where The US Didn't Yet Exist, And Thereby Prepare US For A Post-American Period Where The US In Its Current Form No Longer Exists.

FRAGMENTATION, FRONTIER, FOURTH TURNING, FUTURE IS OUR PAST 95 2.7.1 The FRagmentation Thesis
The SOvereign INdividual, WRitten IN 1999, IS AN INcredible BOOk THat NAiled MAny AS- PECTs OF OUR Dlg
ital FUTURE DEcades IN ADvance, Bltcoin PRime AMong Them. WE WOn't REcapitulate The WHole THing HERE
, BUT IN SHort The THesis IS THat AFter MAny GENERa- TIONS IN WHICH TEchnology FAVored CENTralizatio
n (Railroads, TELEgraph, RAdio, TELEvision, MOvies, MAss PRoduction) SINCE ABOUT 1950 IT IS NOW FAVo
ring DEcentralization (Transis- TOR, PERSONal COMPUTER, INternet, REMote WORK, SMARTphone, CRYPTOCUR
rency). SO BY THIS MEASURE, PEAK CENTRALIZATION WAS ABOUT 1950, WHEN THERE WAS ONE TELEPHONE COMPANY
AT&T), TWO SUPERPOWERS (US/USSR), AND THREE TV STATIONS (ABC/CBS/NBC). EVEN THOUGH THE 1950s ARE I
ROMANTICIZED IN THE US, AND THERE WERE CERTAINLY GOOD THINGS ABOUT THE ERA, THAT LEVEL OF CENTRALIZAT
ION WAS NOT NATURAL. THIS WAS AN ENORMOUS DEGREE OF CULTURAL HOMOGENIZATION, CONFORMITY, AND SAMENES
S RELATIVE TO THE PRE-1914 WORLD JUST A FEW DECADES PRIOR. MANY ASPECTS OF INDIVIDUAL INITIATIVE, CR
EATIVITY, AND FREEDOM HAD BEEN DULLED DOWN OR ELIMINATED IN THE STANDARDIZATION PROCESS. READ WILLIA
M H. WHYTE'S THE ORGANIZATION MAN OR JAMES BURNHAM'S MANAGERIAL REVOLUTION FOR A PORTRAIT OF THIS MI
D-CENTURY TIME PERIOD. AT THE TIME, THE MID-CENTURY US WAS MORE CORPORATIST THAN ENTREPRENEURIAL. YES
, THE SYSTEM WAS CAPITALISM, BUT A HIGHLY MANAGED AND REGULATED SORT OF CAPITALISM. IT WAS ALL ABOUT
JOINING THE BIG COMPANY AND WORKING YOUR WAY UP, NOT FOUNDING ONE, EXCEPT FOR THE RARE AND JUST BE
GINNING STARTUP PHENOMENON ON THE WEST COAST, WHICH WAS A MILLION-FOLD LESS COMMON THAN IT IS NOW.
EVERYTHING WAS SIGNI■CANTLY TO THE ECONOMIC LEFT AND SOCIAL RIGHT OF WHERE IT IS TODAY. YES, THE USA
WASN'T COMMUNIST, BUT IT DID HAVE 90% TOP MARGINAL TAX RATES, TO STOP ANY NEW PEOPLE FROM GETTING R
ICH AND POTENTIALLY THREATENING THE SYSTEM FDR BUILT. SIMILARLY, THE USSR WAS FAR MORE SOCIALLY CON
SERVATIVE THAN IS COMMONLY REMEMBERED, DOING THINGS LIKE TAXING CHILDLESS WOMEN TO REDUCE THEIR STATU
S IF THEY DIDN'T REPRODUCE. TYPICALLY, THOSE WHO COMPLAIN ABOUT FILTER BUBBLES ARE ACTUALLY COMPLAIN
ING THAT THERE IS MORE THAN ONE. NAMELY, THEY ARE ANNOYED THAT ALL INFORMATION DOESN'T DERIVE FROM E
STABLISHMENT SOURCES ONLY. THAT SITUATION ACTUALLY DID OBTAIN IN THE MID-CENTURY US, WHEN TENS OF MI
LLIONS OF AMERICANS ALL ASSEMBLED IN THEIR LIVING ROOMS AT THE SAME TIME TO WATCH I LOVE LUCY. THEN
IT ALL DECENTRALIZED, FRAGMENTED. THE STORY IS TOLD IN ESSAYS LIKE PAUL GRAHAM'S "Refragmentation,"
AND IN THE SOVEREIGN INDIVIDUAL. AND WE CALL THIS THE FRAGMENTA- TION THESIS. 2.7.2 THE FRONTIER THE
SIS IN THE LATE 1800s, FREDRICK JACKSON TURNER GAVE AN IN■UENTIAL TALK ON THE CONCEPT OF THE FRONTIE
R AS THE CRUCIAL DRIVING FORCE IN AMERICAN HISTORY. AT THAT TIME, IT WAS UNDERSTOOD THAT THE FREE LA
ND OF THE FRONTIER WAS CRUCIAL TO THE US IN SEVERAL WAYS - AS

CHAPTER 2. HISTORY AS TRAJECTORY A WAY FOR THE AMBITIOUS TO SEEK THEIR FORTUNES, AS A NATIONAL ASPIRATION IN THE FORM OF MANIFEST DESTINY, AS BARE LAND FOR SOCIAL EXPERIMENTS. TODAY, OF COURSE, THE CONCEPT OF THE FRONTIER AND MANIFEST DESTINY IS NOT ONLY NOT ADMIRABLE, BUT HAS BEEN PATHOLOGIZED SINCE THE 60s BY THE SAME DECONSTRUCTIONISM THAT IS ONE HALF OF WOKENESS. YOU KNOW THE STORY: THE AMERICAN FRONTIERSMEN, LIKE COLUMBUS BEFORE THEM, WERE RACISTS, COLONIALISTS, AND IMPERIALISTS.⁶⁵ BUT TWO POINTS ON THIS BEFORE WE PROCEED. THE FIRST IS THAT THERE WERE NO TRIBES FIGHTING IN THE AMERICAS BEFORE THE ARRIVAL OF THE SPANISH, THE BRITISH, AND THE LIKE. THE EUROPEANS SIMPLY REPRESENTED TRIBES N + 1, N + 2, AND SO ON. HAD ONE OF THE NATIVE AMERICAN TRIBES DEVELOPED A TECHNOLOGICAL EDGE OVER ANY OF THE EUROPEAN TRIBES, HAD THEY INVENTED OCEANIC NAVIGATION, THEY WOULD LIKELY HAVE INVADDED EUROPE. WE CAN INFER THIS BECAUSE (A) WHEN THE MONGOLS HAD A SIMILAR TECHNOLOGICAL EDGE THEY DID INVAD EUROPE AND (B) MANY NORTH AMERICAN TRIBES WERE BY CONTEMPORANEOUS ACCOUNTS PEOPLE ACCUSTOMED TO WAR. SO, IT'S OLD-FASHIONED, BUT IT'S PROBABLY HEALTHIER TO THINK OF THE NATIVE AMERICANS MORE LIKE THE 300 SPARTANS THAN AS HELPLESS VICTIMS — BRAVE WARRIORS WHO FOUGHT VALIANTLY BUT LOST TO SUPERIOR FORCE. THE SECOND IS THAT IF YOU READ BOOKS LIKE REICH'S WHO WE ARE AND HOW WE GOT HERE, IT MAKES CLEAR THAT HISTORY IS A BONEYARD. CONTRA THE OPENING NOTES OF MICROSOFT'S RECENT IGNITE CONFERENCE, THERE'S PROBABLY NOT A SINGLE ETHNIC GROUP ON THE PLANET THAT SIMPLY PEACEFULLY OCCUPIED THEIR PLOT OF LAND SINCE "TIME IMMEMORIAL." ONE TRIBE'S HOMELAND WAS ONCE THEIR DISTANT ANCESTORS' FRONTIER. SO, WITH THAT AS PREFACE, LET'S GENERALIZE THE FRONTIER THESIS. ONE WAY OF THINKING ABOUT IT IS THAT THE FRONTIER ACTUALLY OPENED IN 1492, WELL BEFORE THE FOUNDING OF THE AMERICAS. WHAT'S LITTLE KNOWN IS THAT COLUMBUS' VOYAGE TO THE NEW WORLD WAS IN PART DRIVEN BY THE OTTOMAN BLOCKADE OF THE EASTERN MEDITERRANEAN; IT WAS AN ATTEMPT TO FIND AN ALTERNATIVE PATH TO INDIA AROUND THE OTTOMANS, BUT IT ENDED UP USING TECHNOLOGY TO REOPEN THE FRONTIER IN THE FACE OF POLITICAL ROADBLOCKS. FROM 1492 TO 1890, EUROPEANS HAD WHAT THEY CONSIDERED A FRONTIER. IT STARTED WITH TRANSATLANTIC NAVIGATION AND THE DISCOVERY OF THE NEW WORLD, THEN PROCEEDED TO EURO-PEAN COLONIALISM, AND FROM THERE TO THE INDEPENDENCE OF THE US AND WESTERN EXPANSION VIA MANIFEST DESTINY. TOWARDS THE END OF THIS PERIOD, AUTHORS LIKE CHARLES MORDHOFF IN COMMUNISTIC SOCIETIES OF THE UNITED STATES NOTED HOW IMPORTANT THE FRONTIER WAS, HOW BAD IT WOULD BE IF THAT AVENUE FOR AMBITIOUS MEN WAS CLOSED OFF, AND HOW NASTY THE TRADE-UNIONISTS WERE GETTING. HITHERTO, IN THE UNITED STATES, OUR CHEAP AND FERTILE LANDS HAVE ACTED AS AN IMPORTANT SAFETY-VALVE FOR THE ENTERPRISE AND DISCONTENT OF OUR NON-CAPITALIST POPULATION. EVERY Hired WORKMAN KNOWS THAT IF HE CHOOSES TO USE ECONOMY AND INDUSTRY IN HIS CALLING, HE MAY WITHOUT GREAT OR INSURMOUNTABLE DIFFICULTY ESTABLISH HIMSELF IN INDEPENDENCE ON THE PUBLIC LANDS; AND, ⁶⁵NOTE AGAIN HOW HISTORY INFORMS MORALITY!

FRAGMENTATION, FRONTIER, FOURTH TURNING, FUTURE IS OUR PAST⁹⁷ IN FACT, A LARGE PROPORTION OF OUR MOST ENERGETIC AND INTELLIGENT MECHANICS DO CONSTANTLY SEEK THESE LANDS. . . I DO NOT DOUBT THAT THE EAGERNESS OF SOME OF OUR WISEST PUBLIC MEN FOR THE ACQUISITION OF NEW TERRITORY HAS ARISEN FROM THEIR CONVICTION THAT THIS OPENING FOR THE INDEPENDENCE OF LABORING MEN WAS ESSENTIAL TO THE SECURITY OF OUR FUTURE AS A FREE AND PEACEFUL STATE. . . ANY CIRCUMSTANCE, AS THE EXHAUSTION OF THESE LANDS, WHICH SHOULD MATERIALLY IMPAIR THIS OPPORTUNITY FOR INDEPENDENCE, WOULD BE, I BELIEVE, A SERIOUS CALAMITY TO OUR COUNTRY; AND THE SPIRIT OF THE TRADES-UNIONS AND INTERNATIONAL SOCIETIES APPEARS TO ME PECULIARLY MISCHIEVOUS AND HATEFUL, BECAUSE THEY SEEK TO ELIMINATE FROM THE THOUGHTS OF THEIR ADHERENTS THE HOPE OR EXPECTATION OF INDEPENDENCE. THE MEMBER OF A TRADES-UNION IS TAUGHT TO REGARD HIMSELF, AND TO ACT TOWARD SOCIETY, AS A HIRELING FOR LIFE; AND THESE SOCIETIES ARE UNITED, NOT AS MEN SEEKING A WAY TO EXCHANGE DEPENDENCE FOR INDEPENDENCE, BUT AS HIRELINGS, DETERMINED TO REMAIN SUCH, AND ONLY DEMANDING BETTER CONDITIONS OF THEIR MASTERS. IF IT WERE POSSIBLE TO INFUSE WITH THIS SPIRIT ALL OR THE GREATER PART OF THE NON-CAPITALIST CLASS IN THE UNITED STATES, THIS WOULD, I BELIEVE, BE ONE OF THE GRAVEST CALAMITIES WHICH COULD BEFALL US AS A NATION; FOR IT WOULD DEGRADE THE MASS OF OUR VOTERS, AND MAKE FREE GOVERNMENT HERE VERY DIFFICULT, IF IT DID NOT ENTIRELY CHANGE THE FORM OF OUR GOVERNMENT, AND EXPOSE US TO LASTING DISORDERS AND ATTACKS UPON PROPERTY. NORDHOFF WAS RIGHT. THE AGGRESSION OF THE TRADE-UNIONS EVENTUALLY LED TO THE COMMUNIST REVOLUTIONS WHICH KILLED TENS OF MILLIONS OF PEOPLE GLOBALLY, LED TO "LASTING DISORDERS AND ATTACKS UPON PROPERTY", AND GENERALLY BECAME THE BANE OF THE WORLD. WE CAN ATTRIBUTE SOME OF THIS TO THE PAUSE, TO THE CLOSING OF THE FRONTIER IN 1890. THAT CLOSING TOOK AWAY PATHS FOR AMBITIOUS MEN, AND ENSURED THAT THEY COULDN'T EASILY BECOME FOUNDERS ON THEIR OWN PLOT OF LAND - THEY HAD TO BECOME UNION ORGANIZERS, OR REVOLUTIONARIES, OR DEMAGOGUES OF SOME KIND. WITHOUT THE FRONTIER, IT ALL BECAME ZERO SUM. AND THUS WE ENTERED THE STEEL CAGE MATCH OF THE 20TH CENTURY BETWEEN FASCISM, COMMUNISM, AND DEMOCRATIC CAPITALISM. THERE WERE SOME IMPORTANT FRONTIER-RELATED TECHNOLOGICAL DEVELOPMENTS DURING THIS PERIOD IN SPACE SHUTTLES (AND CRUISE SHIPS!), BUT THE FRONTIER ITSELF WAS NOT OPEN. HUMANITY MANAGED TO SURVIVE THROUGH A BLOODY 20TH CENTURY. AFTER 1991, THE FRONTIER REOPENED AS COMMERCE ON THE INTERNET WAS LEGALIZED. BY THE LATE 2010S, THE COMBINATION OF CENTRALIZATION AND WORKIFICATION (IN THE WEST) AND XI-IFICATION (IN CHINA) THREATENED TO CLOSE THIS FRONTIER TOO, BUT BTC AND WEB3 AND THE OPEN METAVERSE HAVE GIVEN THE DIGITAL FRONTIER A NEW LEASE ON LIFE. TODAY, IF WE ASSESS WHERE WE'RE AT, THERE ARE FOUR POSSIBILITIES FOR THE FRONTIER: THE LAND, THE INTERNET, THE SEA, AND SPACE. RIGHT NOW, THERE ARE 7.7B PEOPLE ON LAND, 3.2B ON THE INTERNET, ABOUT 2-3M ON THE HIGH SEAS, AND LESS THAN 10 CURRENTLY IN SPACE.

98 CHAPTER 2. HISTORY AS TRAJECTORY SO, PRactically SPEaking, AN "Internet FRontier" IS EASier THAN THE OTHER THREE. IF WE'RE LUCKY, WE'LL BE ABLE TO USE THE CONCEPTS FROM THE NETWORK STATE TO REOPEN THE PHYSICAL FRONTIER, THROUGH A HYBRID INTERNET/LAND STRATEGY, AS DESCRIBED IN THIS BOOK. TO SUMMARIZE, (A) THE PERIOD OF EUROPEAN GREATNESS CORRESPONDED TO THE OPEN FRONTIER FROM 1492-1890, (B) THE PERIOD OF TOTAL WAR CORRESPONDED TO THE CLOSING FRONTIER FROM 1890-1991 WHICH USHERED IN A NECESSARILY ZERO-SUM WORLD, (C) THE PEACEFUL REOPENING OF THE DIGITAL FRONTIER COULD LEAD US AGAIN TO A TIME OF GREATNESS, (D) THE AMERICAN AND CHINESE ESTABLISHMENTS ARE TRYING TO CLOSE THAT FRONTIER AND TRAP US INTO THE SAME STEEL CAGE MATCH OF THE 20th CENTURY, (E) BUT WITH SUFFICIENTLY GOOD TECHNOLOGY WE MIGHT BE ABLE TO ESCAPE THESE POLITICAL ROADBLOCKS AND (F) REOPEN NOT JUST A DIGITAL FRONTIER, BUT A PHYSICAL ONE: ON REMOTE PIECES OF LAND, ON THE SEA, AND EVENTUALLY IN SPACE. THIS IS WHAT WE REFER TO AS THE GENERALIZED FRONTIER THESIS.

2.7.3 THE FOURTH TURNING THESIS

THE FOURTH TURNING AND AGES OF DISCORD BOTH PREDICT VERY SIGNIFICANT UNREST WITHIN THE US IN THE COMING YEARS. RAY DALIO DOES AS WE ALL IN PRINCIPLES FOR DEALING WITH THE CHANGING WORLD ORDER, THOUGH HE CONFINES MOST OF HIS COMMENTS TO A MONETARY APOCALYPSE. THEIR MODELS ARE SOMEWHAT RELATED. THE FOURTH TURNING CAME OUT IN 1997 AND IS BASED ON A QUASI-CYCLICAL THEORY OF ANGLO-AMERICAN HISTORY, WHERE CONFLICT ERUPTS ROUGHLY EVERY 75 YEARS. IF YOU BELIEVE IN THESE PATTERNS AND WANT A POSSIBLE UNDERLYING DRIVER OF THEM, 75 YEARS IS ABOUT ONE LONG HUMAN LIFESPAN. SO PERHAPS THOSE WHO DO NOT REMEMBER 66 HISTORY REALLY ARE DOOMED TO REPEAT IT. TURCHIN'S PREDICTIONS CAME OUT AROUND 2008 IN A NATURE ARTICLE, AND HE'S WRITTEN THEM UP AT LENGTH IN WAR AND PEACE AND WAR. HE HAS IMPRESSIVE TIMESTAMPED GRAPHS WITH SPECIFIC FORECASTS AS TO WHY CONFLICT WILL RISE, USING VARIOUS MEASURES FOR SOCIETAL INSTABILITY LIKE ELITE OVERPRODUCTION AND THE WAGE SHARE OF THE MASSES. DALIO'S THESIS IS THAT WE'RE ABOUT TO EXPERIENCE EVENTS THAT HAVE NEVER HAPPENED BEFORE IN OUR LIVES, BUT HAVE HAPPENED MANY TIMES BEFORE IN HISTORY. HE GOES BACK FURTHER THAN THE FOURTH TURNING TO THE BRITISH AND DUTCH EMPIRES, AND HAS SOME QUASI-QUANTITATIVE ANALYSIS TO SUPPORT HIS VIEW. ALL THREE OF THESE WORKS PREDICT SIGNIFICANT PHYSICAL AND/OR MONETARY CONFLICT IN AMERICA IN THE 2020s, AND (IN DALIO'S CASE) A CONSEQUENT CHANGING OF THE WORLD ORDER. WE CALL THIS THE FOURTH TURNING THESIS.

66Imagine A Powered-up, OPEN SOURCE, DECENTRALIZED GOOGLE LENS-LIKE THING THAT COULD SCAN THE COMPUTATIONAL CUES IN YOUR ENVIRONMENT (CENTRALIZED AND DECENTRALIZED) TO MATCH TO HISTORICAL PATTERNS AND TELL YOU WHETHER THIS LOOKED LIKE A GOOD OR BAD IDEA BASED ON THOUSANDS OF SAMPLES FROM OTHER PEOPLE.

FRAGMENTATION, FRONTIER, FOURTH TURNING, FUTURE IS OUR PAST 99 2.7.4 The Future IS OUR PAST
is Take A Look AT THis Video OF UNmixing A FLuid. ISn't THat Blzarre? YOu CAN SEe THE SAME PRocess G
Oing BACKward IN Tlme, IN AN UNexpected WAY. THis IS NOT THE KInd OF TRajectory WE EXpect TO SEe, BU
t IT HAppens UNder CERTain CONditions. AND IT's ONe MOdel FOR WHat's HAppening IN THE WORld, AS WE R
Edecentralize AFter A CEntury OF CEntralization. IN OTHER WORDs, AN IMportant CONsequence OF THE FRA
gmen- Tation THesis IS THat OUR FUTure MAY BE MORE LIke OUR PAST. IF PEak CENTralization WAS ARound
1950, Wlth ONe Telephone Company (AT&T) AND TWo Superpowers (US, USSR) AND THree Television STations
(ABC, CBS, NBC), WE GRow MORE DEcentralized AS WE MOve IN Elther DIrection FROM THat POint. ESsenti
ally, THE INvention OF THE TRansistor IN 1947 IS LIke A MIrror MOMent. AND AS YOu GO FORWARD AND BAc
kward IN Tlme YOu START TO SEe EVents REpeating, BUt AS FUNhouse MIrror VERSIONs OF THEMSELVES, OFTE
n Wlth THE OPposite OUTcome. OUR FUTure IS OUR PAST. LET's GO THrough SOME EXamples: • TOday, THE IN
ternet FRontier REopens; BACK THEN, THE WESTern FRontier CLosed. • TOday, WE EXperience COVID-19; BA
ck THEN WE EXperienced THE SPanish FLu. • TOday, WE HAVE TEch Blllionaires; BACK THEN WE HAD THE CAP
tains OF INDustry. • TOday, FOUNders LIke ELon MUSk AND JACK DORsey SEem TO BE WINning AGainst ESTab
lishment JOurnalists; BACK THEN, THE LIkes OF IDa TARbell DEMagogued AND DEfeated ROCKefeller. • TOd
ay, WE HAVE CRYptocurrencies; BACK THEN WE Wltnessed THE ERA OF PRivate BANK- ING. • TOday, WE HAVE
A POPulist MOVement OF Dlgital GOLD ADVocates; BACK THEN, WE HAD A POPulist MOVement AGainst GOLD IN
THE FORM OF THE CROSS OF GOLD SPEech. • TOday, WE HAVE THE IN■ation AND CULTural CON■ict OF WEimar
AMerica; BACK THEN, WE HAD THE IN■ation AND CULTural CON■ict OF WEimar GERMANY. • TOday, IN WEimar A
MERICA, WE HAVE RIght AND LEft FIGHTing IN THE STreets; BACK THEN, IN WEimar GERMANY, WE HAD LEft AN
d RIght FIGHTing IN THE STreets. • TOday, THE CAPitalists SUccessfully TEamed UP Wlth THE GENerals A
GAINst A SITting PRESident; BACK THEN, THE GENerals SIded Wlth THE SITting PRESident AGainst THE CAP
italists. • TOday, WE HAVE WHat TURchin CONsiders ANtebellum-like POLarization; BACK THEN, WE HAD WH
AT WE NOW KNOW TO BE ANtebellum POLarization. • TOday, WE HAVE AIrbnb; BACK THEN, WE HAD FLOphouses.
• TOday, WE HAVE UBER; BACK THEN, WE HAD GYpsy CABS.

10 CHAPTER 2. HISTORY AS TRAJECTORY • Today, The New York Times Slides With Ukraine TO FIGHT NATION-
list RUSSIA; BACK THEN, THE NEW YORK TIMES SLIDED WITH COMMUNIST RUSSIA TO STARVE OUT UKRAINE. • TODAY,
y, WE SEE THE TRANSITION FROM “NEUTRAL” TO YELLOW JOURNALISM; BACK THEN, WE SAW THE TRANSITION FROM
YELLOW TO “NEUTRAL” JOURNALISM. • TODAY, FIGURES LIKE MIKE MORITZ THINK OF CHINA AS ENERGETIC AND AM-
ERICA AS LA-CONIC, BUT BACK THEN FOLKS LIKE BERTRAND RUSSELL THOUGHT OF AMERICA AS ENERGETIC AND CH-
INA AS LA-CONIC. WE CAN THINK OF MORE EXAMPLES, WITH RESPECT TO THE EMERGING SECOND COLD WAR. • TODAY
, WE’RE SEEING THE CHINESE AND RUSSIANS AGAIN LINE UP AGAINST THE WEST, EXCEPT THIS TIME, THE CHINESE
ARE THE SENIOR PARTNER IN THE RELATIONSHIP. • TODAY, WE MAY SEE A THIRD GROUP ARISE OUTSIDE OF THE
COLD WAR AXIS, EXCEPT THIS TIME RATHER THAN BEING THE “THIRD WORLD” AND NON-ALIGNED, IT MAY BE “WEB
3” AND ECONOMICALLY ALIGNED. • AND TODAY, DEPENDING ON HOW THE ECONOMICS PLAY OUT, THAT THIRD FACTION
MAY COME IN FIRST, THE SECOND WORLD MAY COME IN SECOND, AND THE FORMER FIRST WORLD MAY END UP LAST
. AND IF WE GO BACK FURTHER IN TIME: • TODAY, WE SEE A US THAT’S GRADUALLY FEDERALIZING INTO INDIVID-
UAL STATES AND AN INDIAN STATE THAT’S UNIFIED MANY SUBCONTINENTAL ETHNIC GROUPS. BACK IN THE LATE 194-
0s, WE SAW AN INDIA THAT WAS GRADUALLY CENTRALIZING AWAY FROM INDIVIDUAL PRINCELY STATES, AND A UNIT-
ED STATES THAT UNIFIED MANY EUROPEAN ETHNICITIES. • TODAY, WE’RE SEEING SO-FAR UNSUCCESSFUL CALLS FOR
WEALTH SEIZURES IN THE US; BACK THEN, WE SAW EXECUTIVE ORDER 6102, THE SUCCESSFUL SEIZURE OF GOLD.
• TODAY, WE’RE SEEING THE RISE OF THE PSEUDONYMOUS FOUNDER AND STARTUP SOCIETIES; BACK THEN, IN THE
1770s, WE SAW PSEUDONYMOUS FOUNDERS OF STARTUP COUNTRIES. • TODAY, WE’RE SEEING THE RE-encryption OF
THE MAP; FURTHER BACK IN TIME, BEFORE 1492, MAPS HAD TERRA INCOGNITA. THE CAREFUL OBSERVER WILL NOT
E THAT THESE EVENTS AREN’T ALL HAPPENING IN EXACTLY THE SAME REVERSE ORDER. IT’S NOT A/B/C/D AND THEN
D/C/B/A LIKE A MELODY. MOREOVER, THE FIRST SET OF EVENTS IS MORE SPACED OUT OVER TIME, WHILE THE S-
ECOND IS HIGHLY CLUMPED TOGETHER, WITH INTERNET-ERA EVENTS YEARS, RATHER THAN DECADES, APART. FINALL-
Y, THE REPETITION OF EACH EVENT IS OFTEN NOT EXACTLY THE SAME AS THE PREVIOUS, BUT OFTEN A “VERSION
3.0.” FOR EXAMPLE, BITCOIN IS NOT SIMPLY THE SAME AS GOLD, BUT A VERSION 3.0 THAT COMBINES SOME ASPE-
CTS OF GOLD AND SOME ASPECTS OF DIGITIZED FIAT CURRENCIES. STILL, THERE SEEMS TO BE SOMETHING GOING
ON. WHAT’S THE UNIFYING THEORY HERE? ONE MODEL, AS JUST DISCUSSED IN THE FRAGMENTATION THESIS, IS TH-
AT TECHNOLOGY FAVORED CENTRALIZATION IN THE WEST AND ESPECIALLY THE US FROM ARGUABLY 1754-1947 (JOIN
, OR DIE

8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 101 IN THE FRENCH AND INDIAN WAR, UNITED NATIONAL GOVERNMENT POST-CIVIL WAR, RAILROADS, TELEGRAPH, RADIO, TELEVISION, MOVIES, MASS MEDIA IN GENERAL, AND MASS PRODUCTION). AND TECHNOLOGY IS NOW FAVORING DECENTRALIZATION FROM ROUGHLY 1950 TO THE PRESENT DAY (TRANSISTOR, PERSONAL COMPUTER, INTERNET, REMOTE WORK, SMARTPHONE, CRYPTOCURRENCY). SO, IN THE WEST, THE GRIP OF THE CENTRALIZED STATE HAS BEGUN TO SLACKEN. THE EAST IS A DIFFERENT MATTER; AFTER A CENTURY OF COMMUNISM, SOCIALISM, CIVIL WAR, AND PARTITION, CHINA AND INDIA ARE MORE INTERNALLY UNITED THAN THEY'VE BEEN IN A LONG TIME. BEFORE WE IMMEDIATELY JUMP TO THINKING THAT WORLD IS ENDING, THOUGH, WE SHOULD NOTE THAT DURING THE RISE OF WESTERN CENTRALIZED POWER PEOPLE (UNDERSTANDABLY) COMPLAINED ABOUT CENTRALIZED POWER AND HOMOGENEITY, JUST AS TODAY DURING THE FALL OF WESTERN CENTRALIZED POWER THEY ARE COMPLAINING ABOUT FRAGMENTATION AND LACK OF COMMON VOICE. THAT DOESN'T MEAN WE'VE COME FULL CIRCLE, EXACTLY. AS PER THE HELICAL THEORY OF HISTORY, WE MIGHT HAVE PROGRESSED OR REGRESSED. BUT THERE MAY BE AN UNDERLYING CYCLE: "THE EMPIRE, LONG DIVIDED, MUST UNITE; LONG UNITED, MUST DIVIDE." ANYWAY, THIS MODEL WOULD EXPLAIN WHY WE'RE SEEING AN INVERSION: THERE WAS AN UPWARD ARC THAT FAVORED THE CENTRALIZED STATE, BUT NOW WE'RE IN THE MIDDLE OF A DOWNWARD ARC THAT FAVORS THE DECENTRALIZED NETWORK.⁶⁷ SO VARIOUS HISTORICAL EVENTS ARE RECURRING WITH THE OPPOSITE RESULTS, LIKE THE FLUID FLOWING IN REVERSE. AND THAT'S THE THESIS ON HOW OUR FUTURE IS OUR PAST. 2.8 LEFT IS THE NEW RIGHT IS THE NEW LEFT MARX'S CONCEPT OF A CLASS STRUGGLE HAS BEEN SO INFLUENTIAL THAT PEOPLE DON'T REALIZE THAT SOMETIMES THOSE REVOLUTIONARY CLASSES WON, AND BECAME RULING CLASSES. AND THEN IN TURN FOUGHT THE SUBSEQUENT REVOLUTIONARY CLASSES. IN FACT, THEY OFTEN DID. UNDERSTANDING THIS IS IMPORTANT IF YOU WANT TO BUILD A STARTUP SOCIETY. UNLESS YOU ARE SIGNIFICANTLY DIFFERENTIATED FROM THE ESTABLISHMENT — UNLESS YOU HAVE A "10X VALUE PROPOSITION", AS A VENTURE CAPITALIST WOULD PUT IT — YOU'RE NOT GOING TO ATTRACT CITIZENS. SOCIAL DIFFERENTIATION MEANS BEING REVOLUTIONARY IN SOME SENSE. NOT NECESSARILY IN THE SENSE OF THE PARIS COMMUNE. BUT MORALLY REVOLUTIONARY IN THE SENSE OF INVERTING SOME PREMISE THAT SOCIETY AT LARGE THINKS IS GOOD, YET THAT YOU CAN SHOW — THROUGH YOUR METICULOUS STUDY OF HISTORY — IS ACTUALLY BAD.⁶⁸ THAT MORAL INVERSION IS THE MORAL INNOVATION THAT'S THE BASIS FOR A STARTUP SOCIETY, AND IT LEADS US INELUCTABLY TO LEFT-VS- RIGHT. ⁶⁷IN THE WEST, AT LEAST. THE EAST IS A DIFFERENT MATTER! IT'S A WHOLE ESSAY IN ITS OWN RIGHT, BUT THE FUTURE MAY BE A CENTRALIZED EAST AND A DECENTRALIZED WEST. ⁶⁸A STARTUP COMPANY CAN GET AWAY WITH MAINLY BEING TECHNOLOGICALLY REVOLUTIONARY, THOUGH THERE IS OFTEN THE SUBTEXT OF BEING MORALLY REVOLUTIONARY TOO, WHICH IS WHY "CHANGE THE WORLD!" IS A BIG MOTIVATION FOR MANY. TURNING THAT SUBTEXT INTO TEXT IS CRUCIAL FOR A STARTUP SOCIETY, AS OPPOSED TO A MERE STARTUP COMPANY, AS MISSIONARY SOCIETIES TEND TO OUTPERFORM MERCENARY ONES. SEE THE ONE COMMANDMENT AND THE SECTION ON PARALLEL SOCIETIES.

02 CHAPTER 2. HISTORY AS TRAJECTORY 2.8.1 WHY Discuss Left AND Right AT ALI? WAit. CAN't WE JUST DO Technology Without Politics, OR USE Technology TO EScape Politics? UNfortunately, NO, BEcause POLITICS IS ABout PEople WHO Disagree Wlth YOU. IF YOU're WORKing Wlth Computers, OR RObots, OR PUre MATH, YOU DON't HAVE Politics. IF YOU're IN A Hghly ALigned SOCIety, YOU DON't HAVE POLITICS Elther. BUt TO BUild SUCH A Hghly ALigned SOCIety FROM SCRatch, YOU NEED TO THINK ABout Politics. PUT ANother WAY, IF THE STARTup FOUNDers OF THE 2000s AND 2010s HAd TO LEvel UP BEyond Technology TO LEarn BUSINESS, THE STARTup SOCIety FOUNDers OF THE 2020s NEED TO ADd Hlstory AND POLITICS TO THEIR CURriculum . BEcause A THEORY OF LEFT AND RIGHT IS NEcessary FOR NATION FORMation. OUR THEORY BEGins BY Discussing THE SPLit BETWEEN Vlsions OF MORal AND TEchnological PROgress, THE ANALogy BETWEEN POLITICAL AND FINANCIAL ARbitrage, THE MARKET FOR REvolu- tionaries OF BOTH THE POLITICAL ACTIVIST AND TECH FOUNDER TYPE, AND THE CONCEPT OF STARTUP SOCIETIES AS A WAY TO REunify MORal AND TEchnological PROgress. Next WE Discuss LEFT AND RIGHT AS REAL CONSTRUCTS, USING THE SPAtial THEORY OF VOTing TO OBviate THE OBJECTION THAT LEFT AND RIGHT DON't REALLY EXist, AND QUALIFYing OUR OBSERVA- tion BY NOTing THESE ARE POINT-in-time CONSTRUCTS. SUBsequently WE Discuss HOW LEFT AND RIGHT CHange OVER TIme, USING EXAmPles FROM WHAT WE CALL THE LEFT, RIGHT, AND LIBERTARIAN CYCLES, IN THE CONTEXT OF BOTH STATE-orient ed POLITICAL MOVements AND MORE REcent NETWORK-centric TECH STARTups. Finally, WE Discuss SEveral SPECIFIC "FLippenings" THROUGH Hlstory WHERE WINning TEAMS CHanged IDEological ORientation UPon VICTORY , AND Glve A THESIS ON WHAT THE NEXT FLIP- PENING WILL LOOK LIKE. 2.8.2 REunifying TEchnological AND MORal PROgress BEFORE WE GET INTO Left-vs-right, THE CONCEPT OF STARTing A NEW PROJect Wlth A MORal RATHER THAN TEchnological INnovation WILL BE UNfamiliar TO MANY TECH FOUNDers. SO LET's MAKE IT FAMiliar. FirSt, WE NEED TO UNDERstand THE SURprising SIMilarities BETWEEN STARTup FOUNDers AND POLITICAL ACTIVISTS, BETWEEN THOSE FOCUSED ON TEchnological INnovation AND THOSE INTER- ESTED IN MORal GOOD . THE TURN-of-the-century PROgressives THOUGHT OF THESE AS THE SAME THING: PROgress WAS BOTH TEchnological AND MORal PROgress. PUBLIC SANitation, FOR EX- AMple, WAS BOTH A TEchnological INnovation AND A MORal GOOD ("cleanliness WAS NEXT TO GODliness"). MORE REcently, TEchnological AND MORal INnovato rs HAVE GROWN TO BE AT ODDs, BEcause THE US ESTablishment NOW REGARDS ITS ECONOMIC DISRUPTORS AS ENEMIES.⁶⁹ AS WE'LL GET TO, THE IDEA OF FUNDing PRESidents OF STARTup SOCIETIES AROUND THE WORLD COULD REunify TEchnological AND MORal PROgress. BUT WHAT EXactly DO WE MEAN BY "MORal PROgress"? ⁶⁹See TECH VS MEDIA, AKa PC VS PC.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 103 MORal PROgress IS MORal INnovation IS MORal INversion
IF YOU WANT TO PRODUCE MORal AND NOT JUST TECHNOLOGICAL PROGRESS, YOU'RE GOING TO HAVE TO INTRODUCE
NEW MORal PREMISES THAT INVERT WHAT PEOPLE PREVIOUSLY BELIEVED. SO ONE MAN'S MORal INnovation IS AN
OTHER MAN'S MORal INversion. HERE ARE SOME SPECIFIC EXAMPLES: • SMOKING WAS ACCEPTABLE, IS NOW CONSID-
ERED "BAD" • ALCOHOL WAS "BAD" DURING PROHIBITION, IS NOW ACCEPTABLE • PROSTITUTION WAS "BAD" UNDER COMMUNI-
SM, IS NOW ACCEPTABLE • COLLEGE WAS ONCE CONSIDERED MERELY ACCEPTABLE, BUT IN THE POSTWAR ERA BECAME
"GOOD" SOME OBSERVATIONS IMMEDIATELY COME TO MIND. 1. FIRST, FROM THIS LIST, YOU SHOULD BE ABLE TO
GENERATE MANY MORE EXAMPLES (WE AVOIDED THE VERY OBVIOUS ONES). AND YOU MIGHT REALIZE THAT A SIGNIFI-
CANT FRACTION OF TODAY'S PUBLIC CONVERSATION IS DEVOTED TO DEBATING WHETHER X IS MORALLY GOOD OR BAD,
USUALLY WITHOUT STATING IT QUITE SO BLUNTLY. 2. SECOND, A MORal INnovation NEED NOT FLIP SOMETHING
ALL THE WAY FROM "GOOD" TO "BAD". SIMPLY FLIPPING IT FROM "BAD" TO "ACCEPTABLE" OR "ACCEPTABLE" TO "
BAD" CAN BE HIGHLY CONSEQUENTIAL. 3. THIRD, WE CAN SEE THAT MORal PROGRESS IS NOT AS STRAIGHTFORWARD
AS TECHNOLOGICAL PROGRESS. THE MORal STEP FORWARD THAT COMMUNISM PROPOSED - THE PREMISE THAT "PROSTITUTION
WAS BAD" - WAS ACTUALLY A TERRIBLE INnovation THAT LED TO TENS OF MILLIONS DEAD AND A WORSE-OFF WORLD
. BY CONTRAST, THE ENLIGHTENMENT'S MORal INnovations WERE GOOD, AT LEAST IN THE SENSE THAT THEY LED
TO TECHNOLOGICAL DEVELOPMENT. 4. FOURTH, THAT LAST POINT SHOWS THAT BENCHMARKING WHAT "MORal GOOD" M-
EANS IS NONTRIVIAL. DOES IT MEAN DEONTOLOGICALLY GOOD, OR CONSEQUENTIALLY GOOD? THAT IS, IS THIS MOR-
al PRINCIPLE GOOD IN SOME ABSTRACT SENSE, OR IS IT GOOD BECAUSE IT PRODUCES MEASURABLY GOOD RESULTS?
5. FIFTH, IF A GIVEN SOCIETY HAS ITS MORal FOUNDATIONS GENERALLY RIGHT, THEN MOST OF THE PROPOSED
MORal INnovations OR INversions WILL ACTUALLY MAKE PEOPLE WORSE OFF IF IMPOSED ON THE POPULACE AT L-
ARGE. ALL OF THIS IS TRUE. NEVERTHELESS, A KEY REALIZATION FOR A TECH FOUNDER SHOULD BE THAT A SIGNI-
FICANT FRACTION OF PEOPLE WANT MORal PROGRESS. JUST AS MUCH AS THE TECHNOLOGIST WANTS TO GET TO MARS,
A LARGE CHUNK OF SOCIETY WANTS TO FEEL LIKE THE GOOD GUYS FIGHTING IN SOME GRAND CAUSE. AND IF YOU
DON'T GIVE THEM THAT CAUSE, THEY'LL MAKE ONE UP, AND/OR START FIGHTING EACH OTHER. (NOTE THAT MARS I-
S ITSELF A MORal CAUSE WHEN FRAMED IN TERMS OF "BACKING UP HUMANITY" OR "EXPLORING THE FINAL FRONTI-
ER".) OUR ARGUMENT IS THAT A MORal PRINCIPLE IS CONSEQUENTIALLY GOOD IF IT ATTRACTS PEOPLE TO YOUR
NEW STARTUP SOCIETY, AS PER THE ONE COMMANDMENT.

4 CHAPTER 2. HISTORY AS TRAJECTORY ANother REAlization IS THat COntent CAN BOUND THE SCOPE OF MORAL INNOVATION. THE COMMUNIST REVOLUTIONS OF THE 20th CENTURY WERE EVIL NOT JUST BECAUSE OF THEIR MURDEROUS RESULTS, BUT BECAUSE THEY RAN A GLANT HUMAN EXPERIMENT ON PEOPLE AGAINST THEIR WILL. THOSE WHO WANTED TO OPT OUT, TO EXIT, WERE STOPPED BY BERLIN WALLS AND IRON CURTAINS. BUT THE FORGOTTEN AMERICAN “COMMUNISTIC SOCIETIES” OF THE 1800s WERE GENERALLY GOOD, BECAUSE ONLY THOSE WHO WANTED TO BE THERE REMAINED. ANYONE WHO DIDN’T LIKE IT COULD LEAVE. THAT’S WHY THE REOPENING OF THE FRONTIER IS SO IMPORTANT: IT GIVES SPACE TO MORALLY INNOVATE WITHOUT AFFECTING THOSE WHO DON’T CONSENT TO THE EXPERIMENT. A THIRD REALIZATION IS THAT TECHNOLOGICAL INNOVATION DRIVES MORAL INNOVATION. WHILE HUMAN NATURE MAY BE ROUGHLY CONSTANT, TECHNOLOGY IS NOT. SO NEW TECH CAUSES THE INTRODUCTION OF NEW MORAL PRINCIPLES, OR THE RE-EVALUATION OF OLD ONES. CONSIDER THE PREMISE THAT “FREEDOM OF SPEECH IS GOOD”: THAT MEANS ONE THING IN 1776, ANOTHER THING DURING THE ERA OF HIGHLY CENTRALIZED MASS MEDIA, AND YET ANOTHER IN AN ERA WHEN EVERYTHING REDUCES TO SPEECH-LIKE DIGITAL SYMBOLS TRANSMITTED OVER THE INTERNET. A RELATED REALIZATION IS THAT MORAL INNOVATION DRIVES TECHNOLOGICAL INNOVATION. ONCE IT WAS NO LONGER CONSIDERED MORALLY “EVIL” TO PROPOSE A HELIOCENTRIC MODEL, PEOPLE COULD DEVELOP MORE ACCURATE STAR CHARTS, WHICH IN THE FULLNESS OF TIME GOT US TO OCEANIC NAVIGATION, SATELLITES, AND SPACE TRAVEL. CONVERSELY, IF YOU INTRODUCE THE MORAL PREMISE THAT “DIGITAL CENTRALIZATION IS BAD”, YOU MOVE DOWN THE BRANCH OF THE TECH TREE THAT BEGINS WITH BITCOIN. A FINAL REALIZATION IS THAT JUST LIKE MOST ATTEMPTS AT TECHNOLOGICAL INNOVATION FAIL, MOST ATTEMPTS AT MORAL INNOVATION WILL ALSO FAIL. HOWEVER, IF THOSE FAILURES OCCUR WITHIN THE BOUNDED CONFINES OF A CONSENSUAL STARTUP SOCIETY, THEY’RE MORE ACCEPTABLE AS THE PRICE OF MORAL PROGRESS. AND IF YOU THINK SOCIETY HAS IN MANY WAYS NOW GENERALLY BECOME BAD, IT MAY NOT BE THAT HARD TO FIND WAYS TO IMPROVE ON IT THROUGH A MORAL INVERSION. POLITICAL ARBITRAGE AND FINANCIAL ARBITRAGE A MORAL INVERSION IS A FORM OF POLITICAL ARBITRAGE. NIETZSCHE CRITICIZED IT WHEN CHRISTIANITY DID IT, BUT ALSO HAD TO ADMIT IT WORKED.⁷¹ WHY DID IT WORK? ONE VIEW IS THAT “AFFLICT THE COMFORTABLE AND COMFORT THE AFFLICTED” IS ESSENTIALLY THE SAME CONCEPT AS BUY LOW/SELL HIGH. YOU’RE SUPPORTING SOMETHING WHEN IT’S LOW AND SHORTING IT WHEN IT’S HIGH. THE MOOD OF THE WORDS IS VERY DIFFERENT, OF COURSE. THE POLITICAL ARBITRAGE OF SUPPORTING THOSE WITH LOW STATUS AND ATTACKING THOSE WITH HIGH STATUS IS TYPICALLY FRAMED AS A MORAL IMPERATIVE, WHILE THE FINANCIAL ARBITRAGE OF BUYING ASSETS WITH LOW VALUE AND SELLING THEM AT A HIGHER PRICE IS NOT. NIETZSCHE PRIZED HEROISM RATHER THAN VICTIMOLOGY, AND DIDN’T LIKE HOW THE INVERSION OF VALUES BROUGHT ROME LOW. BUT HE ALSO HAD TO RESPECT A WINNER, AND SOMEHOW THE VICTIMOLOGISTS DID WIN. A VANTAGE POINT THAT UNITES THESE CONTRADICTING OBSERVATIONS IS THAT WINNERS TEND TO BE CONTENT, WHILE LOSERS CAN BE HIGHLY MOTIVATED. BUT NOT ALL WINNERS REMAIN CONTENT FOREVER; SOMETIMES THERE ARE DEFECTORS, WHO BECOME COUNTER-ELITES, AND SLIDE WITH THE “LOSERS”. THE COUNTER-ELITES AND “LOSERS” THEN FORM, RESPECTIVELY, THE LEADERSHIP AND BASE OF A REVOLUTIONARY MOVEMENT THAT ATTACKS THE WINNERS TO ESTABLISH A NEW RULING CLASS — IF SUCCESSFUL.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 105 Selling ASsets OF Hlgh VAlue IS USUally POrtrayed AS A DIspassionate MEchanism FOr GAining FINAncial Capital. BUt REcall THat PEople DO SOmetimes MAKE MOral ARGuments FOr BUying LOw AND SELLing Hlgh ("it HELps MARKets BEcome MOre EFFlcient"). SO YOU Mlght INvert THE MOod OF THE WORDS ON THE OTher Slde TOO, AND THink OF "A■icting THE COMfortable AND COMforting THE AFFLicted" AS A DIspassionate MEchanism FOr GAining POLitical Capital. There's A RELate d OBServation: THE CONcept OF "Buy LOW, SELL Hlgh" ASSumes THERE ARE MANY DI■erent ASsets TO CHOOSE FROM, MANY AXes TO ARbitrage. BY CONtrast, THE CONcept OF "A■ict THE COMfortable AND COMfort THE AFFLicted" TAcitly ASSumes ONLY ONE AXis OF POWERful-vs-weak. HOWEVER, MULTIPLE AXes OF POWER EXist. FOr EXample, A MAN WHO ORganizes A Mllion DOLLars FOr CHARity MAY BE ECOnomically COMfortable, YET CAN BE SOcially WEak RELative TO THE ESTablishment JOURNAList WHO DECides TO AFFLict HIm FOr HIs TWEEt s. SO THE ABILITY TO DESignate JUst WHO EXactly IS "COMfortable" AND WHO IS "A■icted" IS ITSELF A FORM OF POWER. Someone WHO CAN Plick WHO TO LABEL AS "COMfortable", WHO CAN Plick THE AXis OF POLitical ARbitrage, CAN KEep KNOcking DOWN THE "COMfortable" WHILE THEMSELVES REMaining VERY COMfortable. AND THAT MEANS THE CONcept OF "A■icting THE COMfortable AND COMforting THE AFFLicted" CAN ALSO BE A MECHANISM FOR MAIntaining POLitical Capital. PUTting THESE IDEas TOgether, ONCE YOU STart REclassifying MUCH OF THE MORal LANGUAGE FLYing THrough THE AIr AS A KInd OF POLitical ARbitrage, YOU CAN STart THinking ABOUT IT MORE RATIONally. POLitical ARbitrage INVolves BACKing A FAction THAT IS POLitically WEaker TODAY THAN IT COULD OR SHOULD BE. AN EARly BACKer THAT RISks THEIR OWN POLitical CAPITAL TO MAKE A FAction MORE JUstly POWERful CAN ALSO GAIN A SLICE OF THAT POWER SHOULD IT ACTually MATERIALize. THink ABOUT THE STATUS THAT ACCrued TO THE FOUNding FATHERs, TO THE EARly BOLshe- VIKs, TO MAO's VICTorious COMMUNISTS, TO THE CIVIL RIGHTS ACTivists, OR TO THE EASTern EUROPEAN DIssidents AFTER THE SOVIETS FEll. THESE VERY DI■erent GROups OF SOCIAL REVOLu- TIONARIES ALL TOOK SIGNI■cant STATUS RISks — AND GAINED SIGNI■cant STATUS REwards COME THE REVOLUTION. THE MARKET FOR REVOLUTIONARIES ONCE WE SEE THE MAPPING BETWEEN FINAncial AND POLitical ARbitrage, WE REALize THERE IS A MARKET FOR REVOLUTIONARIES. TODAY, THERE ARE TWO KIndS OF REVOLUTIONARIES: TEchnological AND POLitical. AND THERE ARE TWO KIndS OF BACKERS OF THESE REVOLUTIONARIES: VENTure CAPITALISTS AND PHILANTHROPISTS. THE BACKERS SEEK OUT THE FOUNders, THE AMbitious LEADERS OF NEW TEchnology COMPANIES AND NEW POLitical MOVEMENTS. AND THAT IS THE MARKET FOR REVOLUTIONARIES. EQUIPPED WITH THIS FRAMEWORK, YOU CAN MAP THE TECH ECOSYSTEM TO THE POLITICAL ECOSYS- TEM. YOU CAN ANALOGIZE TECH FOUNders TO POLITICAL ACTivists, VENTure CAPITALISTS TO POLIT- ICAL PHILANTHROPISTS, TECH TREnds TO SOCIAL MOVEMENTS, YC STARTUP SCHOOL TO THE OSLO FREEDOM FORUM, THE Hlgh GROWth HANdbOOK TO BEAUTIFUL TROUBLE, STARTUPS TO NGOs, Blg COMPANIES TO GOVERNMENT AGENCIES, CRunchbase TO CHARityNAVIGATOR, AND SO ON.

CHAPTER 2. HISTORY AS TRAJECTORY JUST AS THERE IS AN ENTIRE ECOSYSTEM TO SOURCE AND BACK TECH
FOUNDERS, THERE IS AN ENTIRE ECOSYSTEM TO DO SO FOR POLITICAL ACTIVISTS. IT'S LESS EXPLICIT IN KEY RE-
SPECTS, OF COURSE. THERE AREN'T TERM SHEETS BETWEEN POLITICAL PHILANTHROPISTS AND THEIR YOUNG PROTEGE
S, THERE AREN'T "EXITS" TO THE TUNE OF BILLIONS OF DOLLARS, AND WE DON'T USUALLY SEE POLITICAL ACTIV-
ISTS BRAGGING ABOUT THEIR FUNDING IN THE SAME WAY THAT TECH FOUNDERS TALK UP THEIR INVESTORS. INDEED
, OFTEN THE FUNDING TRAIL IS INTENTIONALLY OBSCURED, TO FRUSTRATE OPPOSITION RESEARCH. BUT THE PROCE-
SS OF GOING FROM A REVOLUTIONARY'S BRIGHT IDEA TO A SMALL GROUP WITH A BLT OF FUNDING TO A MASS MOVE-
MENT IS SIMILAR TO THE JOURNEY OF A TECH STARTUP. AND THE ENDGAME CAN BE EVEN MORE AMBITIOUS; IF THE
TOP TECH FOUNDERS END UP RUNNING COMPANIES LIKE GOOGLE AND FACEBOOK, THE TOP POLITICAL ACTIVISTS
END UP RUNNING COUNTRIES LIKE MYANMAR AND HUNGARY.⁷² IT'S "GOING PUBLIC" IN A DIFFERENT WAY. TAKE ANO-
THER LOOK AT THE CAREERS OF POLITICAL ACTIVISTS AS VARIED AS AUNG SAN SUU KYI, VIKTOR ORBAN, VACLAV
HAVEL, HAMID KARZAI, AHMAD CHALABI, JOSHUA WONG, LIU XI- AOB, AND THE LIKE. ALL OF THEM FIT THIS MO-
DEL. WESTERN RESOURCES BACKED THEM TO COME TO POWER AND BUILD PRO-WESTERN GOVERNMENTS IN THEIR REGI-
ON. THAT DOESN'T MEAN THESE POLITICAL FOUNDERS ALWAYS WON (WONG AND XIAOBO VERY MUCH DID NOT) OR EXECU-
TED WELL (KARZAI AND CHALABI DID NOT), OR EVEN STAYED WEST-ALIGNED INDEFINITELY (SUU KYI AND ORBAN DID
NOT). BUT IF YOU TRACK EACH OF THEIR CAREERS BACK, YOU'LL SEE SOMETHING LIKE THIS EPISODE, WHEN S-
OROS WAS FUNDING ORBAN AND BOTH WERE ON THE SAME SIDE AS REVOLUTIONARY FORCES AGAINST THE SOVIETS. AT
THAT POINT IN TIME, SOROS WAS THE PHILANTHROPIST AND ORBAN HIS PROTEGE, MUCH AS A VENTURE CAPITAL-
IST MIGHT BACK AN AMBITIOUS YOUNG FOUNDER. THAT'S A CLASSIC EXAMPLE OF HOW BACKERS SEEK LEADERS IN
THE MARKET FOR REVOLUTIONARIES. STARTUP SOCIETIES REUNIFY TECHNOLOGICAL AND MORAL PROGRESS YOU MIGHT
FIND IT SURPRISING, OR DISQUIETING, TO THINK ABOUT ALL THESE DIFFERENT POLITICAL REVOLUTIONS AS BEING
SIMILAR TO VC-BACKED STARTUPS. BUT REVOLUTIONS ARE DIFFICULT TO BOOTSTRAP, SO THERE'S OFTEN A GREAT
POWER SPONSOR. THE FRENCH WERE CRUCIAL TO THE AMERICAN REVOLUTION, FOR EXAMPLE. WHAT'S THE RELEVANCE
FOR US? WELL, THE STARTUP SOCIETY REUNITES THE CONCEPTS OF TECHNOLOGICAL AND POLITICAL REVOLUTION
PULLS TOGETHER THE TWO DIFFERENT KINDS OF PROGRESS, AND PRESENTS A NEW PATH TO POWER. BECAUSE NOW BOTH
THE TECH FOUNDER AND THE POLITICAL ACTIVIST CAN DECLARE THEMSELVES PRESIDENTS OF A STARTUP SOCIETY.
BACKERS CAN FUND STARTUP SOCIETIES USING THE MECHANISMS OF TECH, OUT IN THE OPEN, WITH THERE ARE
OF COURSE TIERS OF VICTORY BELOW THE "RUNNING A COUNTRY" LEVEL. FOR EXAMPLE, MOST POLITICAL FOUND-
ERS WOULD CONSIDER IT A HUGE WIN TO GET GOVERNMENT FUNDING IN PERPETUITY FOR THEIR ACTIVIST ORGANIZA-
TION. THAT MEANS THEIR ORIGINAL PHILANTHROPIST NO LONGER HAS TO BANKROLL IT, AND FUTURE FUNDING COME-
S OFF THE PUBLIC'S BOOKS. IT'S SIMILAR TO A VC WHO HAS RISKED CAPITAL ON A SMALL STARTUP, AND THEN SE-
EN IT GO PUBLIC. NOW THEY DON'T HAVE TO SHOULDER ALL THE RISK, AND CAN IN FACT BEGIN REAPING SOME OF
THE REWARD. THE DIFFERENCE IS THAT WHEN A POLITICAL ACTIVIST'S GROUP GOES "PUBLIC" IT IS MERGING WITH
THE STATE, WHILE WHEN A TECH COMPANY GOES "PUBLIC" IT IS MERGING WITH THE NETWORK OF INVESTORS.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 107 EXPLICIT CONTRACTS, AND CONSENT BY ALL CITIZENS. BUT THEY CAN ALSO ACHIEVE THE MORAL INNOVATION DESIRED BY THE POLITICAL REVOLUTIONARIES. AND IF THESE STARTUP SOCIETIES ARE BUILT OUT ON THE FRONTIER, WHETHER DIGITAL OR PHYSICAL, THEN THE MORAL INNOVATIONS ARE NO LONGER IMPOSED TOP-DOWN, BUT ADOPTED BOTTOM-UP BY THE PEOPLE WHO OPT IN. THAT GIVES A BETTER WAY TO ACHIEVE THE GOALS OF AMBITIOUS YOUNG POLITICAL REFORMERS. IN SHORT, ONCE WE SEE THAT A TECH FOUNDER BUILDS A STARTUP COMPANY TO EFFECT ECONOMIC CHANGE, AND A POLITICAL ACTIVIST BUILDS A SOCIAL MOVEMENT TO EFFECT MORAL CHANGE, WE CAN SEE HOW THE STARTUP SOCIETIES WE DESCRIBE IN THIS WORK COMBINE ASPECTS OF BOTH.

2.8.3 TWO IDEOLOGIES THE SPATIAL THEORY OF VOTING NOW WE TURN TO LEFT AND RIGHT. THE SIMPLEST APPROACH IS TO TALK ABOUT THE LEFT AND RIGHT AS IF THEY ARE PERMANENT CATEGORIES; YOU'LL HEAR THIS WHEN PEOPLE TALK ABOUT "THE LEFT" AND "THE RIGHT" AS GROUPS. THE SECOND ORDER APPROACH IS TO CONTEST THIS BINARY. PEOPLE WILL (CORRECTLY!) NOTE THAT REALIGNMENTS HAPPEN, THAT THE LEFT/RIGHT DICHOTOMIZATION DOESN'T FULLY ENCODE POLITICAL BEHAVIOR, THAT THE MASSES AREN'T AS IDEOLOGICALLY CONSISTENT AS THE ELITES, THAT THE CATEGORIES VARY OVER TIME, AND SO ON. THE THIRD ORDER APPROACH IS TO ACKNOWLEDGE THIS COMPLEXITY BUT INVOKE THE SPATIAL THEORY OF VOTING, WHICH ALLOWS US TO QUANTIFY MATTERS. AS REVIEWED IN THIS PDF, THE SPATIAL THEORY OF VOTING ALLOWS US TO ANALYZE EVERYTHING FROM CONGRESSIONAL VOTES TO SUPREME COURT DECISIONS TO NEWSPAPER EDITORIALS. WHEN WE DO SO, THE FIRST PRINCIPAL COMPONENT OF POLITICAL VARIATION DOES INDEED CORRESPOND TO THE LEFT/RIGHT SPECTRUM. THE FOURTH ORDER APPROACH IS TO THEN NOTE THAT THIS (REAL!) AXIS ACTUALLY ROTATES OVER TIME. IT'S MORE ABOUT RELATIVE TRIBAL POSITIONING (VOTING WITH MEMBERS OF THE SAME POLITICAL TRIBE) THAN ABSOLUTE IDEOLOGICAL POSITIONING (VOTING FOR A CONSTANT IDEOLOGICAL POSITION). REVOLUTIONARY TACTICS EVENTUALLY SUCCEED IN GAINING POWER FOR ONE TRIBE, AND RULING CLASS TACTICS EVENTUALLY FAIL TO DEFEND POWER FOR ANOTHER TRIBE, SO THE "LEFT" AND "RIGHT" GRADUALLY SWITCH OVER HISTORICAL TIMESCALES EVEN AS THE TRIBAL NAMES REMAIN THE SAME. FIGHTS CREATE FACTIONS TWO FACTIONS CONSISTENTLY ARISE BECAUSE COALITION-FORMING BEHAVIOR IS GAME-THEORETICALLY OPTIMAL. THAT IS, WHEN FIGHTING OVER ANY SCARCE RESOURCE, IF ONE GROUP TEAMS UP AND THE OTHER DOESN'T, THE FIRST GROUP TENDS TO WIN. THIS IS A FUNDAMENTAL REASON WHY HUMANS TEND TO CONSOLIDATE INTO TWO FACTIONS THAT FIGHT EACH OTHER OVER SCARCE RESOURCES TILL ONE WINS. THE WINNING TEAM ENJOYS A BRIEF BEST EXAMPLE: THE SURVEILLANCE VOTES ARE SPLITTING REPUBLICANS AND DEMOCRATS ON THE BASIS OF NETWORK VS STATE. THE "LIBERTARIAN" MOMENT HAPPENED BUT NOT WITHIN THE STATE, WITHIN THE NETWORK.

08 CHAPTER 2. HISTORY AS TRAJECTORY HOneymoon, AFter WHICH IT USually THEN BReaks UP Internally IN
o LEft AND RiGht FACTIONS AGain, AND THE BATTLE BEGins ANew. AFter THE FRENch REvolution, FACTIONS F
Amously ARose. AFter World War 2, THE ONce-allied US AND USSR WENT TO COLD WAR. AND AFter THE ENd OF
THE COLD WAR, THE VICTORIOUS US FACTION BROKE DOWN INTO INTERNAL HYPERPOLARIZATION. A STRONG LEADER
MIGHT KEEP THIS FROM HAPPENING FOR A WHILE, BUT THE BREAKDOWN OF A VICTORIOUS SIDE INTO LEFT AND RI
GHT FACTIONS IS ALMOST A LAW OF SOCIETAL PHYSICS. LEFT AND RIGHT AS TEMPORARY TACTICS, NOT CONSTANT
CLASSES THE NAMES FOR THE TWO TACTICS THAT ARISE IN THESE BATTLES MAY HAIL FROM THE FRENCH REVOLUTION
n74 — THE LEFT AND THE RIGHT — BUT THEY'RE ALMOST LIKE MAGNETIC NORTH AND SOUTH, LIKE YIN AND YANG,
SEEMINGLY ENCODED INTO OUR NATURE. THE LEFT TACTIC IS TO DELEGITIMIZE THE EXISTING ORDER, ARGUE IT I
S UNJUST, AND ANGLE FOR REDISTRIBUTING THE SCARCE RESOURCE (POWER, MONEY, STATUS, LAND), WHILE THE R
IGHT TACTIC IS TO ARGUE THAT THE CURRENT ORDER IS FAIR, THAT THE LEFT IS CAUSING CHAOS, AND THAT THE
ENSUING CONFLICT WILL DESTROY THE SCARCE RESOURCE AND NOT SIMPLY REDISTRIBUTE IT. YOU CAN THINK OF C
IRCUMSTANCES WHERE THE RIGHT WAS CORRECT, AND THOSE WHERE THE LEFT WAS. A KEY CONCEPT IS THAT ON A H
ISTORICAL TIMESCALE, RIGHT AND LEFT ARE TEMPORARY TACTICS AS OPPOSED TO DEFINING CHARACTERISTICS OF
TRIBES. FOR EXAMPLE, PROTESTANTS ORIGINALLY USED LEFT TACTICS RELATIVE TO THE CATHOLIC CHURCH IN TH
E TIME OF MARTIN LUTHER. THEN, HUNDREDS OF YEARS LATER, THE AMERICAN DESCENDANTS OF THOSE REVOLUTION
ARIES - THE PROTESTANT ESTABLISHMENT, THE WASPS - USED RIGHT TACTICS TO DEFEND ITS POSITION AS THE
RULING CLASS. AS WE DISCUSS, MANY SUCH FLIPPINGS OCCUR IN HISTORY, WHERE A GIVEN TRIBE USES LEFTI
ST TACTICS IN ONE HISTORICAL PERIOD AND ITS CULTURAL DESCENDANTS USE RIGHTIST TACTICS IN ANOTHER. WH
AT'S THE GUIDELINE FOR WHEN A TRIBE WILL USE LEFT OR RIGHT TACTICS? THE TRIBE THAT'S DEFENDING (THE
RULING CLASS) USES RIGHT TACTICS, AND THE TRIBE THAT'S ATTACKING (THE REVOLUTIONARY CLASS) USES LE
FT TACTICS. BECAUSE INSTITUTIONAL DEFENDERS TEND TO WIN, EACH INDIVIDUAL MEMBER OF A REVOLUTIONARY C
LASS FEELS LIKE THEY'RE LOSING. BUT BECAUSE INSTITUTIONAL DEFENDERS HAVE TO CONSTANTLY FIGHT SWARM
S OF REVOLUTIONARIES TO HOLD ONTO THEIR POSITION, THE RULING CLASS ALSO FEELS LIKE IT'S ON THE BACK
FOOT. WHILE THERE ARE BIG VICTORIES WHERE THE TRIBE USING RIGHT OR LEFT TACTICS MANAGES TO SWEEP THE
FIELD OF THEIR ENEMIES FOR A BRIEF INTERVAL, A NEW TRIBE USUALLY ARISES THAT IS TO THEIR RESPECTIVE
LEFT OR RIGHT, AND THE BATTLE BEGINS ANEW. CAN WE EVER ESCAPE THIS CYCLE OF CONFLICT OVER SCARCE RES
OURCES? 74THE CONCEPTS PREDATE THE FRENCH REVOLUTION, THOUGH, EVEN IF THAT'S WHEN THOSE TERMS WERE F
IRST USED. LEFT AND RIGHT GO BACK AT LEAST TO CHRISTIANS VS ROMANS, AND PROBABLY TO THE DAWN OF HUMAN
CIVILIZATION.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 109 Frontiers Mitigate Factions The Key Word There IS Scarce. Everything CHanges When The Frontier OPens UP, When There IS A New Realm OF UNoccupied SPace, Where RESources ARE SUDdenly LESS SCArce. There's LESS OBLigate WRangling, BEcause AN AGgrieved FAction CAN CHoose FIGHT OR FLIGHT, VOice OR EXit. The WOULD-be REVolutionary DOESN'T NEcessarily HAVE TO USE LEFT TACTics TO OVerthrow THE RULing CLass ANymore, RESULTing IN A Right CRackdown IN REsponse. They CAN INstead LEave FOR THE FRontier IF They DON't LIKE THE CUrrent ORder, TO SHOW THAT Their WAY IS BETter, OR ALternatively FAIL AS MANY STartups DO. The FRontier MEans THE REVolutionary IS Simultaneously LESS PRactically OBstructed IN Their PATH TO REform (Because THE RULing CLass CAN't STOP Them FROM LEaving FOR THE FRontier AND TAKing UNhappy Cltizens WITH Them), BUT ALSO MORE ETHically CONstrained (Because THE REVolutionary CAN't SIMply IMpose Their DESired REforms BY FIAT, AND MUST INstead GAIN EXpress CONsent BY HAVING PEople OPT INTO Their JURisdiction). These ARE, HOWEVER, REasonable TRadeoffs. SO WHILE THE FRontier IS NOT A PANacea, IT IS AT LEAST A PRESSure VALve. THAT'S WHY REopening THE FRontier MAY BE THE MOST IMportant META-political THING WE CAN DO TO REDuce POLitical CONflict. TWO GHOSTS, DIFFerent HOSTS WE'VE TALKed ABOUT THE LEFT AND RIGHT AS TACTics. YOU CAN ALSO THINK OF THEM AS TWO GHOSTS, WITH DIFFerent HOSTS. IN ANY POPulation, AT ANY GIVEN TIME, ONE SUBpopulation WILL BE HOSTing THE LEFTist GHOST AND THE OTHER WILL BE ANimated BY THE RIGHTist GHOST. LEFT AND RIGHT IN THIS SENSE ARE ALmost LIKE SPIRITS THAT FLIT FROM HOST TO HOST, OCCUPying THE MINDs OF MILLions OF PEople AT THE SAME TIME, COordinating GROUPs AGAINst EACH OTHER. AND AS YOU START LOOKing AT THE HISTORY OF RELigions OR POLitical MOVements, YOU CAN START TO SEE THAT EACH HAS A "LEFT MODE" FOR REVolutionary OFFense AND A "RIGHT MODE" FOR RULing CLass DEFense. WHY THEN DO PEople OFten DIScuss LEFT AND RIGHT AS IF THEY WERE PERmanent CLasses RATHER THAN TEMPorary TACTics? ONE ANSWER COMES FROM AN ANALogy TO TECH STartups. JUST LIKE A STartup WANTS TO MAintain THE PREtense OF BEing "REVolutionary" FOR AS LONG AS POSSible, AND A BIG COMPANY WANTS TO MAintain THE PREtense OF BEing "Dominant" FOR AS LONG AS POSSible, SO TOO DOES IT TAKE A WHILE FOR A REVolutionary LEFTist TO ADMit THAT THEY've BEcoming RULing CLass, OR FOR A SELF-conceptualized MEMBER OF THE RULing CLass TO ADMit THEY've ACTually BEcome DISpossessed. PARadoxically, BOTH SUCH ADMissions ARE DEMoralizing. OBviously, FOR THE FORMER MEMBER OF THE RULing CLass TO CONcede THAT THEY've COMpletely LOST IS A BLOW TO MORal. BUT FOR THE FORMER REVolutionary TO REcognize THEY've WON LIkewise TAKES THE SAils OUT OF THEIR MOVement, THE MORal JUSTification FOR THEIR REVolution. ANother REason IS THAT THE SWITCHING TENDS TO HAPPen GRadually, OVER HISTorical TIMEScales. SO IT'S NOT UNreasonable TO TALK ABOUT "THE LEFT" OR "THE RIGHT" IN A GIVEN PERiod. TODAY, THOUGH, WE'RE IN A REaligning TIME WHERE THE SWITCHING IS MORE VISIBLE.

CHAPTER 2. HISTORY AS TRAJECTORY MY Left IS YOUR Right NOte THAT WE Take NO POSition ON WHeth
Left OR Right STRategies ARE OBJectively "Good." IN OUR MODEL, THESE ARE JUST TACTICS USED BY WARRIN
g TRIBES, BY TWO DIfferent SOCIAL NETWORKS GOING AT IT. THE REVOLUTIONARY TRIBE USES LEFT TACTICS AND
THE RULING TRIBE USES RIGHT TACTICS. BUT IF THE TRIBE USING LEFTIST TACTICS STARTS WINNING, IT STAR
ts USING RIGHTIST TACTICS TO DEFEND ITS WINS, AND VICE VERSA. AS AN ANALOGY, TAKE A LOOK AT THIS GIF
OF TWO MAGNETS. THEY REPEL EACH OTHER INTO MIRROR POSITIONS. THINK OF THIS AS AN ANALOGY FOR LEFT A
ND RIGHT: MY LEFT IS YOUR RIGHT. WHATEVER YOU ADOPT, I'LL HAVE TO ADOPT THE MIRROR TACTIC. AMERICANS
SAW THIS IN FAST-FORWARD DURING COVID. FIRST THE REPUBLICANS WERE CONCERNED ABOUT THE VIRUS, AND
THE DEMOCRATS WERE CALLING PEOPLE RACISTS FOR PAYING ATTENTION TO IT. THEN ONCE TRUMP STARTED SAYI
NG THE VIRUS WASN'T SERIOUS, POSITIONS FLIPPED, WITH THE DEMOCRATS CALLING FOR (AND IMPLEMENTING) LO
CKDOWNS AND THE REPUBLICANS FIGHTING THEM ON LIBERTARIAN GROUNDS. THEN TRUMP FLIPPED AGAIN TO SUPPO
RTING VACCINES, WHILE BIDEN, HARRIS, AND OTHER DEMOCRATS SAID THEY WOULDN'T TRUST A RUSHED TRUMP VA
CCINE. THEN THE VACCINE CAME OUT (THE SAME ONE DEVELOPED UNDER THE TRUMP ADMINISTRATION'S OPERATION
WARP SPEED!) AND MANY DEMOCRATS WERE SUDDENLY ALL IN FAVOR OF MANDATING THAT WHICH THEY ONCE WANTED
TO AVOID, WHILE MANY REPUBLICANS NOW BOOED THIS AS AN INTOLERABLE INFRINGEMENT ON LIBERTY. YOU CAN R
ATIONALIZE THESE TWISTS AND TURNS. THOSE WHO DO SO COMMONLY INVOKE KEYNES: "WHEN THE FACTS CHANGE, I
CHANGE MY MIND — WHAT DO YOU DO, SIR?" YOU MIGHT SAY THAT THE US WAS FIRST TOO APATHETIC TOWARDS CO
VID-19, AND THEN IT OVERREACTED. COMMITTED PARTISANS CAN NO DOUBT GIVE LOGICAL EXPLANATIONS FOR THE
OBSERVED SEQUENCE OF EVENTS. BUT FORGET ABOUT THESE DETAILS FOR A SECOND AND FOCUS ON THE FLIP-OPS.
WHATEVER POSITION ONE GROUP ADOPTED, THE OTHER DID THE OPPOSITE. THE PARSIMONIOUS EXPLANATION IS TH
AT IT WAS JUST MAGNETS REPELLING, FACTIONS FIGHTING. PROFFESSED IDEALS WERE JUST A MASK FOR TRIBAL IN
TEREST. THIS FITS THE MODEL OF LEFT AND RIGHT SWAPPING OVER TIME, BECAUSE WE'RE NOW SEEING THOSE SWA
PS HAPPEN IN REAL-TIME. IN SUCH A PERIOD, THE CONFLICT IS MORE OBVIOUSLY TRIBAL ("DEMOCRAT-VS-REPUBLI
CAN") THAN IDEOLOGICAL ("LEFT-VS-RIGHT"). PUTTING IT ALL TOGETHER, WE PROPOSE THAT (A) LEFT AND RIGH
T ARE QUANTIFIABLE PHENOMENA WE CAN SEE VIA THE SPATIAL THEORY OF VOTING, (B) THE LEFT/RIGHT AXIS IS
REAL BUT ROTATES WITH TIME, (C) THEY'RE ANCIENT AND INERADICABLE CONCEPTS, ARGUABLY ON PAR WITH YIN/
YANG OR MAGNETIC NORTH/SOUTH, (D) THEY'RE COMPLEMENTARY TACTICS TO GAIN ACCESS TO SCARCE RESOURCES,
(E) IF ONE GROUP USES A LEFT TACTIC, THE OTHER IS ALMOST FORCED TO ADOPT A RIGHT TACTIC IN RESPONSE,
AND VICE VERSA, (F) THE FRONTIER REDUCES POLITICAL LEFT/RIGHT ISSUES BECAUSE IT REDUCES CONFLICT OVE
R SCARCE RESOURCES, (G) WE CAN THINK OF LEFT AS REVOLUTIONARY TACTICS AND RIGHT AS RULING CLASS TACT
ICS AND (H) THE TACTICS CONSTANTLY SWAP HOSTS OVER HISTORICAL TIMEFRAMES. LET'S NOW DRILL INTO THAT
LAST POINT, PERHAPS THE LEAST OBVIOUS: NAMELY THE CONCEPT THAT LEFT AND RIGHT CHANGE HOSTS OVER HIST
ORICAL TIMEFRAMES. OUR STUDY BEGINS BY INTRODUCING THE LEFT, RIGHT, AND LIBERTARIAN CYCLES.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 111 2.8.4 Three Cycles The Left Cycle The Left Cycle IS THE STORY OF HOW THE REVOLUTIONARY CLASS BECOMES THE RULING CLASS. THINK ABOUT THE FOLLOWING CONCEPTS: CHRISTIAN KING, PROTESTANT ESTABLISHMENT, REPUB- LICAN CONSERVATIVE, SOVIET NATIONALIST, CCP ENTREPRENEUR, OR WOKE CAPITALIST. EACH OF THESE COMPOUND NOUNS HAS WITHIN IT A FUSION OF A ONCE-LEFT-ASSOCIATED CONCEPT AND A RIGHT-ASSOCIATED ONE. THAT PREFIX IS IMPORTANT: ONCE-LEFT-ASSOCIATED. AT ONE POINT, CHRISTIANS LED A REVO- LUTIONARY MOVEMENT AGAINST THE ROMAN EMPIRE, PROTESTANTS LED A DECENTRALIST MOVEMENT AGAINST THE CATHOLIC CHURCH, REPUBLICANS LED AN ABOLITIONIST MOVEMENT AGAINST THE SOUTH, THE SOVIETS LED AN INTERNATIONALIST MOVEMENT AGAINST THE NATIONALIST WHITE RUSSIANS, THE CCP LED A COMMUNIST MOVEMENT AGAINST THE CAPITALISTS, AND THE WOKES LED A CRITICAL MOVEMENT AGAINST AMERICAN INSTITUTIONS. BUT THEN THEY GAINED POWER, AND WITH POWER CAME NEW HABITS. THE REVOLUTIONARY LEFT THAT JUSTIFIED THE RISE TO POWER MORPHED PARTIALLY INTO AN INSTITUTIONAL RIGHT THAT JUSTIFIED THE USE OF POWER. BY ITS NATURE, A REVOLUTIONARY GROUP ADOPTS LEFTIST TACTICS TO GAIN POWER, BUT ONCE IT WINS, FINDS IT NEEDS TO USE RIGHTIST TACTICS TO MAINTAIN POWER AGAINST A NEW CROP OF LEFTIST INSURGENTS. LENIN PROMISED LAND, PEACE, AND BREAD — THEN TROTSKY QUICKLY ORGANIZED THE RED ARMY. THUS DOES THE LEFTIST REVOLUTIONARY REBUILD A RIGHTIST HIERARCHY. IF YOU TOLD THIS IN STORY FORM, A MANIFESTO-MOTIVATED GROUP OF REVOLUTIONARIES WOULD FIGHT THE MAN AND GAIN POWER, ONLY TO HAVE SOME STALIN CHARACTER COMPROMISE THE REVOLUTION, CAPTURE IT, AND JUST BECOME THE MAN ALL OVER AGAIN. THEN YOU'D NEED A NEW MANIFESTO AND REVOLUTION AGAINST THAT ORDER. THE EXCELLENT SHORT FILM DINNER FOR FEW CAPTURES MUCH OF THIS DYNAMIC.⁷⁵ 75 IF YOU WATCH DINNER FOR FEW, AN INTERESTING POINT IS THAT IT IMPLICITLY REVERSES OUR HELICAL THEORY

2 CHAPTER 2. HISTORY AS TRAJECTORY IF WE TAKE THE 1000-year View, THIS IS THE LONG CYCLE THAT STARTS WITH CHRISTIAN REVOLUTIONARIES TEARING DOWN THE WESTERN ROMAN EMPIRE BY 476 AD, GIVES EVENTUAL RISE TO THE RULING CATHOLIC CHURCH AND HOLY ROMAN EMPIRE, AND THEN (1000+ YEARS LATER!) SEES MARTIN LUTHER NAIL HIS NINETY-FOUR THESES TO THE CHURCH OF WITTENBERG IN 1517 AD AS A NEW MANIFESTO THAT SPARKS A WHOLE NEW CROP OF PROTESTANT REVOLUTIONARIES. IS THERE ANY ALTERNATIVE TO THIS CYCLE, TO A RULING CLASS GAINING POWER AT THE END OF THE REVOLUTION? WELL, IF A REVOLUTION DOESN'T RESULT IN SOME KIND OF ORDER, IT LOOKS MORE LIKE A POLYPOD OR SEVEN KILL SCENARIO, WHERE THE "REVOLUTION" IS KEPT UP THROUGH ENDLESS KILLING. SOMETHING LIKE THAT MAY BE HOW PAST CIVILIZATIONS COLLAPSED. THUS, SOME KIND OF ORDER AFTER THE REVOLUTION IS PREFERABLE. THAT BRINGS US BACK TO THE LEFT/RIGHT TITRATIONS: CHRISTIAN KING, PROTESTANT ESTABLISHMENT, REPUBLICAN CONSERVATIVE, SOVIET NATIONALIST, CCP ENTREPRENEUR, WOKE CAPITAL. EACH OF THEM JUSTIFIES THE NEW RULING CLASS, THE NEW ORDER, WITH THE LANGUAGE OF THE REVOLUTIONARY CLASS. NOTE ALSO THAT NOT EVERY ONE OF THESE TITRATIONS HAS EXACTLY EQUAL FRACTIONS OF REVOLUTION AND INSTITUTION. BUT THE MODEL HAPPENS REPEATEDLY THROUGH HISTORY. A SUCCESSFUL REVOLUTIONARY CLASS BECOMES THE INSTITUTIONAL CLASS, THEN A REALIGNMENT HAPPENS, AND THE NEW INSTITUTIONAL CLASS ENCOUNTERS A NEW REVOLUTIONARY CLASS.⁷⁶ THE RIGHT CYCLE THE RIGHT CYCLE IS THE STORY OF THIS EPISTLE: STRONG MEN CREATE GOOD TIMES, GOOD TIMES CREATE WEAK MEN, WEAK MEN CREATE HARD TIMES, AND HARD TIMES CREATE STRONG MEN. HERE'S THE VISUAL: OF HISTORY, AS THE ENDING OF THE SHORT FILM IMPLIES THAT EVERY NEW TURN OF THE LEFT CYCLE LEAVES LESS RESOURCES FOR THE NEXT ONE. THIS IS THE MAELTHUSIAN/EHRlichian VIEW OF A FINITE POOL OF RESOURCES THAT GETS SPENT DOWN BY HUMANITY. NOW, THERE ARE ACTUALLY SOME CASES WHERE THIS IS TRUE. THE SOVIET COMMUNISTS INFlicted WIDESPREAD ENVIRONMENTAL DAMAGE, INCLUDING VISIBLY DRAINING THE ARAL SEA, LEAVING LESS FOR THOSE THAT CAME AFTER. AND THE CAMBODIAN COMMUNISTS MURDERED ANYONE WITH GLASSES, LIKELY INHIBITING ANY FUTURE RENAISSANCE. BUT THOSE WERE BOTH COMMUNIST REGIMES, RATHER THAN CAPITALIST ONES, SO WHERE WE MAY DIVERGE FROM THE TALENTED FILMMAKER (NASSOS VAKALIS) IS ON THE TYPE OF SOCIETY THAT MOVES HUMANITY FORWARD – AND WHETHER PROGRESS IS EVEN POSSIBLE. AFTER ALL, AT ONE POINT ALL HUMANS (OR THEIR HOMINID ANCESTORS) WERE IN THE STATE OF NATURE, LACKED CLOTHES AND ABODES. THEN VARIOUS TECHNOLOGIES WERE INVENTED THAT STARTED CREATING WEALTH AND SEPARATING MAN FROM APE. IF WE AGREE THAT A MEDIEVAL PEASANT WAS IN A SENSE RICHER THAN A PALEOLITHIC CAVEMAN, WE ARE ACKNOWLEDGING THAT LONG-RUN PROGRESS IS FEASIBLE. THIS CONTRADICTS THE IDEA THAT EVERY NEW TURN OF THE CYCLE NECESSARILY LEAVES US WORSE OFF. ⁷⁶WE ARE IN THE MIDDLE OF THAT REALIGNMENT, BOTH WITHIN THE US AND OUTSIDE IT.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 113 This Cycle Starts From The Right And Becomes Left. If WE Turned This Into A Story, IT'd Start With The Rise Of A Small Group Of Highly Aligned Spartans. They Grow On The Borders Of Empire, SO-called "Marcher Lords" With A Strong Sense Of Ingroup Spirit, What Ibn Khaldun Would Call Asabiyyah. Then They Radiate Out And Start Conquering The World. Their Indomitable Will Carves A Swath Through The Degenerate Empire That Surrounds Them. They Eventually Achieve Total Victory. Strong Men Create Good Times. But As They Scale, They Can No Longer Do Everything On Trust And Need To Start Implementing Processes And Taxes. They Also Start Attracting Lazy Parasites To The Wealth They've Created, People Who Want To Join Something Great Rather Than Build Something Great. And They Have Within Their Walls Many Of The People They Just Conquered, Who Don't Share Their Values And Indeed Didn't Much Like Being Conquered. No One Wants To Work As Hard Or Be As Ruthless As That Early Spartan Band, Given The Easy Wealth Now Available, So They Enjoy Themselves And Busy Themselves By Fighting With Each Other Over Trifles. So Good Times Create Weak Men. Eventually This Bureaucratic, Disaligned, Decadent Empire Falls To A New Band Of Spartans From The Outside. And Thus Do Weak Men Create Hard Times, And In Turn Fail To Strong Men. The Libertarian Cycle The Libertarian Cycle Is The Story Of How A Libertarian Founder Rebuilds The State. First, A Libertarian (ish) Founder Leaves The Stifling Bureaucracy Of A Big Company To Start Their Own. Most Immediately Fail, But Through Pure Maneuver Warfare And Relentless Execution, That Founder Might Be Able To Make Enough Money To Hire Someone. In The Early Days The Most Important Quantity Is The Burn Rate. Every Single Person Must Be Indispensable. Eventually, If Successful, The Company Starts Building Up Some Structure. Conservatism Takes Over. With The Business Growing Consistently, The Founder Adds Structure,

4 CHAPTER 2. HISTORY AS TRAJECTORY CAREER TRACKS, AND A STABLE Hierarchy. NOW THE MOST IMPORTANT quantity BECOMES THE BUS NUMBER, THE NUMBER OF PEOPLE WHO CAN GET HIT BY A BUS SUCH THAT THE COMPANY IS STILL FUNCTIONAL. Suddenly EVERY SINGLE PERSON MUST NOW BE DISPENSABLE. THIS IS LIKE THE TRANSITION FROM UNICELLULARITY TO MULTICELLULARITY. THE FOUNDER HAS TO INVEST IN A BUREAUCRACY THAT IMPERSONALIZES THE COMPANY AND TURNS EVERY EMPLOYEE INTO AN INTERCHANGEABLE PART. OTHERWISE, ONE PERSON COULD QUIT AND CRASH THE COMPANY. AROUND THIS TIME, THE PARASITES START ENTERING. THEY DON'T WANT THE RISK OF A SMALL OR EVEN MEZZANINE-SIZE BUSINESS. THEY WANT LOTS OF PERKS, HIGH SALARIES, LOW WORKLOAD, AND THE MINIMUM WORK FOR THE MAXIMUM RETURN. THEY AREN'T TRULY EQUITY-ALIGNED; THE COMPANY IS JUST A JOB THAT PAYS THE RENT. THE INTERCHANGEABILITY ACTUALLY ATTRACTS THEM! THEY KNOW THEY DON'T NEED TO PULL THEIR WEIGHT, THAT THEY AREN'T THAT ACCOUNTABLE INDIVIDUALLY FOR THE BUSINESS' SUCCESS OR FAILURE. THE SYSTEM WILL SUPPORT THEM. THIS BEHAVIOR IS RATIONAL FOR THEM, BUT IT DEGENERATES INTO ENTITLEMENT, AND EVENTUALLY CAUSES COLLAPSE OF THE COMPANY'S BUSINESS MODEL, THOUGH THIS MAY TAKE A VERY LONG TIME. FINALLY, SOME STIMULATED EMPLOYEE DECIDES TO EXIT THE STULTIFYING BUREAUCRACY AND BECOME A LIBERTARIAN(ISH) FOUNDER, AND THE CYCLE STARTS ANEW. AS PER THE HELICAL THEORY OF HISTORY, ALL PROGRESS IS ON THE Z-AXIS: THEY BUILD THE COMPANY, SCALE A BUREAUCRACY TO ASSIST WITH THAT, SEE IT TAKE OVER, AND INCENTIVIZE THE BEST TO EXIT. THUS DOES THE LIBERTARIAN FOUNDER REBUILD THE STATE. THE UNIFIED CYCLE WE CAN SYNTHESIZE THESE INTO A UNIFIED THEORY OF CYCLES. • THE LEFT CYCLE STARTS WITH A GROUP OF REVOLUTIONARY LEFTISTS THAT THEN BECOME INSTITUTIONAL RIGHTISTS. • THE RIGHT CYCLE STARTS WITH A GROUP OF DETERMINED RIGHTISTS THAT THEN BECOME DECADENT LEFTISTS.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 115 • The Libertarian Cycle Starts With A Group Of Ideological Libertarians That End Up Building A Bureaucratic State. If You Put Them Together, You Get Revolutionary, Determined, Ideologues (A Left/right/libertarian Fusion) Whose Glorious Victory Ends In Institutional, Bureaucratic, Decadence (A Different Kind Of Left/right/libertarian Fusion!) Most People Haven't Studied Enough History To Have An Intuition For Cyclicity On A 100-year Or Longer Timescale. But Many People Are Familiar With The Lifecycle Of Successful Tech Startups, Which Exhibit This Behavior On A 10-year Timescale. That's About The Longest Kind Of Experiment We Can Run Repeatedly Within A Human Lifetime. And Fortunately The Results Have Been Widely Witnessed. That Is, Within Our Lives, We've Seen Many Examples Of A Startup Disrupting An Incumbent⁷⁷ Through Scrappy Tactics, Becoming The Incumbent Themselves, And Then Employing Incumbent Tactics To Defend Itself Against A New Wave Of Startups Coming Up Against It. We've Also Seen Firsthand That A Successful Tech Startup Is Typically A Left/right Fusion. It Has The Leftist Aspects Of Missionary Zeal, Critique Of The Existing Order, Desire To Change Things, Informal Dress And Style, Initially Flat Org Chart, And Revolutionary Ambition. But It Also Has The Rightist Aspects Of Hierarchy, Leadership, Capitalism, Accountability, And Contractual Order. If You Only Have One Without The Other, You Can't Really Build A Meaningful Company. Right Without Left Is At Best Dunder Mifflin Paper Company⁷⁸; Left Without Right Is An Idealistic Co-op That Never Ships A Product. Finally, We've Also Seen That Just Like Most Revolutions, Most Startups Do Fail. Failed Startups Don't Capture Enough Of The Market For Dollars, While The Failed Revolutions Don't Capture Enough Of The Political Market For Followers. But Those Startups That Do Succeed Then Need To Fight Off both Startups And Even Bigger Companies, Until And Unless They Become A Global Goliath Themselves (Which Is Rare!). The Unified Theory Is Thus A Centralization, Decentralization, And Recentralization Cycle. The Revolutionary, Determined, Ideologues Break Away From The Establishment, And Then - If They Succeed - Build A Giant Centralized Empire, Which Subsequently Degenerates And Spawns The Next Set Of Revolutionary, Determined, Ideologues. ⁷⁷Usually With The Help Of What Peter Turchin Calls Counter-elites, High-ranking Members Of Society That Are Disaligned With The Incumbent Elites. In A Startup's Case The Counter-elites Would Be Venture Capitalists Looking To Fund Disruption Of A Big Company. In A Revolutionary Political Movement's Case, They'd Be Disaffected Nobles Looking For A Demographic To Champion. ⁷⁸Even This Is Unfair To The Fictional Dunder Mifflin Paper Company. Someone, Probably The Dunders And Mifflins, Must Have Had A Lot Of Passion For Paper At Some Point In Time. You Could Imagine A Time Back When The Intranet Memo System Was Basically The Corporate Intranet, That Paper Was To Every Business What Internet Connectivity Is Today. Anyway, Someone Must Have Found It Exciting At Some Point. Because It's Just Too Hard To Start A Company As A Pure Dollars And Cents Endeavor. John Collison Has Similarly Observed That Almost Everything You See — This Chair, That Fountain — Was Someone's Passion Project, Given How Hard It Is To Ship Something Competitive.

CHAPTER 2. HISTORY AS TRAJECTORY NEW BOSS: NOT EXACTLY THE SAME AS THE OLD BOSS THE CONCEPT WE DESCRIBED HERE ISN'T MARXISM⁷⁹, WHICH DOESN'T HAVE THE CONCEPT OF GROUPS SHIFTING SLIDES FROM LEFT TO RIGHT AND VICE VERSA. THE MARXIST TACITLY STIPULATES ONLY ONE TRANSITION, WHERE THE "POOR" BEAT THE "RICH" AND USHER IN THE INEVITABLE AGE OF COMMUNISM, AND THAT'S IT. THERE ISN'T CYCLICITY IN THEIR THEORY OF HISTORY. IT'S A ONE-WAY ASCENT TO UTOPIA. THE UNIFIED CYCLE THEORY IS MORE SIMILAR TO THE PLOT OF ANIMAL FARM, WHERE THE "NEW BOSS IS JUST LIKE THE OLD BOSS," NIETZSCHE'S CONCEPT OF MASTER RELIGIONS, THE LESSONS OF HISTORY EXCERPT ON SYSTOLE/DIASTOLE, OR SCOTT ALEXANDER'S FINITE AUTOMATA MODEL.⁸⁰ THESE EACH TELL A STORY OF CYCLICITY; ORWELL'S BOOK IS FOCUSED ON ELITE CYCLICITY ("NEW BOSS SAME AS THE OLD BOSS"), DURANT'S CHAPTER TREATS ECONOMIC CYCLICITY, AND ALEXANDER'S POST DISCUSSES CULTURAL CYCLICITY. BUT THE UNIFIED CYCLE THEORY IS NOT ABOUT A PERFECT CIRCLE AT ALL — THE NEW BOSS MAY⁷⁹ MARXISM POSTULATES THAT THE "POOR" WERE ALWAYS OPPRESSED BY THE "RICH", EVEN IF THESE GROUPS ACTUALLY SHIFT DRAMATICALLY OVER TIME. BUT A SIMPLE CALCULATION SHOWS THAT IT'S ACTUALLY QUITE HARD TO MAINTAIN WEALTH ACROSS GENERATIONS. ASSUME THAT A MAN HAS 2 CHILDREN, AND 4 GRANDCHILDREN, AND 8 GREAT-GRANDCHILDREN, AND SO ON. THEN EVEN A VERY RICH MAN WOULD BE SPLITTING HIS FORTUNE OVER 2^N DESCENDANTS BY GENERATION N . ASSUMING ABOUT 30 YEARS BETWEEN GENERATIONS, FEW CIVILIZATIONS HAVE ENOUGH LONG-TERM STABILITY TO ALLOW THE CONSISTENT DOUBLING OF A FORTUNE EVERY 30-ODD YEARS, ESPECIALLY IF WE TAKE INTO ACCOUNT THE ANNUAL DEBITING OF LIVING EXPENSES. AND THIS CALCULATION ASSUMES ONLY TWO CHILDREN IN EACH GENERATION, WHERE IT COULD BE MORE. IF PRIMOGENITURE WERE APPLIED, RATHER THAN EQUAL DISTRIBUTION OVER ALL DESCENDANTS, THE ELDEST SON WOULD RECEIVE THE WHOLE FORTUNE, BUT THE OTHER $2^N - 1$ WOULD BE OUT OF LUCK. SO, IT'S ACTUALLY QUITE HARD FOR A RICH MAN'S DESCENDANTS TO REMAIN "RICH."

WHEN YOU APPLY THIS CONCEPT NOT JUST TO A SINGLE INDIVIDUAL BUT THE ENTIRE CLASS OF "RICH" PEOPLE, IT VIOLATES AN IMPLICIT MENTAL MODEL OF MARXISM: NAMELY THAT THERE HAS BEEN A STATIC CLASS OF "RICH" PEOPLE LORING IT OVER THE "POOR" FOR GENERATIONS. ⁸⁰SCOTT POSITIONS THE SWITCH FROM LEFT TO RIGHT AS PURELY A MATTER OF STYLE, AND THERE IS SOME TRUTH TO THAT. BUT I THINK THERE IS ALSO SUBSTANCE — LEFTIST TACTICS ARE FOR TEARING DOWN ORDERS, AND RIGHTIST TACTICS FOR DEFENDING THEM. SO WHAT HE'S OBSERVING IS MORE LIKE VCS AND FOUNDERS LEAVING A SUCCESSFUL STARTUP TO THEN FOUND/FUND THE COMPETITOR TO THAT STARTUP.

3. LEFT IS THE NEW RIGHT IS THE NEW LEFT 117 BE MUCH BETTER OR WORSE THAN THE OLD BOSS, MAY NOT BE EXACTLY THE SAME. IT'S CLOSEST TO THE HELICAL THEORY OF HISTORY, BECAUSE WE DON'T NECESSARILY COME BACK TO THE SAME PLACE ON THE Z-AXIS. MANY OF THESE REVOLUTIONS MAY ACTUALLY LEAVE EVERYONE WORSE OFF, REPRESENTING SETBACKS ON THE Z-AXIS, JUST LIKE MANY STARTUPS FAIL. THERE IS HOWEVER THE OCCASIONAL CRUCIAL REVOLUTION — USUALLY FRONTIER-OPENING IN SOME SENSE — THAT PUSHES HUMANITY FORWARD ON THE Z-AXIS AND IMPROVES THE WORLD FOR THE BETTER. HOLY WAR WINS WARS ONE WAY OF THINKING ABOUT THE UNIFIED CYCLE THEORY IS TO FUSE OUR THEORY OF LEFT AS REVOLUTIONARY CLASS TACTICS AND RIGHT AS RULING CLASS TACTICS. A LEADER NEEDS ASPECTS OF BOTH TO WIN. THE LEFT GIVES THE HOLY JUSTIFICATION TO FIGHT THE WAR, THE RIGHT GIVES THE MIGHT TO WIN THE FIGHT, AND TOGETHER THEY ALLOW THAT LEADER TO PROSECUTE A HOLY WAR. TO TAKE TWO EXAMPLES: • MAO WAS A COMMUNIST, BUT HE WAS ALSO ABSOLUTELY A "STRONG MAN" CREATED BY "HARD TIMES." HE HAD THAT RIGHTIST RUTHLESSNESS ABOUT HIM, AND UNLIKE THE STEREOTYPICAL VEGAN PACIFIST OF THE LIBERTARIAN LEFT, HIS MEN WERE WILLING TO IMPOSE CAPITAL PUNISHMENT FOR ANY CRIME, REAL OR IMAGINED. WITHOUT SOME OF THAT CONVENTIONALLY RIGHT-CODED PHYSICAL MIGHT HE WOULDN'T HAVE WON AGAINST A NATIONALIST OPPOSITION THAT WAS WILLING TO USE MILITARY FORCE.⁸¹ • CONVERSELY, IF YOU THINK OF THE POLES AND ESTONIANS REVOLTING AGAINST THE SOVIET UNION IN THE 1980S, THEY WEREN'T ONLY MAKING CONVENTIONALLY RIGHT-WING ARGUMENTS FOR CAPITALISM AND NATIONALISM AND TRADITIONAL RELIGION THEY WERE ALSO MAKING LEFT-WING ARGUMENTS FOR DEMOCRACY AND FREE SPEECH. WITHOUT SOME OF THAT CONVENTIONALLY LEFT-CODED HUMANISM THEY WOULDN'T HAVE WON AGAINST A SOVIET UNION WHICH CLAIMED GREATER HOLINESS. THE POINT IS THAT IN ANY HOLY WAR, THE LEFT IS THE WORD, AND THE RIGHT IS THE SWORD. IT'S THE PRIEST AND THE WARRIOR; YOU NEED BOTH. THE LEFT PROGRAMS THE MINDS. THE PRIESTS AND JOURNALISTS, THE ACADEMIA AND MEDIA, THEY IMBUE THE WARRIORS WITH A SENSE OF RIGHTEOUS PURPOSE. THEY ALSO JUSTIFY THE CONFLICT TO THE MANY BYSTANDERS, CONVINCING THEM TO EITHER NOT GET INVOLVED — OR TO GET INVOLVED ON THE WARRIORS' SIDE. IN THIS CONCEPT OF LEFT, THE PRIESTS TRANSMIT A REVOLUTIONARY ZEAL THAT JUSTIFIES THE WAR AGAINST THE OPPOSING ORDER, BLESSES IT, CONSECRATES IT, SAYS IT IS NECESSARY AND VIRTUOUS, MOTIVATES THE WARRIORS, BOOSTS THEIR MORALE, AND TURNS THEM INTO MISSIONARIES THAT CAN DEFEAT ANY MERCENARY. THE RIGHT FURNISHES THE RESOURCES. THEY BRING THE WARRIORS THEMSELVES, THE FARMERS AND THE MINERS, THE ENGINEERS AND THE LOCOMOTIVES, THE RUGGED PHYSICALITY, THE REQUISITE HIERARCHY, THE NECESSARY FRUGALITY, THE PROFIT AND THE LOSS, THE DETERMINATION AND THE ORGANIZATION, THE HARD TRUTHS TO KEEP A MOVEMENT GOING THAT COMPLEMENT THE MORAL ⁸¹PLEASE NOTE THAT I THINK CHIANG KAI-SHEK WAS FAR PREFERABLE TO MAO IN THE CHINESE CIVIL WAR, BECAUSE THE PEOPLE OF TAIWAN WERE FAR BETTER OFF THAN THOSE IN THE PRC UNDER MAO DURING THE 1949- 1978 PERIOD.

CHAPTER 2. HISTORY AS TRAJECTORY
Premises THAT GET A MOVEMENT STARTED, THE POINT OF THE SPEAR
THAT PROSECUTES THAT HOLY WAR. WHY DO YOU NEED BOTH RIGHT AND LEFT TO WIN? UNLESS IT'S A ROBOT WAR (AND WE'LL GET TO THAT LATER) YOU NEED HIGH-MORALE FIGHTERS, SO YOU OBVIOUSLY NEED THE RIGHTIST COMPONENT AS WE'VE DEFINED IT. BUT THE LESS OBVIOUS PART IS THAT YOU CAN'T WIN WITHOUT THE LEFTIST COMPONENT EITHER, BECAUSE MERCENARIES WILL RUN OUT OF MORALE WELL BEFORE ZEALOUS MISSIONARIES. JUST TO LINGER ON THIS, THE RIGHT OFTEN UNDERESTIMATES ANYTHING THAT'S NON-PHYSICAL.⁸² IF THAT DESCRIBES YOU, DON'T THINK OF WHAT THE LEFT DOES AS JUST WORDS, AS WOKE SLOGANS OR RELIGIOUS MUMBO-JUMBO. THINK OF WHAT THEY'RE DOING AS WRITING THE SOCIAL OPERATING SYSTEM, THE SOFTWARE FOR SOCIETY, THE CODE THAT COORDINATES HUGE NUMBERS OF HUMAN BEINGS TOWARDS A COMMON GOAL BY TELLING THEM WHAT IS GOOD AND BAD, PERMISSIBLE AND IMPERMISSIBLE, LAUDABLE AND EXECRABLE. ALL LOGICAL DEDUCTION OR MARTIAL ACTION IS THEN DOWNSTREAM OF THESE MORAL PREMISES. TO SUMMARIZE: YOU REALLY DO NEED BOTH THE WORD AND THE SWORD TO WIN IN A WAR, BOTH THE LEFT AND THE RIGHT. AND THAT CONCEPT APPLIES OUTSIDE THE CONTEXT OF LITERAL WAR, TO A VARIETY OF LARGE-SCALE POLITICAL MOVEMENTS, BECAUSE (TO INVERT CLAUSEWITZ) POLITICS IS WAR BY OTHER MEANS. AGAIN, THIS DOESN'T MEAN THAT EVERY MOVEMENT HAS A PRECISE 50%/50% TITRATION OF LEFT- AND RIGHT-WING CONCEPTS, NOR THAT THERE IS SOME GLOBALLY OPTIMUM COMBINATION OF X% LEFT AND Y% RIGHT THAT WORKS ACROSS ALL TIME PERIODS AND SOCIETIES, NOR THAT THE "CENTER" ALWAYS WINS. THE MAIN POINT IS THAT A MORIBUND LEFT OR RIGHT MOVEMENT CAN OFTEN BE ENERGIZED BY INFUSING IDEAS FROM THE OTHER SIDE. A GROUP USING RIGHT TACTICS OFTEN HAS A DEFICIT OF ZEALOUS MEANING, AND IS HANGING ON TO A RULING CLASS POSITION WHILE FORGETTING WHY THEY NEED TO JUSTIFY IT FROM SCRATCH TO SKEPTICAL ONLOOKERS. CONVERSELY, A GROUP USING LEFT TACTICS OFTEN HAS A LACK OF HARD-NOSED PRACTICALITY, ATTACKING THE RULING CLASS WITHOUT A CONCRETE PLAN FOR WHAT TO PUT IN ITS PLACE COME THE REVOLUTION. FORMING A LEFT/RIGHT FUSION THAT'S INFORMED BY THESE CONCEPTS IS QUITE DIFFERENT FROM WHAT WE TYPICALLY THINK OF AS A LEFT/RIGHT HYBRID, NAMELY PASSIVE CENTRISM.

2.8.5 FOUR FLIPPENINGS AS SAUL ALINSKY PUT IT IN RULES FOR RADICALS: "THE PRINCE WAS WRITTEN BY MACHIAVELLI FOR THE HAVES ON HOW TO HOLD POWER. RULES FOR RADICALS IS WRITTEN FOR THE HAVE-NOTS ON HOW TO TAKE IT AWAY." ONE COULD IMAGINE A THIRD INSTALLATION IN THAT FICTIONAL TRILOGY, AND IT'D BE ABOUT WHAT HAPPENS WHEN THE HAVE-NOTS WIN AND BECOME THE HAVES. WE CALL THIS A POLITICAL FLIPPENING, AFTER THE TERM FROM CRYPTOCURRENCY. A FLIPPENING IS WHEN THE #1 SUDDENLY BECOMES THE #2, AND VICE VERSA. IT OCCURS WHEN A REVOLUTIONARY ⁸²THE (REVOLUTIONARY) LEFT RARELY UNDERESTIMATES THE (RULING CLASS) RIGHT, BECAUSE GUNS, TANKS, WEALTH AND OTHER CONVENTIONAL
ly Right-coded THINGS ARE VERY TANGIBLE.

8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 119 Class FLips A Ruling Class, ONLY TO BEcome A NEW Ruling Class. The Former Ruling Class Then GETs PUSHed INTO Oblivion. . . OR BEcomes A NEW Revolutionary Class. WE'll COver SEveral FLippenings IN THis SEction: The LEft/right INversion OF THE WHite Working Class, The AMerican AND GLobal FLippenings OF THE LAst 100 YEArs, A SEt OF Hlstorical FLippenings THAT PUt THESE DYnamics IN BRoader COntext, AND THE ONGoing FLippening BETween THE AScending World AND THE DEscending Class. The PROletarian FLippening THE FIRSt FLippening STory IS ABOUT THE INVersiOn OF THE WORKing Class. HOW Did STakhanov BEcome ARchie BUnker? THAT IS, HOW Did THE WHite Working Class FLIp FRom THE CORE OF THE LEft TO THE CORE OF THE RIght IN ONE HUndred YEArs? FirSt: WHO's STakhanov, ANYway? HE's THE JACKed CHad OF SOcialist REALism, THE MYthi- CAI SOviet WORKer WHO ALI THE Men WAnted TO BE AND ALI THE WOMen WAnted TO BE WITH, THE ONE WHO SUPposedly SHoveled THE COal OF MEN IN ONE DAY, THE COMrade WHO WAS A REal BRO, THE GUY IN THE "Worker's PARadise" WHO SOMEHOW TOok NO VAcation TIme AT ALI. HERE's A Plc OF THE (Likely FICTional) ALEksei GRigorevich STakhanov, FRom THE 1930s. AND WHO's ARchie BUnker? WEll, HE's THE Blgoted PATriarch OF A ONce-popular 70s SHOW CALled ALI IN THE FAMily. BUnker's ROle WAS TO GET DUNKed ON IN EVery EPisode BY "Meathead," HIs ENlightened, College-educated SON-in-law. HE's A FOil FOR THE TV SHOW's WRiters, REPRESENTing ALI THAT IS BENighted AND BACKward IN THE WORLD. AND HERE's A Plc OF THE (De■nitely FICTional) ARchie BUnker, FRom 1971. SO: THESE ARE TWO VERY DI■erent PORtrayals OF THE WHite WORKing CLASS, JUSt A FEW DEcades APART! HOW Did THEY FLIp? WHY Did THEY FLIp? THE WORKing CLASS AS REVolutionary RAtionale IN THE FIRSt HAIf OF THE 20th CENTury, THE PErson ALI ENlightened PEople CLaimed TO CARE ABOUT WAS THE WORKing MAN. THE WORKing MAN! UPTon SINclair's BOOK WAS FOR HIm. ORwell AND THE POPular FRont FOught ALongside STalinists IN THE SPanish CIVil WAR FOR HIm. ALI THE BUCKets OF BLOOD SHed BY LENin, TROtsky, STalin — ALI OF THAT WAS OSTensibly FOR HIm. HItler TOO CLaimed TO BE FOR THE WORKing MAN, THE ARyan ONE OF COURse; THE FULL NAME OF HIs FAction WAS THE NATional SOcialist GERman WORKer's PARTY. IN HEaring BOTH THE COMMunists AND FAscists TELL IT, THE WORKing MAN WAS THE MOST HONorable, HUMble, PUT-upon, LONG-su■ering VIctim OF A RUTHless CAPITAList CLASS. . . AND ALSO THE BRave, MUScular, TOUGH BAcKbone OF THE NEcessary REVolution. THAT's THE COntext IN WHICH THE STakhanov POSTers (AND THEIR NAzi EQUIvalents) WENT UP EVERYwhere. OF COURse, IN PRactice, COMMunism WAS SLavery, BEcause THE WORKers HAD TO SURREnder 100% OF THEIR Earnings TO THE STATE. AS SUCH, THE STakhanov POSTers WERE MORE CYNical THAN ANY CAPITAList BREAKroom INFographic. THE SOviet WORKer COULdn't PROtest, COULdn't STRike, COULdn't CHange JOBS, COULdn't REally BUY ANYthing WITH HIs "Salary." AND THOSE

CHAPTER 2. HISTORY AS TRAJECTORY WERE THE LUCKY ONES! THE UNLUCKY ONES WERE FORCED BY TROTSKY
DID THE WHITE SEA- BALTIC CANAL WITH THEIR BARE HANDS, OR DEPORTED TO SIBERIA BY STALIN. AS IN NAZI
GERMANY, ARBEIT DID NOT MAKE FREEDOM. BUT, BE THAT AS IT MAY, COMMUNISM HAD TRACTION. AT ITS PEAK IT
COVERED "26% OF THE LAND SURFACE OF THE GLOBE." IT WAS A SECULAR IDEOLOGY THAT COMMANDED THE ZEAL OF
A RELIGIOUS MOVEMENT — PURE STATE-WORSHIP, IN OUR TERMINOLOGY, THE TOTAL REPLACEMENT OF G-O-D WITH
G-O-V. DECADES AFTER IT HAD SOMEWHAT CALMED DOWN IN THE POST-STALINIST USSR, IT WAS IN FULL MURDEROUS
SWING IN THE PRC AND CAMBODIA. THE POLITICAL FORMULA WHICH PUT THE WORKING MAN ON A PEDESTAL AS THE
PUT-UPON VICTIM OF THE POWERFUL ENABLED ONE MAN AFTER ANOTHER TO GAIN POWER WORLDWIDE — LENIN, TROTSKY,
STALIN, MAO, POI POT, CASTRO, KIM IL-SUNG — AND THEN ENSLAVE THE WORKING MAN IN THE NAME OF LI-
BERATING HIM. THE WORKING CLASS AS REVOLUTIONARY OBSTACLE THEN SOMETHING INTERESTING HAPPENED. THE U.S.
MANAGED TO AVOID COMMUNIST REVOLUTION (BARELY — SEE HENRY WALLACE AND VENONA), SCRAPE THROUGH THE
TUMULTUOUS 60s, AND SPLIT ENOUGH OF THE PROCEEDS WITH THE UNION WORKERS THAT THEY IDENTIFIED WITH AME-
RICA RATHER THAN THE "GODLESS RUSSIAN COMMIES." THE PHYSICAL MANIFESTATION OF THIS WAS THE HARD HAT
RIOT IN 1970, WHEN AMERICAN UNION WORKERS BEAT UP THE "DIRTY HIPPIES" CHEERING FOR NORTH VIETNAM. NOW,
SUDDENLY, THE HERETOFORE IGNORED NEGATIVE QUALITIES OF THE WORKING MAN WERE BROUGHT TO THE FORE.
HE WAS WHITE, FIRST OF ALL. AND RACIST, SEXIST, AND HOMOPHOBIC. IGNORANT, TOO. HE NEEDED TO BE EDUCATED
BY HIS BETTERS. AND THUS ALL IN THE FAMILY WITH ARCHIE BUNKER BEGAN ALRIND, DEPICTING A VERY DIFFE-
RENT KIND OF WORKING MAN. NOT STAKHANOV, NOT THE UBER-CHAD OF SOCIALIST REALISM, NOT THE STAR OF "BOY
MEETS TRACTOR," BUT AN OBESSE LAYABOUT THAT REPRESENTED EVERYTHING WRONG WITH SOCIETY — AND WHO WAS
NOW THE OPPRESSOR. AND WHO WAS HE OPPRESSING? WELL, THE NEW PROLETARIAT: WOMEN, MINORITIES, AND LG-
BT. DEMOGRAPHICS THAT DIDN'T HAVE THAT MUCH POLITICAL POWER WHEN COMMUNISM WAS ROARING TO DOMINANCE
IN THE EARLY AND MID 1900s, BUT WHICH GRADUALLY GREW TO REPRESENT >50% OF THE AMERICAN ELECTORATE —
A POLITICAL PRIZE WAITING FOR ANYONE WHO FIGURED OUT HOW TO TAP INTO IT. A POLITICAL ARBITRAGE OPPOR-
TUNITY, IF YOU WILL, WHERE THE VALUE OF THE ARBITRAGE WAS MEASURED IN POWER RATHER THAN MONEY. AND THIS
IS HOW THE WHITE WORKING CLASS MOVED FROM OPPRESSED TO OPPRESSOR. BUT ONE MORE EVENT HAD TO HA-
PPEN: THE FALL OF THE SOVIET UNION. COMMUNISM WAS CENTRALIZED LEFT THE WOMEN/NONWHITES/LGBT GROUP OF
"MINORITIES" (WHICH >90% OF THE GLOBAL POPU- LATION BELONGS TO, IF YOU STOP TO THINK ABOUT IT) GRADUA-
LLY BECAME THE CORE JUSTIFICATION FOR THE NEW LEFT, JUST AS THE WORKING CLASS HAD BEEN THE JUSTIFI-
CATION FOR THE OLD LEFT.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 121 BUT THERE WAS A TRANSITIONAL PERIOD. FOR MANY YEARS, THE WESTERN LEFT STILL HAD A FOOT IN BOTH CAMPS, WITH SOVIET SYMPATHIZERS COEXISTING WITH NEW LEFTISTS.⁸³ AFTER ALL, THE HIPPIES PUNCHED BY UNION WORKERS HAD BEEN ALIGNED WITH “HANOI” JANE FONDA, AND WERE PRO-COMMUNIST OR AT LEAST ANTI-ANTI-COMMUNIST. THEY WERE “OBJECTIVELY PRO-SOVIET” USING THE TERMINOLOGY ORWELL DISLIKED. EVEN AS LATE AS THE MID 1980S, A LION OF THE WESTERN LEFT LIKE TED KENNEDY OFFERED TO DO A DEAL WITH THE USSR IF THEY SUPPORTED HIM FOR THE US PRESIDENCY. THE SOVIET UNION WOULDN'T BE AROUND FOREVER, THOUGH. FOR A VARIETY OF REASONS, RANGING FROM THE WAR IN AFGHANISTAN, THE REJUVENATION OF AMERICAN MORALE AND DEFENSE SPENDING UNDER REAGAN, THE FREEDOM MOVEMENTS IN EASTERN EUROPE AND THE BALTICS, AND OF COURSE THE TOTAL FAILURE OF THEIR OWN ECONOMY TO PRODUCE CONSUMER GOODS, THE USSR WAS ON ITS LAST LEGS. GORBACHEV INADVERTENTLY DOOMED THE EMPIRE IN HIS ATTEMPT TO REFORM IT, BY LIBERALIZING SPEECH ALONG WITH ECONOMICS AT THE SAME TIME. THE DOUBLE WHAMMY OF GLASNOST AND PERESTROIKA DESTABILIZED A ONCE TIGHTLY CONTROLLED SYSTEM. GORBACHEV DID DO A BIT OF CRACKING DOWN (THE RAID ON THE VILNIUS TOWER COMES TO MIND), BUT FUNDAMENTALLY HE WASN'T AS RUTHLESS AS STALIN, AND A CRITICAL MASS OF HIS PEOPLE WANTED CAPITALIST CONSUMER GOODS ANYWAY. SO, AFTER THE FALL OF THE BERLIN WALL IN 1989, AND AN ATTEMPTED RESTORATIVE COUP BY “HARDLINERS” IN AUGUST 1991, THE WHOLE EVIL EMPIRE COLLAPSED BY CHRISTMAS DAY 1991. AT THIS POINT THE WESTERN LEFT WAS AT A CROSSROADS. IN CHINA, 13 YEARS EARLIER, DENG XIAOPING HAD MANAGED TO OUTMANEUVER MAO ZEDONG'S CHOSEN SUCCESSORS, THREW THE SO-CALLED GANG OF FOUR IN JAIL, AND TURN CHINA TOWARDS THE “CAPITALIST ROAD.” NOW, THE OTHER BIG COMMUNIST CHAMPION, THE SOVIET UNION, WAS GOING DOWN FOR THE COUNT. IT APPEARED THAT THE CENTRALIZED LEFT, THE LEFT WITH A DESIGNATED AND IDENTIFIABLE LEADER, THE CENTRALIZED LEFT OF THE USSR AND PRC, OF STALIN AND MAO. . . THAT CENTRALIZED LEFT WOULD EVENTUALLY LOSE ITS NERVE AND BE BEATEN BY THE CENTRALIZED RIGHT OF THE UNITED STATES.⁸⁴ SO, AFTER 1991, THERE WAS NO MORE CENTRALIZED LEFT, NO MORE COMMUNISM, ASIDE FROM HOLDOUTS LIKE CUBA AND NORTH KOREA THAT WERE OF NO GLOBAL CONSEQUENCE. INSTEAD IT

⁸³WE CAN'T REALLY DO THE FULL COMPLEXITY OF THE RELATIONSHIP BETWEEN THE WESTERN LEFT AND THE SOVIETS JUSTICE IN A FEW SENTENCES, BUT SEE HERE. THE SHORT VERSION IS THAT PRIOR TO WORLD WAR 2, AMERICANS WERE PIVOTAL TO THE FOUNDING AND OPERATION OF THE SOVIET UNION, TO A DEGREE THAT HAS BEEN COMPLETELY OBSCURED TODAY. EACH THOUGHT OF THEMSELVES AS THE SENIOR PARTNER IN THE RELATIONSHIP, AND AS THE ONE WHO WAS USING THE OTHER. AFTER WORLD WAR 2, THERE WAS A GENUINE TITLE FIGHT BETWEEN THE TWO FOR WORLD DOMINANCE DURING THE COLD WAR, WITH RESIDUAL SOVIET SYMPATHIZERS AMONG THE AMERICANS AND US-SYMPATHETIC DEFECTORS WITHIN THE SOVIET UNION. BUT EVEN AS LATE AS THE MID 1970S, AFTER THE DEFEAT IN VIETNAM, IT WAS NOT OBVIOUS THAT THE US WOULD WIN THE COLD WAR. EVENTUALLY THE AMERICAN ESTABLISHMENT STARTED THINKING OF THE SOVIETS AS BENEATH THEM, AND STARTED CALLING THE MOST DEDICATED COMMUNISTS “CONSERVATIVE HARDLINERS.” BY 1991 THE SOVIETS CAPITULATED, NOT JUST BECAUSE OF INTERNAL ECONOMIC ISSUES OR EXTERNAL MILITARY PRESSURE, BUT ALSO DUE TO LOSING MUCH OF THE SOFT POWER SUPPORT FROM THE WESTERN LEFT. ⁸⁴USING OUR TERMINOLOGY, WITHIN THE CONTEXT OF THE USSR, THE SOVIET GOVERNMENT USED RIGHTIST TACTICS, AS IT WAS THE RULING CLASS. IN A GLOBAL CONTEXT, HOWEVER, THE SOVIET UNION USED LEFTIST TACTICS, AS IT WAS ATTEMPTING TO FOMENT REVOLUTION.

22 CHAPTER 2. HISTORY AS TRAJECTORY BECAME ALI ABOUT THE DEcentralized LEft, THE FUSion OF THE CL
I Rights MOVement AND FOucaltian DEconstructionism, WHAT WE NOW CALL WOKENESS. WOKENESS IS DEcentral
ized LEft IF YOU'LL NOTE, THE WOKES DON'T HAVE A SINGLE LEader LIKE STalin. THEY HAVE NO SINGLE BOOK
LIKE THE COMMUNIST MANIFESTO. THEY DON'T EVEN LIKE TO BE NAMED. THIS IS NOTABLE FOR A MOVEMENT THAT
IS OTHERWISE SO INTERESTED IN VERBAL PREstidigatiON, IN RENaming THINGS! REGARDLESS OF WHETHER PEOP
le CALL THEM "POLITICALLY CORRECT" OR "SJWs" OR "WOKES" OR WHAT HAVE YOU, THEY'LL TRY TO SCRATCH OFF
the LABEL AND SAY THAT THEY'RE JUST BEING "GOOD PEOPLE." (YOU, OF COURSE, THEY HAVE NO PROBLEM CALLI
ng YOU ALI KIND OF NAMES.) YOU CAN CALL THEM DEMOCRATS, AND THAT'S IN THE BALLPARK, BUT MANY WOKES ARE
RE MORE RADICAL THAN DEMOCRATIC PARTY CANDIDATES (THOUGH STILL VOTE FOR THEM) AND MANY RANK- AND-FILE
DEMOCRATS STILL AREN'T WOKES. YOU CAN ALSO NOTE THAT THE BOUNDARIES OF WOKENESS ARE FLUID. ANYONE CAN
JUST START VOICING WOKE RHETORIC. YOU MAY EVEN SYMPATHIZE WITH SOME OF THEIR STATED IDEAS (AS OP
posed TO THEIR ACTUAL PRACTICE). I DO85, IN FACT, AT LEAST WITH THE MOTTE VERSION - WHO'S AGAINST EQU
al TREATMENT UNDER THE LAW? OF COURSE, IT NEVER STOPS THERE. YOU CAN NOTICE THAT THEY DO HAVE THEIR
SYMBOLS AND HASHTAGS AND FLAGS (WHICH, WHEN HOISTED, INDICATE CONTROL OF TERRITORY AS ANY FLAG DOES)
BUT THAT THEY OFTEN SHY AWAY FROM ADMITTING THAT WHAT THEY'RE DOING IS DEEPLY POLITICAL. IT'S AGAIN
JUST BEING A "GOOD PERSON." THEN THEY RETURN TO WRITING POLICIES AND RENAMING STREETS. THEY DO HAVE
ORGANIZATIONS, MANY NGOS AND MEDIA OUTLETS, OF WHICH SULZBERGER'S NYT IS PERHAPS THE MOST INFLUENTIA
L. BUT THERE'S NO SINGLE DIRECTING GROUP, AND THERE'S A VERY LONG TAIL OF SYMPATHIZERS. PUT IT ALL TO
GETHER: NO SINGLE LEADER, BOOK, NAME, OR ORGANIZATION. SO IF THE COMMUNISTS WERE CENTRALIZED LEFT,
THE WOKES ARE DECENTRALIZED LEFT. IF COMMUNISTS WERE LIKE CATHOLICS FOLDING INTO A SINGLE HIERARCHY,
WOKES ARE MORE LIKE PROTESTANTS WHERE ANYONE CAN SET UP A SHINGLE AS A PREACHER. COMMUNISM WAS ST
e-First, WOKENESS IS NETWORK-FIRST JUST AS AN ASIDE, THERE'S A SUBTLETY IF WE APPLY THE LENS OF THE LE
VIATHANS. WHILE COMMUNISTS WERE CENTRALIZED, THEY WERE NOT ENTIRELY PEOPLE OF THE STATE. THE REASON
IS THAT THEY HAD BOTH THE SOVIET STATE AND THE INTERNATIONAL COMINTERN NETWORK OF SPIES AND REVOLUTI
ONARIES. BUT THEY WERE PRIMARILY PEOPLE OF THE STATE AFTER 1917, AS THE GLOBAL MOVEMENT WAS DOWNSTREA
M OF THE SOVIET GOVERNMENT.86 85JUST AS I SYMPATHIZE WITH THE WORKING MAN, BUT KNOW THAT THE ANSWER
WASN'T SOCIALISM, COMMUNISM, OR FASCISM. 86UNTIL THE SINO-SOVIET SPLIT, WHICH WAS NOTABLE BECAUSE
OF HOW FORMAL IT WAS.

8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 123 WOKES ARE THE OPPOSITE. THEY ARE PRIMARILY PEOPLE OF THE NETWORK, AS THEIR HABITAT IS OUTSIDE THE ELECTED STATE. THE CONTROL CIRCUITRY FOR THE US GOVERNMENT RESIDES OUTSIDE IT, IN MEDIA, ACADEMIA, NONPROFITS, AND THE UNRELEASABLE CIVIL SERVICE. BUT JUST AS THE COMMUNISTS DON'T CONTROL ALL STATES (THOUGH THEY WANTED TO), THE WOKES DO NOT CONTROL ALL NETWORKS (THOUGH THEY WANT TO). THEIR MAJOR WEAKNESS IS THAT THEY DO NOT YET HAVE TOTAL CONTROL OVER THE ENGLISH INTERNET, THE CHINESE INTERNET, OR THE GLOBAL CRYPTO NETWORKS. BUT THE WOKES ARE TRYING MANFULLY TO GAIN SUCH CONTROL. AND THE SWITCH FROM GLORIFYING STAKHANOV TO DENOUNCING ARCHIE BUNKER ACTUALLY HELPS WITH THIS, AS SOCIAL MEDIA USERS ARE MUCH MORE HELPFUL IN GAINING POWER OVER THE NETWORK THAN FACTORY WORKERS. WHY? IN THE 20TH CENTURY, THE FACTORY FLOOR WAS THE SCENE OF THE ACTION AND COMMUNISM WAS ALL ABOUT THE STRIKE. THIS WAS A COLLECTIVE ACTION THAT SEEMED TO HELP WORKERS, BY REDISTRIBUTING WEALTH FROM THE HATED BOSSES. OVER THE MEDIUM TERM, OF COURSE, ADVERSARIAL UNIONIZATION ACTUALLY HARMED WORKERS BECAUSE (A) THEY HAD TO PAY UNION DUES THAT GOBBLED UP MUCH OF THE PAY RAISES, (B) THEY GOT A SECOND SET OF MANAGERS IN THE FORM OF THE UNION BOSSES, (C) THEIR ACTIONS LEAD TO A REDUCTION IN COMPETITIVENESS OF THEIR STRIKE-RIDDEN EMPLOYER, AND (D) IN THE EVENT THEIR COUNTRY ACTUALLY WENT COMMUNIST THEY LOST THE ABILITY TO STRIKE COMPLETELY. NEVERTHELESS, UNION ORGANIZING HELPED THE COMMUNISTS GAIN INFLUENCE OVER STATES. GENERAL STRIKES COULD BRING ENTIRE COUNTRIES TO A HALT. IN THE 21ST CENTURY, THE INTERNET IS THE SCENE OF THE ACTION AND WOKENESS IS ALL ABOUT THE CANCELLATION. THERE'S NO FACTORY FLOOR, NO FORMAL UNION LEADER, NO CENTRALIZED DIRECTION FROM MOSCOW. INSTEAD, ANYONE CAN DECIDE AT ANY TIME TO USE THE RHETORIC IN THE AIR TO LEAD A CAMPAIGN AGAINST THEIR "OPPRESSOR" IN COMBINATION WITH OTHERS WHO SUBSCRIBE TO ONE OR MORE WOKE PRINCIPLES. IT'S OPEN SOURCE, IT'S DECENTRALIZED LEFT. LIKE THE STRIKE, THE CANCELLATION IS A COLLECTIVE ACTION THAT SEEMS TO HELP THE "MARGINALIZED", BY REDISTRIBUTING STATUS FROM THE HATED OPPRESSORS TO THE CANCELLERS. THE LIKES, RETWEETS, AND FOLLOWERS GET REDISTRIBUTED IN REAL-TIME. OVER THE MEDIUM TERM, HOWEVER, CANCELLATION ACTUALLY HARMS THE "MARGINALIZED" BECAUSE (A) EVERYONE CAN NOW CANCEL EACH OTHER ON SOME AXIS, MAKING LIFE HIGHLY UNPLEASANT AND (B) CONSTANT CANCELLATION LEADS TO A LOW-TRUST SOCIETY. NEVERTHELESS, CANCELLATION HELPS WOKES GAIN CONTROL OF NETWORKS. SOCIAL MEDIA SWARMS IN THE 2010S COULD BRING TECH EXECUTIVES TO THEIR KNEES, JUST AS GENERAL STRIKES IN THE 20TH CENTURY COULD BRING COUNTRIES TO A HALT. FROM WORKING CLASS TO WOKEST CLASS SO, THAT'S HOW STAKHANOV BECAME ARCHIE BUNKER. ONCE THE US HAD INTEGRATED ITS WORKING CLASS TIGHTLY ENOUGH TO DEFUSE ITS REVOLUTIONARY POTENTIAL, AND CENTRALIZED RIGHT BEAT CENTRALIZED LEFT IN THE USSR AND PRC, THE LEFT NEEDED A NEW GROUP IT COULD USE TO JUSTIFY ITS REVOLUTION. IT FOUND IT IN THE "MARGINALIZED" THAT IT HAS NOW RIDDEN TO POWER

CHAPTER 2. HISTORY AS TRAJECTORY AS WOKE CAPITAL.⁸⁷ FROM THE WORKING CLASS, TO THE WOKEST CLASS.
THE AMERICAN FLIPPING THE SECOND FLIPPING IS ABOUT THE INVERSION OF THE REPUBLICAN AND DEMOCRAT
PARTIES OVER THE LAST 155 YEARS. AS CONTEXT, MOST AMERICANS KNOW VAGUELY THAT THE REPUBLICAN AND DE-
MOCRAT PARTIES “SWITCHED SLIDES,” THAT REPUBLICANS WERE ON THE LEFT IN 1865 AND ON THE RIGHT BY 1965,
BUT NOT EXACTLY HOW⁸⁸ THAT HAPPENED. HOW DID THE GOP MOVE FROM THE “RADICAL REPUBLICANS” OF LINCOLN
’S TIME, TO THE CONSERVATIVE REPUBLICANS OF MID-CENTURY, TO THE PROLETARIAN TRUCKERS OF THE POST-T
RUMP PARTY? AND HOW DID DEMOCRATS GO FROM SECESSIONIST CONFEDERATES TO ANTI-ANTI-COMMUNIST LIB-
ERAL S TO WOKE CAPITALISTS? THE SHORT VERSION THE SHORT VERSION IS THAT THE REPUBLICANS GAINED MORAL AUTH-
ORITY AFTER THE CIVIL WAR, USED THAT TO GAIN ECONOMIC AUTHORITY, THEN GOT CRITIQUED BY THE (REPOSITI-
ONED) DEMOCRATS FOR BEING SO RICH, THEN LOST MORAL AUTHORITY, AND CONSEQUENTLY ALSO LOST ECO-
NOMIC AUTHORITY, BRINGING US TO THE PRESENT DAY. THE DEMOCRATS WERE ON THE OPPOSITE END OF THAT CYCLE. THE
1865-2021 CYCLE NOW THE LONGER VERSION. LET’S WARP BACK TO 1865. IMMEDIATELY AFTER THE CIVIL WAR, T
HE REPUBLICANS HAD TOTAL MORAL AUTHORITY — AND TOTAL COMMAND OF THE COUNTRY. DURING THE PROCESS OF R
ECON-
STRUCTION AND WHAT FOLLOWED, THEY TURNED THAT MORAL AUTHORITY INTO ECONOMIC AUTHORITY, AND BEC
AME RICH BY THE LATE 1800S. AFTER ALL, YOU WOULDN’T WANT TO HAVE A CONFEDERATE- SYMPATHIZING DEMOCRA
T TRAITOR AS HEAD OF YOUR RAILROAD COMPANY, WOULD YOU? GRADUALLY, THE DEMOCRATS BEGAN REPOSITIONING⁸⁹
FROM THE PARTY OF THE SOUTH TO THE PARTY OF THE POOR. A MAJOR MOMENT WAS WILLIAM JENNINGS BRYAN’S
“CROSS OF GOLD” SPEECH IN 1896. ANOTHER HUGE MOVE WAS FDR’S RE-ELECTION IN 1936, WHEN BLACK VOTERS S
HIFTED 50 POINTS FROM REPUBLICAN TO DEMOCRAT, THOUGH THEY STILL VOTED REPUBLICAN AT ⁸⁷NOTE THAT WOKE
NESS DOES NOT ACTUALLY BENE■T THE “MARGINALIZED”. COMMUNISM PROMISED LIBERATION FOR THE WORKERS ONLY
TO PUSH THEM INTO THE SLAVERY OF THE GULAG. WOKENESS PURPORTS TO BENE■T THE “MARGINALIZED” BUT IS H
ARD AT WORK ON FULLY IMMISERATING THEM THROUGH IN■ATION AND DESTROYING THE STABILITY OF THEIR NEIGHB
ORHOODS. WE’RE STILL IN THE RELATIVELY EARLY STAGES, BUT THE SIGNS DO NOT LOOK GOOD. ⁸⁸DINESH D’SOUZ
A WOULD DENY IT HAPPENED AT ALL! IF YOU’RE INTERESTED, HERE’S HIS CASE, AND THEN ALSO ERIC FONER’S.
⁸⁹EVERYTHING DIDN’T SHIFT, OF COURSE. OVER THIS PERIOD THE REPUBLICANS REMAINED A NATIONALIST PARTY.
BUT THE DEMOCRATS FLIPPED FROM BEING A SECESSIONIST PARTY TO AN INTERNATIONALIST PARTY. FOR EXAMPLE
WOODROW WILSON WAS ALL ABOUT THE LEAGUE OF NATIONS, AND ONE OF FDR’S FIRST ACTS IN OFFICE WAS RECO
GNIZING THE SOVIET UNION.

8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 125 THE MUNICIPAL LEVEL.90 THE WRAP UP WAS IN 1965 WHEN
Lack Voters MOved ANOther 10-15 POints TOwards DEMocrats, THOUGH THE CIVIL RIGHTS ERA WAS REALLY JUSt
t THE CULmination OF A MULTI-decadal TREnd. AFter 1965 THE DEMocrats HAD COMplete MORal AUTHority. A
Nd OVER THE NExt 50 YEArs, FRom 1965-2015, THE DEMocrats CONverted THEIR MORal AUTHority INto ECONoM
c AUTHor- ITy. YOU WOuldn't WANT A REPUBLICan Blot AS CEO OF YOUR TECh COMpany, WOULD YOU? NOW THAt
t CYcle HAS REAched ITS ZENith, AND A CRITICAL MASS OF HIGH INCOME AND STATUS POSITIONS IN THE US AR
e HELD BY DEMocrats. SOME STats AND GRaphs WILL SHOW THE STory. DEMocrats HAVE: • 97% OF JOurnalists
' POLitical DONations • 98% OF TWitter EMPloyees' POLitical DONations • >91% OF PROfessors IN THE TO
p US UNiversities • 26 OUT OF 27 OF THE RIChest CONgressional DIstricts • >77% OF POLitical DONation
s FROM FACEbook, APple, AMazon, MIcrosoft, GOogle MEanwhile, THE REPUBLICans HAVE BY MANY MEASURES B
ECOME THE PARTY OF THE ECONOMIC AND CULTURAL PROletariat. THERE ARE OF COURSE EXceptions LIKE THE SU
PREME COURT AND STATE LEGISLATURES WHICH ARE MAJORITY REPUBLICAN, BUT SEE THIS CHART FROM THE BROOKI
NGS INSTITUTE, WHICH SHOWS THAT >70% OF US GDP IS NOW IN DEMOCRAT COUNTIES. SEE ALSO THIS SET OF GRA
PHS FROM 2019, AND THAT'S BEFORE THE MONEY PRINTING AND SMALL BUSINESS DESTRUCTION THAT OCCURRED DURING
COVID. THE DOMINANCE IS EVEN MORE TOTAL WHEN ONE THINKS ABOUT CULTURAL INSTITUTIONS.91 WHAT'S THE
REPUBLICAN HARVARD — IS IT BOB JONES UNIVERSITY? WHAT'S THE REPUBLICAN HOLLYWOOD — SOME GUYS ON 4C
AN MAKING MEMES? SO, DEMOCRATS HAVE BECOME THE PARTY OF THE RULING CLASS, OF THE ESTABLISHMENT. AND
THE REPUBLICANS ARE REPOSITIONING AS THE PARTY OF THE PROLES, OF THE REVOLUTIONARY CLASS. THIS IS WHY
YOU SEE DEMOCRATS DOING THINGS LIKE: • TEARING UP OVER THE CAPITOL SIX MONTHS AFTER TEARING DOWN
GEORGE WASHINGTON • DENOUNCING FREE SPEECH • SETTING UP DISINFORMATION OFFICES • SHIFTING FROM INVEST
IGATING THE GOVERNMENT TO "INVESTIGATING" THE CITIZENRY • SCRIPTING THE RECRUITING ADS FOR THE CIA
AND MILITARY • PUTTING PRIDE FLAGS ON ATTACK HELICOPTERS 90SEE HOW BLACKS BECAME BLUE AND PAGE 30 OF
FAREWELL TO THE PARTY OF LINCOLN. 91NOTE THAT THE LOGIC OF DISPARATE IMPACT TYPICALLY ISN'T APPLIED
HERE; LACK OF REPRESENTATION OF A POLITICAL CLASS IS NOT ASSUMED TO BE DUE TO DISCRIMINATION. YET N
OTE THAT DEMOCRATS ONLY WANT TO MARRY OTHER DEMOCRATS, AND REPUBLICANS TYPICALLY MARRY OTHER REPUBLI
CANS. SO OVER JUST A GENERATION OR SO, THESE POLITICAL GROUPS ARE FATED TO THEMSELVES BECOME ETHNIC
GROUPS, MUCH LIKE WHAT HAPPENED WITH SUNNIS AND SHIITES OR PROTESTANTS AND CATHOLICS. THE IDEOLOGY I
Nfluences THE BIOLOGY.

126 CHAPTER 2. HISTORY AS TRAJECTORY • ADvocating FOR COrporations TO FIRE PEople AT WILL • DEFending DEplatforming AS A PRivate PROperty Right • EMbracing THE NATional SEcurity ESTablishment • ALlocating TWO BIlion DOLLars FOR THE CAPitol POLice • APproving 40 BIlion DOLLars FOR WAR IT's LIKE THE QUOTE FROM DUNE: "WHEN I AM WEaker THAN YOU, I ASK YOU FOR FREedom BEcause THAT IS ACCording TO YOUR PRinciples; WHEN I AM STRonger THAN YOU, I TAKE AWAY YOUR FREedom BEcause THAT IS ACCording TO MY PRinciples." NOW THAT THE DEMocrats ARE STRong, THEY ARE ACTing LIKE RIghtists. AND NOW THAT THE REPublicans ARE WEak, YOU SEE THEM ACTing LIKE LEftists: • CRiticizing AMerica's IMPerial INfluence IN THE WORLD • OPposing WAR AND MIlitary AId • NOT TRusting THE FBI OR THE POLice • EXpressing QUALified SYmpathy FOR AMerica's CURrent Rivals • TALKing POSitively ABOUT UNions • INTroducing ANti-discriminAtion LAws TO PROtect REPublicans • LOBBying FOR FREE SPEech THIS EXplains THE WEIRD FLIP-FOPS OF AMerican POLitics OVER THE LAST FEW YEARS. WE'RE IN A REaligning TIME WHERE MANY INSTITUTIONAL THINGS ARE FLIPPING FROM BLUE TO RED AND BACK BEFORE FINALLY GOING BRIGHT BLUE OR RED. FREE SPEech IS NOW COLOred RED, WHILE THE FBI IS NOW BLUE. BEcause DEMocrats ARE THE RULing CLass NOW. NOTE THAT THIS ISN'T AN ENDorsement OF EITHER SLide, JUST AN OBServation THAT TWO ULtra- LONG-timeframe SIne AND COsine WAVes HAVE NOW SHifted INTO THE OPposite RELative PHase. THE PARTies THAT MANY IDENTify WITH AND IMPLICITly THINK OF AS CONstant WERE NOT CON- STant. THE RADical REPublicans ATTained SOCioeconomic POWer AND THEIR DEFense OF THIS ORDER MADE THEM CONservative; THE REactionary DEMocrats LOST SOCioeconomic POWER AND GRadually REpositioned AS REVolutionary. NOW THEY'RE FLIPPING AGain. THIS DOESN'T MEAN EVERYthing IS FLIPPING, OF COURSE. DEMocrats ARE STILL PRO-choice, REPublicans STILL PRO-life. REPUBLICANS STILL HAVE AN INSTITUTION OR TWO, LIKE THE SUPreme COURT AND SOME STATES. JUST AS DEMocrats AFTER THE CIVIL WAR WERE VERY WEak, BUT NOT ERadicated, AND ABLE TO SERVE AS SPOILERS. HOWEVER, THE TWO PARTies HAVE FLIPPED ON ALL THE INSTITUTIONAL BITS, EVEN IF MANY REPUB- LICANS MAIntain THE MONTY-PYTHON-LIKE PREtense THAT THE CONservative AMerica OF THEIR YOUTH HAS JUST SUFFERED A FLESH WOUND, AND MANY DEMocrats MAIntain THE SOviet-like PREtense THAT THE RULing CLass IS STILL A REVolutionary PARTY. MEXico HAS A GREAT NAME FOR

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 127 This Kind Of Thing, The PRI OR “Institutional Revolutionary Party,” But There’s A More Familiar Metaphor: The Startup. As Noted Earlier, A Successful Startup Wants To Think It’s Still The Scrapy Underdog, Because That’s Good For Recruiting And Morale. But Now The Democrats Are No Longer A Startup. The Party Has Completed A 155 Year Arc From The Defeated Faction In The Civil War To America’s Ruling Class. There’s A Ship Of Theseus Aspect To This, Though. All The Parts Got Swapped Out, And The Parties Switched Sides, But Somehow The Triumphant Democrat Coalition Of 2021 Ended Up Geographically And Demographically Similar To The Republican Lineup Of 1865: Northeastern-centric Liberals Arrayed Against Conservative Southerners In The Name Of Defending Minorities. And If You Go Even Further Back In Time, This Mirrors The English Civil War Of The 1640s. Briefly, The People That Came To Massachusetts Were The Ideological Descendants Of The Roundheads, And The Ones Who Settled Virginia 20 Years Later Were The Descendants Of The Cavaliers, So It Isn’t A Surprise That Descendants Of The Same Two Tribes Went To War About 200 Years Later⁹² In The Mid 1800s, Or That Their Ideological Descendants Are Gearing Up For Another Conflict Right About Now. See Scott Alexander’s Review Of Albion’s Seed For The Quick Version. Not Everything Flipped You Could Plot The Geographical, Demographic, And Ideological Coalitions Of The Two Parties Over The Last 155 Years. You’d See A Few Different Staggered Sine Wave-like Phenomena Before They Snap Into The Funhouse Mirror Image Of 1865 That Is 2021. But If We Drill Into The Ideological Aspects Of The Flip We See Some Interesting Things. At The Surface Level, The Symbols Remain Intact: Democrats And Republicans Still Use The Same Logos, Just Like The Chinese Communist Party Has Kept The Hammer And Sickle More Than 40 Years After Deng Xiaoping’s Capitalist Revolution. On A Policy Level, As Noted, Not Everything Has Flipped: Democrats Remain Pro-choice, Republicans Remain Pro-life. But On An Ideological Level, That’s Worth A Bit Of Discussion. Certain Kinds Of People Are Born Revolutionaries. So When The Democrats Flipped Over From Revolutionary Class To Ruling Class, When They Shifted From (Say) “Defunding The Police” To Funding The Capitol Police⁹³, The Born Revolutionaries Got Off The BUs. It’s Not Necessarily Any One Issue Like The Police, Or Military, Or COVID Restrictions, Or Regulations – The Trigger Is Different For Each Person – But The Common Theme Is That The Born Revolutionary Just Has A Problem With What They Perceive As Irrational Authority. ⁹²The fact that the same two tribes keep fighting periodically over at least 400 years means we might reconceptualize the specific reasons for their fight as more irreducibly tribal than passingly ideological, more like Hatfields And McCoys Than Any Grand Battle Of Ideas. In This Framework, If One Tribe Adopts Left Tactics The Other Must Adopt Right Tactics, And Vice Versa. ⁹³Yes, The Flip Was Already Baked Many Years Before This, But This Is A Particularly Obvious Public Example.

28 CHAPTER 2. HISTORY AS TRAJECTORY Visualize The Startup Founder Who Just Cannot Adjust To A Big Company After An Acquisition, Or The Writer Who Just Refuses To Hold Back A Story Because Of His Editor's Political Demurrals. Born Revolutionaries Of This Stripe Include Glenn Greenwald, Matt Taibbi, Jack Dorsey, Elon Musk, And Many Substackers And Tech Founders. They Just Can't Bend To The Establishment. But They Also Have Real Disagreements With Each Other, Which Is Why They're Independents, And Why They Can't Mouth A Party Line. So The Born Revolutionary Is Really Far More Anti-establishment, And Hence Today Anti-Democrat, Than Pro-Republican. Many Of The Most Accomplished In Tech And Media Share This Characteristic – They Don't Want To Listen To Authority Because They Think They Know Better, And In Their Case They Often Actually Do. They're Fundamentally Insubordinate And Disobedient, Rule Breakers And Novelty Seekers, Ideological Rather Than Tribal, Founders Rather Than Followers — And Thus Stand In The Gears Of Any Establishment. Other Kinds Of People Are Ideologically Predisposed In The Opposite Direction, To What Some Might Call "Imperialism" And Others Could Call "National Greatness." As The Republicans Fully Flipped Over From Ruling Class To Revolutionary Class, And Went From Organizing The Invasion Of Iraq To Disorganizedly Invading The Capitol, The Neocon Types Like David Frum And Liz Cheney Switched Sides. In Our Tech Analogy, These Are The Big Company Executives Who Only Join A Company Once It Has 1000+ People And Leave Out The Back When The Writing Is On The Wall. They'll Take Less Upside In Return For Less Downside, And Are More Focused On Guaranteed Salary And Prestige. They're Cyclical, As Opposed To Counter-cyclical Like The Revolutionaries. They Follow The School-of-Fish Strategy, Going With The Crowd At All Times. And In This Context, Their Animating Characteristic Is Not So Much That They're "Pro-Democrat" But That They're Anti-revolutionary. Much Of The National Security State And Military Establishment Is Also Like This; They Are Fundamentally Rule-followers, Institutional Loyalists, And Top-down In Their Thinking. So That Means That At Right Now, Immediately After The American Realignment, We See All Four Types: (A) Revolutionary Class Democrats Who Still Think Of Their Party As The Underdog, (B) Ruling Class Republicans Who Similarly (As David Reboi Would Put It) "Don't Know What Time It Is," (C) Revolutionary Anti-establishment Types Like Greenwald, And (D) Ruling Class Anti-revolutionaries Like Frum And Cheney. Over Time, If History Is Any Guide, The Independent Thinkers Will Move Away From The Ruling Class To The Revolutionary Class, While A Much Larger Group Of Herd-minded Followers Will Join The Ruling Class. Returning To Our Tech Analogy⁹⁴, Think About How A Few Of The Most Independent-minded People Have Left Google, While Many More Risk-Averse People Have Joined It. At Google, There Isn't Much Of The Early Startup Spirit Left, But There Is A Paycheck And Stability.⁹⁵ That's Similar To The Dynamic That Characterizes The Democrats In Their Formal Role As America's Ruling Class: They Largely Control The Establishment, But They're Losing The Talent. ⁹⁴Again, The Reason We Use The Startup-to-bigco Analogy So Much Is Because It's One Of The Few Long-term Cycles That Millions Of People Are Familiar With Today. We Can't Lean On The History Of, Say, Rome As Heavily Because It's Just Not Taught By Schools Or Movies. ⁹⁵Facebook Is The Exception Here, The Tech Company With The Most Potential For Rebirth And Internal Alignment, Because It's Still Led By Its Original Founder. It's What Samojirja Would Call A "Live Player."

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 129 THE SEcond AMERICAN CIVIL WAR? RETURNING TO THE PREVIOUS SECTION, IS 2021 REALLY JUST A REPEAT OF 1865? WELL, IF HISTORY IS RUNNING IN REVERSE AS PER THE FUTURE-IS-OUR-PAST THESIS, MAYBE NOT. MAYBE 1861-1865 HAS YET TO HAPPEN; MAYBE THE SECOND AMERICAN CIVIL WAR IS YET TO COME. WE DISCUSS THIS POSSIBILITY LATER IN OUR SCIENCE-SCENARIO ON AMERICAN ANARCHY. HOWEVER, IF WE REALLY PUSH ON THE HISTORICAL ANALOGIES, THERE'S ANOTHER FACTOR THAT WAS JUST INCIPIENT DURING THE 1860s BUT THAT DOMINATED THE ERA TO FOLLOW. AFTER NORTH-VS-SOUTH SLOGGED IT OUT, AMERICA SHIFTED ITS ATTENTION TO THE (WILD) WEST. SIMILARLY, AFTER WHATEVER DEMOCRAT-VS-REPUBLICAN DONEYBROOK MIGHT ENSUE, WE MAY SHIFT OUR FOCUS TO TECH. BECAUSE TECHNOLOGY IS A THIRD FACTION. A GROUP THAT WAS ONCE IDENTIFIED WITH THE WEST COAST BEFORE THE PANDEMIC, BUT IS NOW BEST THOUGHT OF AS DECENTRALIZED NETWORK. AT LEAST, ABOUT HALF OF IT CAN BE THOUGHT OF IN THIS WAY. THE TECHNOLOGY COMPANIES STILL PHYSICALLY HEADQUARTERED IN SILICON VALLEY WOULD LIKELY BE HEAVILY INVOLVED ON THE US ESTABLISHMENT SIDE IN ANY SECOND AMERICAN CIVIL WAR, PROVIDING SURVEILLANCE, DEPLATFORMING, AND DIGITAL ENFORCEMENT FOR THE RULING CLASS. BUT THE DECENTRALIZED GLOBAL TECHNOLOGISTS — THOSE THAT ARE INTO THE OVERLAPPING BUT QUITE DIFFERENT MOVEMENTS THAT ARE BTC AND WEB3 — WOULD HAVE A VERY DIFFERENT ATTITUDE. THEY MAY NOT REALLY BE "PRO-REPUBLICAN", BUT THEY WOULD BE ANTI-RULING-CLASS, AND ESPECIALLY AGAINST THE INFLATION AND CENSORSHIP THE RULING CLASS WOULD NEED TO SUPPORT ITS WAR MACHINE. ANY TRULY GLOBAL, DECENTRALIZED PLATFORM WOULD NATIVELY RESIST CENSORSHIP REQUESTS BY THE US ESTABLISHMENT. THAT MAY BE THE NEXT STEP IN THE AMERICAN FLIPPING: THE CONFLICT BETWEEN THE DECENTRALIZED PEOPLE OF THE NETWORK AND THE CENTRALIZED PEOPLE OF THE STATE, BETWEEN GLOBAL TECHNOLOGY AND THE AMERICAN ESTABLISHMENT. THE GLOBAL FLIPPING THE THIRD FLIPPING IS ABOUT THE GLOBAL REVERSAL OF THE LAST 30 YEARS, WHERE THE COMMUNIST COUNTRIES BECAME ETHNONATIONALISTS AND THE CAPITALIST COUNTRIES BECAME ETHNOMASOCHISTS. IN THIS FLIPPING, THE COUNTRIES ON THE ECONOMIC LEFT MOVED TO THE CULTURAL RIGHT, AND COUNTRIES ON THE ECONOMIC RIGHT MOVED TO THE CULTURAL LEFT. THE IDEOLOGIES REVERSED, BUT THE GEOPOLITICAL RIVALRIES REMAINED THE SAME.

30 CHAPTER 2. HISTORY AS TRAJECTORY The Visual Above Tells The Story. The Most Right-wing Country In The World Is Now CCP China, The Ethnocentric Champion Of The Han, The Place Where “Sissy Men” Are Now Banned From TV And Whose Self-admitted Goal Is Irredentist Reunification. Its Core Premise Is Ethnonationalism, Which Can Be Paraphrased As “Chinese People Are The Best.”⁹⁶ Conversely, Woke America Is To America As Soviet Russia Was To Russia. It Is The Most Left-wing Country In The World, The Place Where Whites Go To The Back Of The Line For Vaccinations And The Self-admitted Sponsor Of Global Revolution. Its Core Premise Is Ethnomasochism, Which Can Be Paraphrased As “White People Are The Worst”.⁹⁷ At This Point, You May Be Sputtering In Disbelief, In Which Case I Refer You To These⁹⁶ Two⁹⁷ Footnotes To Give A Tissue For That Sputtering. You May Think This Is Obvious, In Which Case Read This Section Only For Entertainment. You May Argue That The Right And Left Categories Have No Meaning; If So, Go Read The Earlier Section On The Spatial Theory Of Voting And Note That There’s Always A First Principal Component In Any Map Of Ideology Space. Or You Just May Be Confused, Contending That At The US Is Still “Conservative” And China Is Still “Communist,” And Want Proof Of The Switch. So Here’s The Detailed Argument. ⁹⁶If You Want A Citation On Chinese Ethnonationalism, The US DOD Wrote About This In The Strategic Consequences Of Chinese Racism: A Strategic Asymmetry For The United States. As They Noted “In Chinese History And Contemporary Culture, The Chinese Are Seen To Be Unique And Superior To The Rest Of The World. Other Peoples And Groups Are Seen To Be Inferior, With A Sliding Scale Of Inferiority.” ⁹⁷If You Really Need A Cite On American Ethnomasochism, Here’s An Employee Of The Establishment’s Paper Of Record Stating That “Racism Is In Everything. It Should Be Considered In Our Science Reporting, In Our Culture Reporting, In Our National Reporting. And So, To Me, It’s Less About The Individual Instances Of Racism, And Sort Of How We’re Thinking About Racism And White Supremacy As The Foundation Of All Of The Systems In The Country.”

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 131 The Global Axis IN 1988 WAS Politico-Economic First, What WAS THE Political Spectrum IN 1988, Right Before THE Fall OF THE Berlin Wall? From Right TO Left

- USA: Center Right Under REagan
- Western Europe (NATO): Center / Center Right
- Switzerland: Neutral Center
- PRC: Migrating Right, Less Ideological, Hard TO Place Under Deng Xiaoping
- India: Left, Socialist
- USSR, Warsaw Pact: Far Left

I DON'T THINK ANY OF THESE Ideological POSITIONS SHOULD BE TOO Controversial. These Countries Explicitly Identified Themselves AS Conservative, Socialist, OR Communist Respectively. India WAS Socialist, BUT NOT A Member OF THE Warsaw Pact AND NOT Pointing Guns AT THE West. China WAS Nominally Communist, BUT ALSO NOT Hostile TO THE West, AND Entering THE Second Decade OF THE Capitalist Reforms Begun BY Deng IN 1978. THE US WAS THE Champion OF THE Capitalist Right IN Spots Like Chile AND South Korea, AND THE USSR WAS THE Global Sponsor OF THE Communist Left IN Places Such AS Cuba AND North Korea. The Global Axis IN 2022 IS Ethno-Cultural BY 2022, What Did THE Global Political Spectrum Look Like, Right After THE Russo-Ukraine War?

- US Establishment: Ethnomasochist Far Left, Denoted BY THE Progress Flag
- Western Europe: Center Left, BUT With Increasing Variance
- BTC/web3: Pseudonymous Center
- India, Israel, Singapore, Vsegrad: Center Right
- Republican America: Nationalist Right
- CCP China, Russia: Ethnonationalist Far Right, THE Z Flag

AND "We Will Always Be Here" THE First Thing WE Note IS THAT THE Major Axis HAS Shifted. THE Primary Axis IS NO Longer THE Politico-economic Axis OF Capitalism-vs-communism, BUT THE Ethno-cultural Axis OF Ethnomasochism-vs-ethnonationalism. IS IT THE Ultimate Evil FOR A State TO Consciously Represent ITS Majority Race (As America Contends) OR IS IT THE Ultimate Good (As China Contends)? OR Should IT BE Neither, AS THE Pseudonymous Economy Contends? THE Second Thing WE See IS THAT THE Middle HAS Shifted. Switzerland IS NO Longer Neutral, AS IT'S Sliding With THE US NOW. Cryptocurrency AND Cryptography IS NOW

2 CHAPTER 2. HISTORY AS TRAJECTORY Switzerland, What Obama Called The “Swiss Bank Account In Your Pocket.” And – As Just Noted – It Offers An Ethical Alternative To Both American Ethnomasochism And Chinese Ethnonationalism, Namely Pseudonymous Meritocracy. The Third Thing We Note Is That We Don’t Use The American Flag To Represent The US Establishment As It Is Very Much A Disputed Symbol, With Some In The Establishment Claiming It While Others Claim It Is Disturbing. So Instead, We Use The Progress Flag For The US Establishment As (A) This Is Proudly Raised By The State Department And In The White House And (B) It Sharply Distinguishes The Establishment From A Republican America That Very Much Does Not Fly The Progress Flag, But Might Instead Fly The Thin Blue Line Flag Or (Eventually) The Flag Of Bitcoin Maximalism.⁹⁸ The Fourth Thing (Which Is Not On The Figure) Is That We Don’t Think Of Republican America As Coincident With The US Establishment Anymore. That’s Because The US Is A Binational State With Two Warring Ethnicities (Democrat And Republican) Rather Than A Single Nation State. We Didn’t Put A Separate Republican Flag On The Figure, Though, As Placing It On The Nationalist Right Would Seem To Cluster It Near China, And Republicans Dislike China As Much As They Dislike The Democrats. So You Need To Go To More Dimensions Than Just A Linear Axis, Which We Discuss In The Next Chapter On NYT/CCP/BTC. The Fifth Thing We Note Is That Europe Is Now Broadly To The Right Of The US Establishment On Ethno-cultural Issues, Whereas It Was To The Left Of The US In 1988. (See Macron And Orban’s Comments, For Example, If This Isn’t On Your Radar.) The Last And Most Important Thing Is That This Is A Rough Inversion Of The 20th Century, As The Formerly Communist/socialist Countries Are On The Ethnocultural Right, While The Capitalist Bloc Is On The Ethnocultural Left. Evidence For The Global Political Spectrum Of 2022 How Can We Establish That This Ethnocultural Axis Is A Reasonable One-dimensional Representation Of Reality? Let’s Do It In Stages. 1. Existence Of An Axis. First, The #1 And #2 Powers Of This Era Are The US And China, Establishing These As The Poles Of Some Axis In The First Place. • Here’s A Graph Of Global GDP, Showing The US And China As #1 And #2. • Here’s A Graph Of Global Military Power, Again #1 And #2. • Here’s Ian Bremmer’s G-2 Concept. ⁹⁸ For Example, The Thin Blue Line Flag Is The Twitter Cover Photo Of Cryptocurrency Pioneer Nick Szabo. His Worldview Is Actually Logically Consistent, In That He’s Effectively A Minarchist Rather Than An Orthodox Crypto-anarchist. He Is For The Kind Of Positive-sum Society That Allows People To Peacefully Build Wealth, And Therefore Against Looting And Rioting. While He Can Rely On Cryptography To Defend His Bitcoin, He Supports The Police To Maintain Order For Everything Else.

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 133 • AND HERE ARE SEVERAL BOOKS AND ARTICLES THAT TALK ABOUT THIS INCLUDE DESTINED FOR WAR, THE UNITED STATES VS. CHINA (FT REVIEW), AND GETTING CHINA WRONG . 2. UNITY OF NYT, HARVARD, AND DEMOCRATS AS THE US ESTABLISHMENT. NEXT, LET'S ESTABLISH THAT THERE IS ALIGNMENT BETWEEN AMERICA'S INFORMAL GOVERNMENT (NYT, HARVARD, ETC) AND THE FORMAL GOVERNMENT (ELECTED DEMOCRATS AND CAREER BUREAU-CRATS). BASICALLY, WE WANT TO SHOW THAT (A) THIS AN INTERCONNECTED SOCIAL NETWORK AND (B) IT IS ON THE ETHNOMASOCHIST LEFT. • THE PROGRESS FLAG WAS RAISED OVER THE U.S. STATE DEPARTMENT AND • THE PROGRESS FLAG IS RAISED IN THE WHITE HOUSE BY THE US PRESS SECRETARY AND A NAVY ADMIRAL • 97% OF JOURNALISTS' POLITICAL DONATIONS WENT TO DEMOCRATS • 90.1% OF HARVARD STUDENTS VOTED DEMOCRAT • 98.82% OF PARTISAN CONTRIBUTIONS AT HARVARD'S FAS WENT TO DEMOCRATS • 90% OF PROFESSORS AT TOP UNIVERSITIES ARE DEMOCRAT • NYT'S USE OF ETHNOMASOCHIST WORDS WENT EXPONENTIAL IN THE 2010s • THE GRAPHS IN YGLESIAS' ARTICLE ON THE GREAT AWAKENING SHOW THAT WHITE DEMOCRATS ARE TO THE CULTURAL LEFT OF BLACK DEMOCRATS ON MANY ISSUES 3. NYT DENUNCIATION OF ENTITIES TO THEIR RIGHT. THIRD, LET'S SHOW THAT THE US ESTABLISHMENT'S LEADING PAPER, THE NEW YORK TIMES, HAS RUN ARTICLES INDICATING THAT CHINA, RUSSIA, INDIA, ISRAEL, SINGAPORE, HUNGARY, AND FRANCE ARE "FASCIST" AND "AUTHORITARIAN" AND HENCE TO ITS RIGHT. WE NOTE THAT NONE OF THESE COUNTRIES ARE BEING DENOUNCED AS "COMMUNIST" OR TO NYT'S LEFT. • CHINA: "CAN CHINA BE DESCRIBED AS 'FASCIST'?" • RUSSIA: "WE SHOULD SAY I T. RUSSIA IS FASCIST." • INDIA: "THE RISE OF MODI: INDIA'S RIGHTWARD TURN" • ISRAEL: "ISRAELIS MAY HAVE COMMITTED CRIMES AGAINST HUMANITY IN GAZA PROTESTS, U.N. SAYS" • SINGAPORE: "DAVID MARSHALL, 87, OPPOSITION OF SINGAPORE AUTHORITARIANISM" • HUNGARY: "HE USED TO CALL VIKTOR ORBAN AN ALLY. NOW HE CALLS HIM A SYMBOL OF FASCISM." • FRANCE: "FRANCE'S FAR RIGHT TURN" 4. CHINA AND RUSSIA ARE TO THE CULTURAL RIGHT OF THE US. NEXT, LET'S ESTABLISH THAT CHINA AND RUSSIA TAKE CULTURALLY CONSERVATIVE POSITIONS ON MARRIAGE AND FAMILY THAT PUT THEM SUBSTANTIALLY TO THE RIGHT OF TODAY'S WEST.

134 CHAPTER 2. HISTORY AS TRAJECTORY • RUSSIA: SEE THEIR ACTIONS IN FAVOR OF “Traditional Families”, AND Richard HANA- NIA’s Piece ON RUSSIA THE “Great SATAN IN THE Liberal IMagination”. • CHINA: READ ABOUT THEIR BAN ON “Sissy MEN” AND PROMOTION OF TRADITIONAL MARRIAGE AND FAMILY. 5. EUROPE IS ALSO TO THE CULTURAL RIGHT OF AMERICA. NOW, LET’S SHOW HOW EUROPEAN COUNTRIES HAVE PUT OUT STATEMENTS NOTING THAT THEY ARE ACTUALLY ALSO TO THE RIGHT OF AMERICA ON ETHNOCULTURAL ISSUES, ALBEIT NOT AS FAR FROM THE US AS CHINA AND RUSSIA ARE. • FRANCE ON WOKENESS: MACRON, FRANCE REJECT AMERICAN “Woke” CULTURE THAT’S “RACIALIZING” THEIR COUNTRY • VISEGRAD ON IMMIGRATION: VISEGRAD FOUR GROUPING PUSH BACK ON NEW EU MIGRATION PLAN • UK ON IMMIGRATION: THE UK’S “Anti-Refugee Bill”: WHAT EVERYONE SHOULD KNOW SO IF YOU PUT ALL THOSE TOGETHER, WE HAVE (A) THE EXISTENCE OF A US/CHINA AXIS, (B) A GROUP OF INSTITUTIONS THAT CAN BE REASONABLY REGARDED AS THE VOICE OF THE US ESTABLISHMENT, (C) A SET OF NYT DENUNCIATIONS OF OTHER COUNTRIES AS BEING TO THE RIGHT OF THE US ESTABLISHMENT, (D) POSITIONS FROM CHINA AND RUSSIA THAT ARE FAR TO THE ETHNOCULTURAL RIGHT OF THE US ESTABLISHMENT, AND (E) A SET OF STATEMENTS FROM EUROPEAN HEADS OF STATE LIKE MACRON AND ORBAN INDICATING THAT THE US ESTABLISHMENT IS ALSO TO THEIR LEFT. NOTE THAT EVEN IF YOU DISPUTE THE ABSOLUTE POSITION OF ANY GIVEN COUNTRY ON THIS AXIS, IT’S NOW HARD TO ARGUE WITH THEIR RELATIVE POSITION. THAT IS, IF YOU CLICK THE LINKS ABOVE, YOU’LL SEE THAT NYT DOES THINK OF RUSSIA AND CHINA (AND FRANCE, HUNGARY, INDIA, ISRAEL, AND SO ON) AS ALL BEING TO ITS RIGHT ON ETHNOCULTURAL MATTERS. AND RUSSIA AND CHINA DO THINK OF THE US ESTABLISHMENT AS BEING TO THEIR LEFT ON THE SAME THINGS. I BELABOR THIS POINT BECAUSE IT’S SOMEWHAT IMPLICIT. THE CAPITALIST-VS-COMMUNIST DIVIDE OF THE 20TH CENTURY WAS AN OFFICIAL, DECLARED ECONOMIC DIVIDE. BY CONTRAST, TODAY’S ETHNONATIONALIST-VS-ETHNOMASOCHIST DIVIDE IS AN UNOFFICIAL, UNDECLARED CULTURAL DIVIDE. IT IS NEVERTHELESS THE PRIMARY GLOBAL AXIS OF CONFLICT, AND A VERY REAL REASON FOR HOSTILITY BETWEEN THE SINO-RUSSIANS AND THE US ESTABLISHMENT.⁹⁹ EVEN IF THE GEOPOLITICS HAVE REMAINED SIMILAR, WITH THE CHINESE AND RUSSIANS OF MACKINDER’S WORLD ISLAND STILL ALIGNED AGAINST THE ANGLO-AMERICANS, THE IDEOLOGIES HAVE FLIPPED. ⁹⁹TO MAKE THIS EXPLICIT, SEE THIS DECLASSIFIED DOD BRIEFING FROM 2013. HERE, THE US MILITARY RECOMMENDS CALLING CHINA ‘RACIST’ TO HELP WIN ITS DEFENSE COMPETITION, AND TO PUSH THESE MESSAGES THROUGH POP CULTURAL FIGURES RATHER THAN DIRECTLY THROUGH OFFICIAL SPOKESMEN. HERE’S A QUOTE: “THE ‘CHINA IS A RACIST STATE’ MESSAGE OF THE UNITED STATES WILL HELP WIN ALLIES IN GLOBAL, POPULAR CULTURE, WHICH IS HEAVILY INFLUENCED BY IDEALS ROOTED IN WESTERN, LEFT WING POLITICAL THOUGHT, INCLUDING STRONG CURRENTS OF ANTI-RACISM. POPULAR CULTURAL FIGURES FROM FILM, MUSIC, TELEVISION, AND SPORTS, WILL BE FAR BETTER ABLE TO CALL ATTENTION TO CHINA’S RACISM FOR YOUNGER AUDIENCES WORLDWIDE THAN WILL OFFICIAL OR SEMI-OFFICIAL WASHINGTON.”

2.8. LEFT IS THE NEW RIGHT IS THE NEW LEFT 135 The Historical Flippenings Our Fourth Flipping Story IS A Survey Of Historical Flippenings. How Did The Revolutionary Class Become The Ruling Class, Through History? • From Christian Crash To Christian Kings. Early Christianity Was The Original Communism; It Delegitimized And Then Tore Down The Roman Empire. Then, Many Generations Later, The Holy Roman Empire That Consciously Took The Name Of Its Distant Predecessor Turned Christianity Into What Nietzsche Called A "Master" Religion, One That Fortified Hierarchy Rather Than Undermining It. Christians Were On The Left In Roman Times As The Revolutionary Class. Then, Upon Winning, Descendants Of Those Christians Eventually Went To The Right As The Ruling Class. • From Protestant Heresy To WASP Establishment. Much Later, Martin Luther Begun A Protestant Insurgency Against The Catholic Church / Holy Roman Empire. Even Later Than That, Descendants Of These Protestants Made It To The US To Give Rise To The WASP Aristocracy! Protestants Were On The Left As The Revolutionary Class. Then Upon Winning, Eventually Descendants Of Those Protestants Went To The Right As The Ruling Class. • From ChiCom Revolutionary To Princeling. Today's Chinese Communist Party Is Another Example. What Do People Call The Descendants Of The Early Communists, Who Fought Both The Japanese And The Chinese Nationalists Under Chiang Kai-shek To Gain Full Control Of China? Why, They Are Princelings. A More Cut-and-Dried Example Of The Transition From Revolutionary Class To Ruling Class Would Be Hard To Find. • From Marginalized Minority To Woke Capital. And Perhaps The Most Important Contemporary Example Is Woke Capital. The Women, Minorities, And LGBT Groups That Replaced The Working Class As The Democratic Party's Base Are Now To Woke America What Workers And Peasants Were To Soviet Russia: Their Mascots, With All Politics Done In Their Name. It Didn't Really Matter To The Communists That Workers And Peasants Actually Went To The Gulag In The Soviet Union, And It Doesn't Really Matter To The Wokes If Women And Minorities Actually Suffer From Crime And Inflation In Woke America – What Matters For The Movement Is The Power Gained By The Rhetoric. So The CIA And Army Now Frontpage Their Female Spies And Soldiers. The US State Department Tells US Black Lives Matter. And When American Helicopters Desend On Their Targets They Do So While Flying The Rainbow Flag. The Meme Is Now Real: Wokeness Now Justifies American Nationalism Just As Communism Rationalized Russian Imperialism. It's What Tells Those Pulling The Triggers That They're Killing For A Higher Cause, That They're Morally Superior To Those In The Gunsights. It's The Revolutionary Ideology That Justifies The Ruling Class. We Could Do More, But You See The Pattern. Once You've Seen Several Cases Of Historical Flippenings, It Changes Your Perspective On Current Events. The Ideological Shifts Become More Predictable. It's A Bit Like An Experienced Investor Who's Seen Many A Company Rise

36 CHAPTER 2. HISTORY AS TRAJECTORY AND FAIL TALKING TO A FIRST-time ENTREPRENEUR. WHEN YOU'VE SEEN IT BEFORE, THE PATTERN RECOGNITION CALMS YOUR NERVES AND ALLOWS YOU TO DISTINGUISH THE TRULY "UNPRECEDENTED" FROM THE HIGHLY PRECEDENTED. 2.9 THE ONE COMMANDMENT 2.9.1 COMMUNITIES ARE CAUSES FIRST, COMPANIES SECOND EVERY NEW STARTUP SOCIETY NEEDS TO HAVE A MORAL PREMISE AT ITS CORE, ONE THAT ITS FOUNDING NATION SUBSCRIBES TO, ONE THAT IS SUPPORTED BY A DIGITAL HISTORY THAT A MORE POWERFUL STATE CAN'T DELETE¹⁰⁰, ONE THAT JUSTIFIES ITS EXISTENCE AS A RIGHTEOUS YET PEACEFUL PROTEST AGAINST THE POWERS THAT BE.¹⁰¹ TO BE CLEAR, IT'S A HUGE ENDEAVOR TO GO AND BUILD AN ENTIRE MORAL EDI■CE ON PAR WITH A RELIGION, AND WORK OUT ALL THE PRACTICAL DETAILS. WE'RE NOT ADVISING YOU COME UP WITH YOUR OWN TEN COMMANDMENTS! BUT WE DO THINK YOU CAN COME UP WITH ONE COMMANDMENT. ONE NEW MORAL PREMISE. JUST SPECIFIC ISSUE WHERE THE HISTORY AND SCIENCE HAS CONVINCED YOU THAT THE ESTABLISHMENT IS WANTING. AND WHERE YOU FEEL CONFIDENT MAKING YOUR CASE IN ARTICLES, VIDEOS, BOOKS, AND PRESENTATIONS. THESE PRESENTATIONS ARE SIMILAR TO STARTUP PITCH DECKS. BUT AS THE FOUNDER OF A STARTUP SOCIETY, YOU AREN'T A TECHNOLOGY ENTREPRENEUR TELLING INVESTORS WHY THIS NEW INNOVATION IS BETTER, FASTER, AND CHEAPER. YOU ARE A MORAL ENTREPRENEUR TELLING POTENTIAL FUTURE CITIZENS ABOUT A BETTER WAY OF LIFE, ABOUT A SINGLE THING THAT THE BROADER WORLD HAS GOTTEN WRONG THAT YOUR COMMUNITY IS SETTING RIGHT. BY FOCUSING ON JUST ONE ISSUE, YOU CAN SET UP A PARALLEL SOCIETY WITH MANAGEABLE COM- PLEXITY, AS YOU ARE CHANGING ONLY ONE CIVILIZATIONAL RULE. UNLIKE A POLITICAL PARTY, YOU'RE NOT OFFERING A PACKAGE DEAL ON MANY ISSUES THAT PEOPLE ONLY SHALLOWLY CARE ABOUT. WITH THE ONE COMMANDMENT YOU ARE INSTEAD OFFERING A SINGLE ISSUE COMMUNITY, AND ATTRACTING NOT SINGLE-ISSUE VOTERS BUT SINGLE-ISSUE MOVERS. THE CONCEPT OF A PARALLEL SOCIETY JUST AS A NOTE ON TERMINOLOGY, WE CONSIDER A STARTUP SOCIETY TO BE A NEW COMMUNITY BUILT INTERNET-FIRST, PREMISED ON A SOCIETAL CRITIQUE OF ITS PARENT COMMUNITY, AND FOUNDED FOR THE PURPOSE OF ADDRESSING THAT SPECIFIC SOCIETAL PROBLEM IN AN OPT-IN WAY – NAMELY, BY RECRUITING PEOPLE ONLINE TO VOLUNTARILY FORM AN ALTERNATIVE SOCIETY THAT SHOWS A BETTER WAY. THE IMPLICATION IS THAT A STARTUP SOCIETY IS STILL PRETTY SMALL AND NEAR THE BEGINNING OF ITS AMBITION, JUST LIKE A STARTUP COMPANY. ¹⁰⁰SEEMS LIKE A HIGH BAR, BUT SCHOLARLY ARCHIVES, SEARCH ENGINES, AND SOCIAL NETWORKS KEEP GETTING SILENTLY CENSORED. AND SOMETIMES NOT SO SILENTLY. SO YOU NEED SOMETHING LIKE IPFS OR BITCOIN TO STORE A STATE-RESISTANT DIGITAL HISTORY. ¹⁰¹AS ANTONIO GARCIA-MARTINEZ PUT IT, "WOULD YOU DIE FOR THE DAO?"

2.9. THE ONE COMMANDMENT 137 A PARALLEL SOCIETY IS ROUGHLY EQUIVALENT TO A STARTUP SOCIETY, BUT THE IMPLICATION IS THAT IT COULD BE MUCH LARGER IN SCALE. IT'S PARALLEL BECAUSE IT STANDS APART FROM MAINSTREAM SOCIETY AS A PARALLEL VERSION, AS A FORK. IT'S NOT SET UP IN OPPOSITION TO THE MAINSTREAM ON EVERY DIMENSION, BUT A PARALLEL SOCIETY IS CERTAINLY DIFFERENTIATED FROM THE MAINSTREAM ON A KEY AXIS. YOU CAN THINK OF THE RELATIONSHIP BETWEEN "STARTUP SOCIETY" AND "PARALLEL SOCIETY" AS SIMILAR TO THE RELATIONSHIP BETWEEN "STARTUP" AND "TECH COMPANY"; THE FORMER IS EARLY STAGE, WHILE THE LATTER CAN BE OF ANY STAGE. THE ANALOGY WORKS IN ANOTHER WAY. JUST LIKE A "TECH COMPANY" CAN REFER TO A FULLY REMOTE ORGANIZATION, A PARTIALLY PHYSICAL COMPANY WITH SOME OFFICE SPACE, OR A GLOBALLY RECOGNIZED MULTINATIONAL LIKE GOOGLE, A "PARALLEL SOCIETY" IS ALSO AN UMBRELLA TERM THAT CAN DENOTE A WHOLLY DIGITAL NETWORK UNION, A PARTIALLY PHYSICAL NETWORK ARCHIPELAGO, OR A DIPLOMATICALLY RECOGNIZED NETWORK STATE. THAT'S IMPORTANT, BECAUSE YOU MAY BE ABLE TO REALIZE THE GOALS OF YOUR STARTUP SOCIETY WITH A PURELY DIGITAL NETWORK UNION, YOU MAY NEED THE PHYSICAL FOOTPRINT OF A NETWORK ARCHIPELAGO, OR YOU MIGHT NEED THE FORMAL LEGAL RECOGNITION OF A FULL NETWORK STATE. IT ALL DEPENDS ON THE NATURE OF YOUR ONE COMMANDMENT: CAN IT BE ACCOMPLISHED PURELY AT THE COMMUNITY LEVEL, DOES IT REQUIRE A PHYSICAL BUILDOUT, OR DOES IT REQUIRE CHANGES TO THE LEGAL SYSTEM? A FEW SPECIFIC EXAMPLES WILL MAKE THIS CLEAR. WE'LL DESCRIBE STARTUP SOCIETIES BASED ON A WHOLLY DIGITAL NETWORK UNION, OTHERS BASED ON A PARTIALLY PHYSICAL NETWORK ARCHIPELAGO, AND YET OTHERS THAT NEED DIPLOMATICALLY RECOGNIZED NETWORK STATES.

2.9.2 EXAMPLES OF PARALLEL SOCIETIES: DIGITAL NETWORK UNIONS RENEWAL CULTURE: THE CANCEL-PROOF SOCIETY LET'S START WITH AN EASY EXAMPLE OF A ONE COMMANDMENT-BASED STARTUP SOCIETY, WHICH ONLY REQUIRES A PURELY DIGITAL NETWORK UNION AND DOESN'T REQUIRE A FULL PHYSICAL FOOTPRINT LIKE A NETWORK ARCHIPELAGO, LET ALONE DIPLOMATIC RECOGNITION LIKE A NETWORK STATE. THIS IS THE CANCEL-PROOF SOCIETY. SUPPOSE YOU'RE THE HYPOTHETICAL FOUNDER OF THIS STARTUP SOCIETY. YOU BEGIN WITH A HISTORY OF THE LAST 15 YEARS SHOWING ALL THE BIZARRE EXAMPLES OF SOCIAL MEDIA CANCELLATION, SOMETHING LIKE JON RONSON'S SO YOU'VE BEEN PUBLICLY SHAMED. YOU NOTE THAT THESE CANCELLATIONS REPRESENT A MORAL FAILURE BY THE PEOPLE OF THE STATE AND THE CEOs OF THE NETWORK. THEIR PARTISAN WARFARE AND ENGAGEMENT ALGORITHMS TRAPPED MANY INNOCENTS IN THE CROSSFIRE OF SOCIAL WAR. NOW A STRAY COMMENT BY A CIVILIAN IS ROUTINELY TURNED INTO A HUMAN SACRIFICE TO MAKE AN IDEOLOGICAL POINT. IT'S AS IF A PASSERBY TOOK SUCH OFFENSE TO YOUR OFFLINE COMMENT TO A FRIEND THAT THEY OPENED FIRE.

CHAPTER 2. HISTORY AS TRAJECTORY Those Who Agree That Normal Online Behavior Shouldn't Come With the Risk of a Social Death Penalty Imposed by Random People are the Basis of Your New Society. They Agree With Your Historically Informed, Moral Critique. And the One Commandment May Be Something Like "Cancellation Without Due Process is Bad". How do you implement this? One solution is just a network union that provides a combination of (A) Guild and (B) Cancellation Insurance. You assemble a group of people in a Discord, optionally take a stake in each other by issuing a DAO token, and work together to promote each other's work and help each other out. This could be a guild of, say, graphic designers or young adult fiction writers or electrical engineers. The token of the DAO would be optional – it wouldn't be meant to be some massive new thing like Ethereum. It's just a way to record who contributed time and/or money to the startup society, and how much they did. People would give in order to get, a bit like StackOverflow Karma. And those with more money than time may buy the token to support those in the guild with more time than money. Now, 99% of the time this startup society is just doing "peacetime" activities, like helping people find jobs, organizing promotion for new product launches of members, facilitating introduction, or just hanging out at meetups. But 1% of the time someone in the guild is under social attack. In that situation, the guild can choose to publicly respond as one or — if grievously outnumbered — can quietly support the affected party with a new job after the uproar has died down. In such a circumstance, the one commandment kicks in, and there is internal due process around the attempted cancellation. Did the person actually do something wrong, and if so, is the correct penalty more like a hundred-dollar fine or an apology rather than a career-ruining publicly calumny? The concept is that this kind of startup society serves a dual purpose: it's useful in "peacetime" but it also gives people a community to fall back on in the event of digital cancellation. And that's how one could build a cancel-proof culture.

2.9.3 Examples of Parallel Societies: Physical Network Archipelago

GOs Keto Kosher: The Sugar-free Society Next, let's do an example which requires a network archipelago (with a physical foot-print) but not a full network state (with diplomatic recognition). This is Keto Kosher, The Sugar-free Society. Start with a history of the horrible USDA food pyramid, the grain-heavy monstrosity that gave cover to the corporate sugarcartoon of the globe and the obesity epidemic. Also discuss the cure in the form of keto and low-carb diets. Then operationalize this cure in the form of a partially physical network archipelago.

THE ONE COMMANDMENT 139 ORganize A COmmunity ONline THAT CRowdfunds PROperties ARound THE WO
, Like APart- MEnt BUILDings AND GYms, AND PERhaps EVentually EVen CUIdesacs AND SMALL TOWns. YOU MI
ght TAKE AN EXtreme SUGar TEetotaller APproach, LItterally BANning PROcessed FOods AND SUGar AT THE B
Order, THEREby IMplementing A KInd OF “Keto KOsher.” YOU CAN IMagine VARIants OF THIS STARTup SOCIet
y THAT ARE LIKE “Carnivory COMMunities” OR “Paleo PEople”. THESE WOULD BE COMPETING STARTup SOCIetie
s IN THE SAME BRoad AREA, ITERations ON A THEME. IF SUccessful, SUCH A SOCIety MIGHT NOT STOP AT SUG
ar. IT COULD GET INTO SETTING CULTural DEFaults FOR FITNess AND EXercise. OR PERhaps IT COULD BULK P
urchase CONTinuous GLucose METers FOR ALI MEMBERS, OR ORDERS OF METformin. DIgital SAbbath: THE PART
ially OFFLine SOCIety CARs ARE ON BALance A GOOD THING. BUT YOU CAN OVERdo THEM. MID-century AMERICA
DId. IT OBscured THE SAN FRAnCISCO WATERfront WITH UGLY ELEvated HIGHways, IMPeding THE WALKability
OF THIS BEAUTIfUL AREA. THAT HIGHway WAS REMOved IN THE LATE 20th CENTury.¹⁰² AND THE REMOVAL WAS A
N ACKnowledgement THAT SOMETimes WE CAN HAVE TOO MUCH OF A GOOD THING. 24/7 INTERNET CONNECTIVITY IS
LIKE THAT. IT’S GOOD THAT WE’RE DOING THINGS LIKE STARlink, TO BRING INTERNET ACCESS TO THE ENTIRE
WORLD, TO PROVIDE FREE ONLINE EDUCATION, AND TO GET THEM INTO THE GLOBAL ECONOMY. BUT IT’S BAD IF YO
u CAN NEVER DISconnect FROM THE INTERNET. THAT’S WHY APPs LIKE “Freedom” ARE SO POPular. THAT’S WHY
PEOPLE USE COMMITMENT DEVICES LIKE TIMed COOkie JARS TO HIDE THEIR PHONES. THAT’S WHY APPs LIKE TWIT
ter AND SNAPchat GOT POPular ON THE BASIS OF ARTi■cial CONSTRAINTS, LIKE LIMITED CHAracters OR DISap
pearing MESSAGES, BECAUSE THEY WERE OPTimizing FOR FALLible HUMANS RATHER THAN INFallible MACHINES.
THAT’S WHY TSinghua CUTS OFF THE INTERNET AT NIGHT, WHY APPLE NOW PROVIDES SCREEN TIME METRICS, AND W
HY BOOKS LIKE ATOMIC HABITS AND INDISTRACTIBLE SELL SO WELL. WHAT IF THIS OPTIMIZATION FOR FALLibili
ty DIDN’T HAVE TO BE AN INDIVIDUAL THING? WHAT IF THERE WERE A SOCIETY THAT HELPED YOU WITH INTERNET
DISTRACTIONS AND SELF-control, THAT RECOGNIZED THAT THE INTERNET WAS GOOD, BUT THAT TIMES AND PLACE
S WITHOUT THE INTERNET WERE ALSO GOOD — JUST AS CARS ARE GOOD, BUT A SAN FRANCISCO WATERFRONT WITHOU
T CARS IS ALSO GOOD? ONE WAY OF ACCOMPLISHING THIS WOULD BE A DIGITAL SABBATH SOCIETY WHERE THE INTE
rnet IS JUST SHUT OFF AT NIGHT, FROM 9PM TO 9AM. SOME BUILDINGS AND ROOMS WOULD FURTHERMORE BE ENCLOS
ED IN FARADAY CAGES, TO PUT THEM OFFLINE ON PURPOSE. AREAS WOULD START TO BE FLAGGED AS ONLINE AND O
FFLINE AREAS, A BIT LIKE SMOKING AND NON-smoking AREAS ON PLANES. ALL INTERNET USE WOULD BE CONSCIOUS
S AND FOCUSED, AS OPPOSED TO UNCONSCIOUS AND INVOLUNTARY. ¹⁰²OF COURSE, FENTANYL ADDICTS WERE SOON A
DDED IN ITS PLACE. BUT THERE WAS A WINDOW WHERE PEOPLE BENE■TED FROM THE WALKABLE WATERFRONT.

CHAPTER 2. HISTORY AS TRAJECTORY Over Time, Such A Society Could Even Try To Build Apps To Give Individuals Back Control Over Their Internet Use, With Open Source Machine Learning Tools Running Locally On Devices In A Privacy-protecting Way To Prioritize Notifications, Block Distractions, And Encourage Productivity. The Digital Sabbath Society Is An Example Of A Network Archipelago That's Focused On Improving Self-control Around Internet Use. For Obvious Reasons, You'd Need A Physical Footprint, And Wouldn't Be Able To Do This Purely Digitally. 2.9.4 Examples Of Parallel Societies: Recognized Network States Your Body, Your Choice: The Post-FDA Society Now Let's Do A More Difficult Example, Which Will Require A Full Network State With Diplomatic Recognition. This Is The Medical Sovereignty Zone, The FDA-free Society. You Begin Your Startup Society With Henninger's History Of FDA-caused Drug Lag And Tabarrok's History Of FDA Interference With So-called "Off-label" Prescription. You Point Out How Many Millions Were Killed By Its Policies, Hand Out T-shirts Like ACT-UP Did, Show Dallas Buyers Club To All Prospective Residents, And Make Clear To All New Members Why Your Cause Of Medical Sovereignty Is Righteous. But To Actually Achieve Personal Medical Sovereignty, Your Startup Society Would Need Some Measure Of Diplomatic Recognition From A Sovereign Outside The US — Or Perhaps A State Within The US. It Would Need To Actually Be What We Call A Network State, As It Would Need Legal Recognition From An Existing Government. For The Case Of Doing It Outside The US, Your Startup Society Would Ride Behind, Say, The Support Of Malta's FDA For A New Biomedical Regime. For The Case Of Doing It Within The US, You'd Need A Governor Who'd Declare A Sanctuary State For Biomedicine. That Is, Just Like A Sanctuary City Declares That It Won't Enforce Federal Immigration Law, A Sanctuary State For Biomedicine Would Not Enforce FDA Writ. With This Diplomatic Recognition, You Could Then Take The Existing American Codebase And Add One Crucial New Feature: The Absolute Right For Anyone To Buy Or Sell Any Medical Product Without Third Party Interference. Your Body, Your Choice. That's How You'd Get An FDA-free Zone. 2.9.5 Analysis Of Parallel Societies Now We See Why A Focused Moral Critique Is So Important. It Combines (A) The Moral Fervor Of A Political Movement With (B) The Laser-focus Of A Startup Company Into (C) A One-commandment Based Startup Society.

2.9. THE ONE COMMANDMENT 141 SUCH A SOCIETY IS NOT A TOTAL REVOLUTION. WE AREN'T STARTING COMPLETELY DE NOVO. EACH STARTUP SOCIETY IS SIMPLY TAKING A BROKEN ASPECT OF TODAY'S WORLD, OFTEN A STATE-CAUSED OR AT LEAST STATE-NEGLECTED CALAMITY, WRITING THE HISTORY OF THAT STATE FAILURE, AND THEN BUILDING AN OPT-IN COMMUNITY TO SOLVE THE PROBLEM. IT'S A TIGHTLY FOCUSED PARALLEL SOCIETY MAKING ONE IMPACT CHANGE. WHY NOT MORE THAN ONE COMMANDMENT? WHY IS IT SO IMPORTANT TO INTRODUCE ONE COMMANDMENT RATHER THAN ZERO OR N? THE SHORT ANSWER IS THAT YOU DON'T WANT TO WRITE SOMETHING AS COMPLEX AS A SOCIAL OPERATING SYSTEM FROM SCRATCH, AND IN FACT OTHERS WILL PREVENT YOU FROM DOING SO. BUT YOU ALSO DON'T WANT TO AVOID INNOVATING ON A BROKEN SOCIETY. SO INTRODUCING ONE (1) TIGHTLY FOCUSED CHANGE AT A TIME IN A STARTUP SOCIETY WITH OPT-IN CITIZENS ALLOWS TESTING OF THE NEW COMMANDMENT. THE LONGER ANSWER REVOLVES AROUND AN IMPORTANT PARADOX OF MODERN SOCIETY: NAMELY, THAT MANY PEOPLE FEEL UNCOMFORTABLE EVANGELIZING RELIGIOUS MORALS, YET VERY COMFORTABLE EVANGELIZING THEIR POLITICAL ETHICS. THE FIRST PART IS EASY TO UNDERSTAND. WESTERNERS ARE NOWADAYS OFTEN SHY ABOUT TELLING OTHERS TO PRACTICE THEIR RELIGION. WHY? THEY MAY FEEL THEY HAVEN'T FIGURED IT ALL OUT, SO WHO ARE THEY TO SAY? OR THEY KNOW THEY CAN'T LIVE UP TO THEIR IDEAL MORAL CODE, LIKE SOMEONE WHO WANTS TO DIET BUT CAN'T ALWAYS RESTRAIN THEMSELVES, SO THEY REFRAIN FROM COMMENTARY TO AVOID THE CHARGE OF HYPOCRISY. THEY ALSO MAY NOT WANT TO BE ATTACKED AS A CRAZY CULT LEADER. ALL OF THESE ARE UNDERSTANDABLE HESITATIONS FOR EITHER (A) EVANGELIZING A TRADITIONAL RELIGION, (B) INVENTING A WHOLLY NEW ONE, OR (C) FORKING AN EXISTING RELIGION. (THE LAST IS KIND OF LIKE STARTING A NEW DENOMINATION OF PROTESTANTISM, WHERE YOU KEEP MUCH OF THE OLD CODEBASE BUT ADD IN SOME CRUCIAL DISTINCTIVE FACTORS.) BUT THINK ABOUT THE SECOND PART. WHILE THERE IS GREAT HESITATION IN WESTERN SOCIETY AROUND RELIGIOUS EVANGELISM, THERE IS SEEMINGLY NO HESITATION AROUND POLITICAL EVANGELISM. INDEED, THIS IS CONSIDERED AN ETHICAL DUTY, USUALLY IN EXACTLY THOSE TERMS, WITH THE WORD "ETHICAL" USED IN PLACE OF "MORAL" BUT SERVING A VERY SIMILAR ROLE, AND WITH AT LEAST TWO LARGE COMPETING POLITICAL PARTIES FIGHTING FOR THE SOULS/VOTES OF THEIR BELIEVERS. THEREIN LIES THE PARADOX: WHILE POLITICAL AND RELIGIOUS MOVEMENTS CAN BOTH BE CONSIDERED DOCTRINES¹⁰³, IN THAT THEY COME PACKAGED WITH A NUMBER OF DIRECTIVES ON HOW PEOPLE MUST LIVE, THE SAME PERSON WHO IS SHY ABOUT TELLING OTHER PEOPLE ABOUT MORALITY IS OFTEN INCREDIBLY CONFIDENT WHEN YELLING AT OTHER PEOPLE ABOUT POLITICS. THAT'S WHY WE ADVISE ONE COMMANDMENT FOR YOUR NEW STARTUP SOCIETY. IT'S SOMETHING IN BETWEEN BEING TOO SHY AND TOO OVERBEARING. IT'S IN BETWEEN AVOIDING RELIGIOUS- SOUNDING EVANGELISM ENTIRELY AND INDULGING IN POLITICAL-SOUNDING EVANGELISM TOO MUCH. DON'T AVOID TAKING A MORAL STANCE, BECAUSE THAT MEANS YOU PASSIVELY SUCCEED TO YOUR 103A DOCTRINE CAN ALSO BE BASED NOT JUST ON GOD, OR STATE, BUT ON THE NETWORK. THAT IS, NOT JUST ON RELIGION, OR POLITICS, BUT ON A GLOBAL COIN, LIKE BITCOIN OR ETHEREUM.

12 CHAPTER 2. HISTORY AS TRAJECTORY SURroundings. BUT ALSO DON'T TRY IMposing AN ALL-encompassing Political Ideology TO Start, BEcause THAT'S TOO HARD AND MEANS TOtal WARfare WITH YOUR SURroundings. INstead, JUst PICK ONE FLAW IN MODern SOCIety THAT YOU DO FEel CONfident IN BUILDing A STARTup SOCIety TO REDress, AND GO WITH THAT. ONE COMMANDment, NOT ZERO OR N. WHAT ABOUT OLder DOctrines? SO FAR WE've TALKed ABOUT A ONE COMMANDment, BUT IMplied IT IS A NEW MORal INnovation, LIKE CUTting OUT SUGar OR LImiting INTERNet USE. WHAT ABOUT OLder RELigions, POLitical CODEs, AND MORal COMMANDments? YOU CAN CERTAINly RETURN TO AN OLder KNOWN RELigious CODE, ADOpting IT IN WHOLE OR IN PART. IN A STARTup SOCIety, WHERE EVERYone OPTs IN, YOU CAN MAKE THIS HAPPen MORE EASily BEcause RELigion IN MANY COUntries IS MOSTly ABOUT PRivate PRactice: SO LONG AS PEOPLE AGree IN A PEer-to-peer FASHion TO PRactice THEIR RELigion A CERTAIN WAY, THE STATE ALLows THEM TO DO IT. IT'S HARDER TO RETURN TO AN OLder POLitical CODE, BEcause YOU ARE NOW TALKing ABOUT PUBLIC LAW RATHER THAN PRIVATE LAW. STILL, IF YOU BUILD A LARGE ENOUGH STARTup SOCIety, AND PICK THE RIGHT LAWS, THERE IS PROBABly SOMETHING AT THE TOWn, CLty, OR PROvince LEVEL THAT YOU CAN DO — EITHER WITHIN THE WEST OR OUTSIDE IT. 2.9.6 PARALLEL SYStems CAtalyze PEaceful REform HOW DID THE US BEAT THE USSR? BEcause IT BUILT AND DEFended A PARallel SYStem. REwind BACK TO HOW THE SOviet UNION FEll. AS STEphen KOTkin NOTed IN A BRilliant INTERview, THE MOST IMportant FACT ABOUT THE SOviet UNION WAS THAT THEY GENUINELY WERE COMMUNISTS. OUTSIDERS PERceived THE SOviets TO BE CYNical, BUT THEY WERE WRong; THEIR CYNicism HAD LImits. AT THE END OF THE DAY, THE SOviets WERE DEVout BELIEVERS IN THEIR IDEology. HOW COULD IT BE OTHERWISE? SOviet CLtizens WEREN'T STupid, AND PEOPLE KNEW THERE WERE THINGS THAT DIDN'T ADD UP, BUT THEY WERE OPERating WITHIN A CONSTraINED INFORMATION ENVironment. THE CENSORSHIP WAS SO PERvasive THAT IT CONTROLLED THOUGHt. THE DEGREE OF SELF-deCEPTION WAS SO ALL-encompassing THAT EVEN THE NOMENKLATURA LIKE BORIS YELTSIn DIDN'T KNOW HOW TRULY POOR THE SOviet UNION WAS TILL HE VISITED AN AMERICAN SUPERMAR- KET AND THREW UP HIS HANDS AT HOW FAR BEHIND THE USSR WAS. UNlike ORwell's O'Brien, THE SOviet LEADERS DECEIVED THEMSELVES TOO. SO, FUNDamentally, ANY PROposed EDits BY SOviet ELites TO THE USSR WOULD HAVE BEEN JUst ON THE MARGINS. THEY WERE INFORMATION AND VALUES CONSTraINED. THEY ACTually NEEDED A TOTally DIFFerent SYStem. YET THEIR SYStem RESisted BOTH REVolutionary AND INcremental REform. THE SOLUTION WAS THE PARALLEL SYStem OF THE UNited STATES. AN ALternative SOCIety START- ING FROM DIFFerent MORal PREMises THAT EVENTually PROduced UNdeniably BETTER RESULTS.

9. THE ONE COMMANDMENT 143 That's THE SAME BASIC THING THAT REformed THE PEople's REpublic OF CH
a. The MEre EXistence OF SUccessful PARallel SYStems IN TAIwan, HONG KONG, AND ESpecially SIngapore
IS WHAT DROve DENG Xiaoping TO ADOpt CAPITALISM. EZRA VOGEL'S BOOK IS EXcellent ON THIS. SO, IN BOTH
CASES, IT WAS A PARallel SYStem THAT BEat THE SOviet SYStem AND THE MAoist SYStem. PARallel SYStems
ONce REquired CONtiguous LAND, NOW THEY DON'T IN THE 20th CENTury, THE ONLY WAY TO BUILD A PARallel
SYStem WAS TO FIGHT AND WIN A WAR (OFTen A HOT ONE) AGainst THE COMMunists OR FASCISTS WHO WERE IN
ENT ON CONquering YOUR TERRitory. THE PARallel SYStems OF THE US AND SIngapore, HONG KONG, AND TAIwa
n WERE MAIntained AGainst THE USSR AND PRC AT ENormous COST BY FIGHTING FOR LARGE CONtiguous REGions
OF LAND. THAT WAS A VERY STATE-centric APPROach. IN THE 21st CENTury, OUR APPROach SUGgests A NETwo
rk-centric WAY TO BUILD PARallel SYStems: CREATE ONE OPT-IN SOCIety AT A TIME, PURELY DIGITALLY IF N
EED BE, JUSTIFYING IT WITH A HISTORICAL/MORAL CRITIQUE OF THE PREsent SYStem THAT DElegitimizes STATE
VIOlence AGainst THEM AND ALLOws THE EXPERIMENT TO CONTINUE. MANY WILL FAIL, BUT FOR THOSE THAT SU
CEED, WE CAN MERge TOgether THE GOOD CHANGES AND DISCARD THE BAD ONES, AND EVENTUALLY GET A PARalle
L SOCIety THAT DIffers IN MANY RESPECTS FROM (SAY) THE ORIGINAL US CODEBASE, BUT THAT MAIntains ENoug
H SIMilarity THAT IT'S "BACKWARDS COMPATIBLE" AND CITIZENS CAN MIGRATE OVER. MUCH LIKE THE RELATION
OF THE USA TO EUROPE DURING THE 1800s, THIS IS A WAY TO REproducibly BUILD A NEW WORLD ON THE INTERN
ET TO REform EXisting STATES. 2.9.7 FOUR POINTS ON ONE COMMANDMENTS LET'S REVIEW. FIRST, BY STARTING
WITH A SEemingly SIMPLE MORAL PREMISE AND TAKING TO ITS LOGICAL CONCLUSION, A ONE-COMMANDMENT-BASED
STARTUP SOCIETY ENDS UP CHANGING HUGE SWATHS OF LIFE, BUT IN A FOCUSED, EXIT-CONSTRAINED, AND INTEL
LECTUALLY CONSISTENT WAY.¹⁰⁴ JUST THINK ABOUT WHAT "KETO" REALLY MEANS WHEN IT'S EXTRAPOLATED OUT TO
THE SCALE OF AN ENTIRE TOWN, AND SUGAR POISONING IS TAKEN AS SERIOUSLY AS LEAD POISONING. SECOND, O
NE-COMMANDMENT-BASED SOCIETIES ALLOW FOR SCALABLE, PARALLEL, CONSENSUAL EX-PLORATION OF SOCIOPOLITI
CAL SPACE. DIffERent GROUPS THAT DISAGREE WITH EACH OTHER ON HOW TO LIVE CAN NEVERTHELESS SUPPORT THE
META-concept OF MANY DIffERent ONE-COMMANDMENT- BASED EXPERIMENTS. AND INDEED, BOTH A CARNIVORE COM
MUNITY AND VEGAN VILLAGE WOULD LIKELY HAVE BETTER HEALTH OUTCOMES THAN THE DEFAULT WESTERN DIET, EVEN
IF THESE COM- MUNITIES DISAGREE ON CORE MORAL PREMISES. ¹⁰⁴By "EXIT-CONSTRAINED," WE MEAN THAT EVER
YONE PRESENT IN A GIVEN STARTUP SOCIETY CAN CANCEL THEIR SUBSCRIPTION AND LEAVE AT ANY TIME.

144 CHAPTER 2. HISTORY AS TRAJECTORY Third, There's A NEtwork EFFect BEtween SOcieties. EAch STarts OFFhighly Focused, OF COurse — MUch AS A STartup COmpany TRIes TO ATtract CUstomers WIth A SIngle FOCused PROduct, EAch STartup SOciety TRIes TO ATtract SUBscribers WIth A SIngle FOCused COM- MAndment . AND AS WIth A STartup COmpany, ANY INdividual EXperiment TOWards A NEw SOciopolitical ORder MAY SUceed OR FAil. BUt SO LONG AS SOME ONE-commandment-based STartup SOcieties SUCceed, THEY CAN COpy EAch OTHER's PROven MORal INnovations. FOURth, EAch OF THESE ONE-commandment-based STartup SOcieties IS SUPPORTED BY A Hlstory. LIsten TO SOMEone FROM THE KEto KOsher SOciety AND THEY'll BE ABLE TO RAttle OFFan ACcount OF HOW THE USDA FOOD PYramid LED TO EPIdemic OBesity. CHat WIth A BENedictine OPTIoN MONk AND YOU'll HEar ABout THE RELigious CULTure THEY're TRYing TO PREServe. AND TALK TO A Cltizen OF THE POST-FDA SOciety AND THEY'll GLve YOU A Hlstory OF THE FEw STrengths AND MANY WEaknesses OF THE FDA, FROM ACT-UP TO DRug LAg. SOME SUCH SOcieties ARE FOCused ON NEw TEchnologies AND SOME ARE NOT, BUt ALI OF THEM ARE BASED ON AN ETHical CODE PREMised ON THEIR REAding OF Hlstory. AND THAT's WHY Hlstory IS THE FOUNDATION OF ANY NEW STartup SOciety.

Chapter 3 THE TRIPOLAR MOMENT 3.1 NYT, CCP, BTC TODAY'S WORLD IS BECOMING TRIPOLAR. IT IS NYT VS CCP VS BTC. THAT'S THE AMERICAN ESTABLISHMENT VS THE COMMUNIST PARTY OF CHINA VS THE GLOBAL INTERNET. EACH OF THESE THREE POLES HAS A SOURCE OF TRUTH ONLINE: PAPER (NYT), PARTY (CCP1), OR PROTOCOL (BTC). EACH HAS A DIGITAL ECONOMY THAT SURROUNDS THAT SOURCE OF TRUTH: THE DOLLAR ECONOMY, THE DIGITAL YUAN2, OR THE WEB3 CRYPTOECONOMY. EACH POLE IS A NETWORK IN ITS OWN RIGHT, WHICH STANDS OUTSIDE THE STATE; THE NYT NETWORK GIVES DIRECTION TO THE AMERICAN STATE, THE CCP NETWORK LEADS THE CHINESE STATE, AND THE BTC NETWORK STANDS OUTSIDE ALL STATES. AND EACH HAS A GOVERNING IDEOLOGY. • WOKE CAPITAL3 IS THE IDEOLOGY OF AMERICA'S RULING CLASS AS EXPLICATED BY AMERICA'S RULING NEWSPAPER, THE NEW YORK TIMES. IT'S CAPITALISM THAT ENABLES DECENTRALIZED CENSORSHIP, CANCEL CULTURE, AND AMERICAN EMPIRE. IT'S DRONE-STRIKE DEMOCRACY. • COMMUNIST CAPITAL IS THE IDEOLOGY OF THE CHINESE COMMUNIST PARTY. IT'S CAPITALISM CHECKED BY THE CENTRALIZED POWER OF THE CHINESE PARTY-STATE, AS SUMMARIZED HERE: LENINIST, CONFUCIANIST, CAPITALIST, AND NATIONALIST. • CRYPTO CAPITAL IS THE INTERNATIONAL IDEOLOGY OF BITCOIN AND WEB3. IT'S STATELESS CAPITALISM, CAPITALISM WITHOUT CORPORATIONS, DECENTRALIZED CENSORSHIP-RESISTANCE, AND NEUTRAL INTERNATIONAL LAW. AND IT'S THE SECOND POLE WITHIN BOTH THE US AND 1SOME PREFER THE ACRONYM CPC TO CCP. WE'RE USING THE ONE WHICH IS STANDARD IN WESTERN MEDIA. 2WE USE THE ABBREVIATION FOR RÉNMINBÌ (RMB) RATHER THAN YUAN (CNY) HERE, THOUGH YOU'D USE CNY WHEN QUOTING PRICES ONSHORE AND CNH OFFSHORE. SEE HERE FOR THE DISTINCTION. 3WOKE CAPITAL IS A VERY REAL PHENOMENON. IF YOU NEED PROOF, WATCH THESE TWO VIDEOS: MICROSOFT IGNITE AND CANADIAN HR. WITH THAT SAID, IF THE WOKES SUCCEED IN GETTING PEOPLE TO STOP CALLING THEM WOKE, OR IF THEY PIVOT FROM WOKENESS TO AMERICAN STATE CAPITALISM, AS SEEMS LIKELY, YOU MAY NEED A TERM WITH MORE STAYING POWER. SO YOU MIGHT ALSO CALL THESE DOLLAR CAPITAL VS YUAN CAPITAL VS BITCOIN CAPITAL (TO EMPHASIZE THE RESERVE CURRENCY). OR EVEN CHINESE CAPITAL VS AMERICAN CAPITAL VS INTERNET CAPITAL (TO EMPHASIZE THE STATE-ASSOCIATED NATURE OF THE FIRST TWO, AND THE STATELESS NATURE OF THE THIRD). 145

CHAPTER 3. THE TRIPOLAR MOMENT CHINA, THE ONE THAT DOMESTIC REGIME OPPONENTS ALIGN AROUND. WHILE SUPERFICIAL ASPECTS OF THESE IDEOLOGIES MAY SHIFT WITH CIRCUMSTANCE, WE CLAIM THESE ARE THE ONLY COALITIONS WITH THE BILLION-PERSON SCALE AND TECHNOLOGICAL TALENT TO SURVIVE AS INDEPENDENT POWER CENTERS IN THE ALI-OUT DIGITAL STRUGGLE THAT HAS ALREADY COMMENCED. THEY DO HAVE INTERNAL DIVISIONS, AS WE'LL GET TO, BUT FOR THE TIME BEING EVERY GROUP FROM COMPANIES TO STATES TO DISSIDENT FACTIONS WITHIN STATES WILL HAVE TO NAVIGATE BETWEEN THESE POLES, THE TRIPOLAR TRIANGLE OF THE DIGITAL WORLD. 3.2 THE DATED AND THE TIMELESS BEFORE WE GO FURTHER, LET'S NOTE: ANYTHING WRITTEN ABOUT CURRENT EVENTS IS, BY ITS NATURE, LIKELY TO BECOME DATED. IT IS POSSIBLE, EVEN LIKELY, THAT THE US ESTABLISHMENT SHOULD SHED ITS SKIN ONCE AGAIN, DOWN-PLAYING WOKENESS AND EMPHASIZING LOYALTY TO THE STATE, JUST AS THEY TRANSITIONED OVERNIGHT FROM THE "GLOBAL WAR ON TERROR" TO THE DOMESTIC WAR ON YOUR TWEETS.⁴ IT IS POSSIBLE, ALTHOUGH LESS LIKELY, THAT GEORGE SOROS, PETER ZEIHAN, GORDON CHANG, AND ROGER GARSIDE EVENTUALLY PROVE RIGHT, THAT XI JINPING IS DISPLACED FROM HIS POSITION ATOP THE COMMUNIST PARTY OF CHINA IN THE 2022 PARTY CONGRESS, AND/OR THAT THE CCP SWITCHES BACK TO "HIDE YOUR STRENGTH AND BIDE YOUR TIME." AND IT IS POSSIBLE, ALTHOUGH LESS LIKELY STILL, THAT THERE IS SOME FATAL FLAW, MATHEMATICAL BREAKTHROUGH, OR QUANTUM COMPUTER THAT LEADS TO THE IRREPARABLE FAILURE OF THE BITCOIN PROTOCOL. SO WHY DEVOTE A CHAPTER TO THE NYT/CCP/BTC MODEL AT ALL, IF EVENTS CAN OVERTAKE IT? THREE REASONS. FIRST, WE NEED SOME MODEL OF WHERE THE WORLD IS, EVEN IF IMPERFECT, TO STEER IT WHERE WE WANT TO GO. EVEN IF IT'S WRONG, OR WRONG IN SOME PARTICULARS, IT MAY BE USEFULLY WRONG IN THAT THE UPDATE SHOWS US WHERE WE WERE WRONG. WE SPEND THE ENERGY TO DESCRIBE A SPECIFIC TRIPOLAR MODEL OF THE WORLD BECAUSE MANY STILL THINK IT'S UNIPOLAR OR BIPOLAR, AS ILLUSTRATED BY THIS AMUSING INTERACTION BETWEEN A JOURNALIST AND INDIAN FOREIGN MINISTER S. JAISHANKAR. SECOND, EVEN IF MAJOR CHANGES DO OCCUR, THE DECLINE OF AMERICAN EMPIRE, THE RISE OF CHINA, AND THE ASCENT OF CRYPTOCURRENCY REMAIN UNDERLYING TRENDS INVOLVING HUNDREDS OF MILLIONS OF PEOPLE THAT WOULD REQUIRE TREMENDOUS FORCE TO STOP. WE'D NOTICE. AND WE CONSIDER A FEW CANDIDATES FOR SUCH TREMENDOUS FORCES LATER. THIRD, THERE ARE ASPECTS OF THE CURRENT MOMENT THAT ARE NOT DATED AT ALL, BUT RECURRENT. ⁴WOKENESS IS AFTER ALL VERY MUCH THE SAME AS THE AMERICAN ESTABLISHMENT, FEATURING MANY OF THE SAME FOLKS ON THE "RIGHT" WHO ADVOCATED FOR THE INVASION OF IRAQ TWO DECADES AGO. SO IT'S QUITE CONCEIVABLE THE ESTABLISHMENT COULD DIAL UP THE "PATRIOTISM" AND DIAL DOWN THE "PROGRESSIVISM" WITHOUT BREAKING A SWEAT.

3.3 A BIPOLAR AMERICA AND A TRIPOLAR TRIANGLE 147 THAT IS, A SIMILAR TRIPOLAR CONFIGURATION HAS OCCURRED BEFORE. BUT FIRST LET'S ESTABLISH HOW IT CAME ABOUT TODAY. 3.3 A BIPOLAR AMERICA AND A TRIPOLAR TRIANGLE IN 1990, AS THE USSR WAS CLEARLY FALLING APART, CHARLES KRAUTHAMMER WROTE AN INFLUENTIAL ESSAY CALLED THE UNIPOLAR MOMENT. IT MADE THE POINT THAT WITH THE COLD WAR AT AN END, THE US WAS THE SOLE DOMINANT POWER ON THE PLANET, AND WOULD BE FOR ROUGHLY A GENERATION, AFTER WHICH POINT "MULTIPOLARITY WILL COME IN TIME."⁵ THIS THESIS HELD UP WELL: UNIPOLARITY WAS TRUE IN THE 1990S, MOSTLY TRUE IN THE 2000S, MUCH LESS TRUE WITH THE RISE OF ASIA, TECHNOLOGY, AND AMERICAN POLARIZATION IN THE 2010S, AND NO LONGER TRUE IN THE 2020S. AS OF 2022, WE NO LONGER HAVE A UNIPOLAR WORLD. NOR IS IT JUST AMBIGUOUSLY MULTIPOLAR, WITH AN UNSPECIFIED NUMBER OF POWER CENTERS. INSTEAD, WE HAVE A BIPOLAR AMERICA AND A TRIPOLAR TRIANGLE. AND WE CAN VISUALIZE THESE POLES AS FOLLOWS: ⁵UNDERSTANDABLY, NEITHER THE GLOBAL INTERNET NOR CHINA WERE RECOGNIZED AS POSSIBLE NEW POLES IN HIS ESSAY. BOTH WERE STILL AT THE BASE OF THEIR RESPECTIVE EXPONENTIALS. TO KRAUTHAMMER'S CREDIT, HE BUDGETED FOR KNOWN UNKNOWN⁶, POLES THAT COULD ARISE WHICH ONE COULDN'T SEE AT THAT TIME. ⁶HUNTINGTON'S ALTERNATIVE CLASH OF CIVILIZATIONS THESIS BEGAN PROVING MORE APPROPRIATE IN THE 2000S. HE MODELED THE WORLD NOT AS UNIPOLAR, OR AS A SUM OF RANDOM INTERSTATE RIVALRIES, NOR AS A GROUP OF ATOMIZED INDIVIDUALS, BUT AS CONSTITUTED OF CIVILIZATIONAL BLOCs THAT WOULD EVENTUALLY CLASH WITH EACH OTHER.

8 CHAPTER 3. THE TRIPOLAR MOMENT 3.4 MORal POWER, MARTial POWER, MONEy POWER IN THE MID-20th CENTURY, THE DECLINE OF THE BRITISH EMPIRE PRESAGED A THREE WAY FIGHT BETWEEN A MORal POWER, A MARTial POWER, AND A MONEy POWER — ROUGHLY, LEFT VS RIGHT VS CENTER. BACK THEN, THE SOVIET UNION WAS THE MORal POWER, THE NAZIS WERE THE MILITARY POWER, AND THE AMERICANS WERE THE MONEy POWER. TODAY, NYT IS THE MORal POWER, CCP IS THE MARTial POWER, AND BTC IS THE MONEy POWER. IN EACH CASE, WE ALSO FIND THAT THE MORal POWER PLANTS MOLES FOR ESPIONAGE, THE MARTial POWER EXCELS AT MANUFACTURING, AND THE MONEy POWER LEADS IN MEDIA. BUT WHILE IN THE MID-20th CENTURY THESE THREE POWERS WERE STATES, TODAY THEY ARE PRIMARILY NETWORKS.⁷ 3.4.1 MORal STATE, MARTial STATE, MONEy STATE BACK UP FOR A SECOND. HOW COULD WE POSSIBLY SAY THAT AN ENTITY LIKE THE USSR, WHICH KILLED MILLIONS OF PEOPLE, WAS A “MORal” POWER? BECAUSE THE USSR’S PRIMARY STRATEGY WAS COMMUNIST PROSELYTIZATION⁸, THE UNCEASING EVANGELISM OF A MALIGN (BUT CONVINCING) MORal DOCTRINE THAT MANAGED TO CAPTURE MORE THAN A THIRD OF THE EARTH’S POPULATION BY MID-CENTURY. IT DID HAVE A COLOSSAL MILITARY, BUT SPOKE ENDLESSLY OF PEACE; IT SEIZED EVERYONE’S PROPERTY, BUT CLAIMED IT DIDN’T CARE ABOUT MONEY; AND ITS SELF-IMAGE WAS THAT OF SAINTLY SELFLESSNESS. IT IS IN THIS SENSE THAT THE SOVIET UNION WAS A MORal POWER. ITS MORal POWER⁹ ALLOWED IT TO PLANT MOLES IN EVERY COUNTRY, WHICH COMPENSATED FOR ITS 7AS PER OUR THESIS: THE NETWORK IS THE NEXT LEVIATHAN. ⁸SEE DOUGLAS HYDE’S DEDICATION AND LEADERSHIP TECHNIQUES. ⁹ANOTHER WAY OF THINKING ABOUT IT: THE SOVIETS’ MORal CONVICTION GAVE THEM LICENSE TO DO HIGHLY

MORAL POWER, MARTIAL POWER, MONEY POWER 149 LACK OF MONEY AND MANUFACTURING. AMERICAN SYMPATHISERS FUNDED THE BUILDOUT OF THE SOVIET STATE, HANDED IT DIPLOMATIC RECOGNITION, DISTRACTED JAPAN ON ITS BEHALF, SUPPLIED IT WITH THE LEND-LEASE ACT DURING WW2 AND NUCLEAR WEAPONS AFTERWARD, AND GENERALLY PROpped UP THE USSR THROUGHOUT ITS LIFE.¹⁰ NAZI GERMANY ALSO INFAMOUSLY MURDERED MILLIONS OF PEOPLE. WHILE SIMILAR TO THE USSR IN MANY RESPECTS, ITS PRIMARY STRATEGY WAS DIFFERENT. IT WAS AN EMPHASIS ON MARTIAL VALOR, ON PURE BRUTE FORCE, ON THE SHELLS THAT WOULD SUPPOSEDLY HISS LOUDER THAN ANY MORE WORDS. IT DID HAVE AN INESCAPABLE PROPAGANDA APPARATUS, BUT ITS MORAL PREACHING WAS MARTIAL; IT DIDN'T LEAVE SOME MONEY-ORIENTED BUSINESSES INTACT, BUT SAID IT WAS SOCIALIST; ITS RAISON D'ÊTRE WAS RUTHLESS SELF-INTEREST. IT IS IN THIS SENSE THAT NAZI GERMANY WAS A MARTIAL POWER. TO SUPPORT THIS MARTIAL POWER, THE GERMANS NEEDED A TREMENDOUS MANUFACTURING BUILD-OUT, WHICH THEY ACCOMPLISHED. MANY HISTORIANS BELIEVE THE GERMAN MILITARY HAD, ON A POUND-FOR-POUND BASIS, THE BEST EQUIPMENT IN THE WAR. BUT BECAUSE THEY LACKED THE CAPITALIST'S ABILITY TO COOPERATE ACROSS BORDERS, THEY DROVE AWAY SOME OF THEIR BEST SCIENTISTS PRIOR TO MURDERING OTHERS, ENSURING THEY'D NEVER GAIN THE ATOMIC BOMB. AND BECAUSE THEIR MORALITY AMOUNTED TO Aryan SUPREMACY, WHICH DIDN'T APPEAL TO ANYONE OTHER THAN THEIR CO-ETHNICS, THEY NEVER MANAGED TO BUILD A LARGE ENOUGH GLOBAL COALITION TO WIN - WHICH IS WHY THE 70M GERMANS WERE EVENTUALLY BEATEN BY THE 50M BRITISH, THE 150M AMERICANS, AND THE 150M SOVIETS. AS FOR THE MID-CENTURY AMERICANS, THEIR PRIMARY STRATEGY WAS DEMOCRATIC CAPITALISM, AS OPPOSED TO SOVIET COMMUNISM OR NATIONAL SOCIALISM. THEY PREACHED A MORALITY, BUT FRAMED IT IN TERMS OF A CAPITALIST-FRIENDLY FOUR FREEDOMS; THEY BUILT AN ARSENAL OF DEMOCRACY, BUT IT AROSE FROM THEIR COMMERCIAL INDUSTRIAL BASE. IT IS IN THIS SENSE THAT WW2 AMERICA WAS A MONEY POWER. ACCOMPANYING THE MONEY POWER WAS MEDIA POWER, JUST AS CAPITALISM WENT WITH DEMOCRACY. THE AMERICANS WERE MUCH BETTER AT MEDIA THAN THE NAZIS (WHO COULDN'T ARGUE IN ENGLISH) AND INCREMENTALLY BETTER THAN THE SOVIETS (WHOSE PROPAGANDA WAS ULTIMATELY UNDERMINED BY THEIR LACK OF PROSPERITY). THE MEDIA BATTLE WAS A CLOSE-RUN THING, BUT IN THE END BLUE JEANS OUT-COMPETED THE RED ARMY. SO: IN THIS TRIPOLAR CONFIGURATION, AFTER A TITANIC STRUGGLE, THE MONEY POWER IN THE CENTER DID END UP WINNING OVER BOTH THE MARTIAL POWER ON THE RIGHT (BY 1945) AND THE MORAL POWER ON THE LEFT (BY 1991). IMMORAL THINGS, INCLUDING ASSASSINATION, TERRORISM, SUBVERSION, AND ESPIONAGE. CLICK THOSE LINKS OR READ HAYNES AND KLEHR'S VENONA. ¹⁰"If THE UNITED STATES HAD NOT HELPED US, WE WOULD NOT HAVE WON THE WAR," [Khrushchev] WROTE IN HIS MEMOIRS. 'ONE-ON-ONE AGAINST HITLER'S GERMANY, WE WOULD NOT HAVE WITHSTOOD ITS ONSLAUGHT AND WOULD HAVE LOST THE WAR.'" READ THE FULL PIECE. THE CONVENTIONAL WISDOM IS THAT THE US WON WW2. THE UNCONVENTIONAL WISDOM IS THAT THE RUSSIANS DID WITH SHEER MANPOWER. THE V3 IS THAT THE US REALLY DID BEAT NAZI GERMANY, BECAUSE SOVIET COMMUNISTS COULDN'T PROBABLY COORDINATE THEIR ECONOMY, AND NEEDED AN ARMS BAILOUT FROM THE STABLE INDUSTRIAL BASE OF THE USA.

50 CHAPTER 3. THE TRIPOLAR MOMENT 3.4.2 MORal NETwork, MARTial NETwork, MONEy NETwork TOday, THE D
cline OF THE US EMpire HAS LED TO THE RISE OF A MORal POWER (REPRESENTED BY NYT), A MARTIAL POWER (C
CP), AND A MONEy POWER (BTC). THE DIfference RELATIVE TO MID-CENTURY IS THAT EACH OF THESE ARE NETWOR
KS THAT ARE UPSTREAM OF STATES, RATHER THAN PRIMARILY STATES THEMSELVES. NYT: THE MORAL NETWORK THE
NYT-CENTERED NETWORK OF JOURNALISTS “HOLD[s] POWER TO ACCOUNT” AND THEREBY STANDS ABOVE ANY MERE ELE
CTED GOVERNMENT. ITS GO-TO TACTICS ARE MORAL BADGERING AND MOLE-DRIVEN ESPIONAGE, JUST LIKE THE SOV
ET UNION. ON THE MORAL POINT, GO BACK AND LOOK AT ANY RECENT NYT HEADLINE AND NOTE HOW MANY OF THE
ARTICLES INVOLVE A MORAL RATHER THAN FACTUAL PREMISE AS THE CORE POINT. FREE SPEECH IS BAD, WHITE PE
OPLE ARE BAD, COMMUNISM WAS GOOD. . . THIS IS THE KIND OF THING THEY ARE FOCUSED ON.¹¹ AND IT IS IN
THIS SENSE THAT NYT IS A MORAL POWER. ON THE ESPIONAGE POINT, AS JUST DISCUSSED, WE KNOW THAT THE SO
VIETS WERE PAST MASTERS AT SUBVERSION. THEIR MORAL CONVICTIONS MADE THEM FEEL THAT INVADING THE PRIV
ACY OF OTHERS, STEALING SECRETS, DESTROYING LIVES WITH ZERZETUNG¹² — ALL OF THAT WAS ACCEPTABLE FOR
THE GREAT MORAL CAUSE OF COMMUNISM. BECAUSE THEY WEREN’T AS GOOD AT BUILDING AS THE US OR EVEN GE
ANY (THE SOVIET MUNITIONS CAME FROM AMERICA VIA LEND-LEASE), STEALING/DESTROYING WAS THE BEST THING
THEY COULD DO. SULZBERGER’S EMPLOYEES AND AMERICAN JOURNALISTS IN GENERAL ARE SIMILAR. THEY’RE THE S
TASI WITH A STOCK SYMBOL, THE ORIGINAL SURVEILLANCE CAPITALISTS. IT’S ALWAYS PHRASED IN THE PASSIVE
VOICE, BUT HOW EXACTLY DID “THE NEW YORK TIMES OBTAIN” THE THINGS THEY PRINT? THE STORY BEHIND THE S
TORY IS MORE INTERESTING THAN THE STORY, AND THE BEHIND THE SCENES FOOTAGE WOULD SHOW YOU A DIFFERENT
MOVIE THAN THE ONE THEY WANT YOU TO WATCH. IN SHORT, MUCH LIKE THE COMMUNISTS, THE JOURNALISTS’ MOR
AL CONVICTION GIVES THEM THE LICENSE TO DOXX PRIVATE CITIZENS, TO GO THROUGH PEOPLE’S GARBAGE, TO US
E SECRET IDENTITIES (AND THEN CLAIM THEY DON’T), TO PRINT HACKED DATA, TO SOLICIT LEAKS OF PRIVATE I
NFORMATION WHILE DEMANDING TO KEEP THEIR OWN INFORMATION PRIVATE, TO INDUCE PEOPLE TO BREAK CONTRACT
S, TO STALK PEOPLE AT THEIR HOMES, EVEN TO COVER UP ENORMOUS GENOCIDES AND START GLANT WARS. . . ALW
AYS IN THE SERVICE OF THE BOTTOM LINE, AND SOME PURPORTED HIGHER GOOD. THE ESTABLISHMENT JOURNALIST
CLAIMS TO SPEAK TRUTH TO POWER, BUT SOMEHOW NEVER GETS AROUND TO INVESTIGATING THEMSELVES OR EACH O
HER. AS BLOOMBERG ADMITTED IN A MOMENT ¹¹OF COURSE, THEY DON’T STATE IT QUITE SO EXPLICITLY. AT LEAS
T, THEY USED TO NOT DO SO. NOWADAYS THE MOST ZEALOUS SULZBERGER EMPLOYEES HAVE BEEN PUSHING FOR “MO
RAL CLARITY” IN ALL OF THEIR ARTICLES. THEY SEEM NOT TO REALIZE THAT IT WAS THE FACADE OF OBJECTIVITY
THAT GAVE THEM POWER, PUNCTUATED ONLY OCCASIONALLY BY AN EMOTIVE DENUNCIATION. DROPPING THIS FACADE
BOOSTED THEIR SUBSCRIBER NUMBERS, GAINING THEM MONEY AT THE EXPENSE OF POWER. ¹²YES, TECHNICALLY A
STASI THING, BUT THE GDR WAS A SOVIET PUPPET STATE AND TRAINED BY THE SOVIETS.

MORAL POWER, MARTIAL POWER, MONEY POWER 151 OF CAndor, They “Report ON BUT DO NOT INInvestigate” Euters AND CNBC” BEcause THEY ARE “Direct Rivals”. WE OCCasionally HEar ABOUT INcidents LIKE THE EPi de Where ABC GOT CBS TO FIRE THE ROBach LEaker, OR WHEN NBC TRIED TO STI■e RONan FARrow’s WORK, t THOSE ARE THE JUSt THE TIP OF THE ICEberg. There’s AN ENormous INcentive FOR ESTab- Lishment JOURn alists TO ENGage IN ANti-competitive COLLusion, BEcause IF THEY ALI AGree ON WHAT IS “True”, WHO CAN Hen Fact-check Them? NO ONE CAN “Hold ACcountable” THOSE WITH THE POWER TO HOLD THE GOVERNMENT AC countable. CCP: THE MARTIAL NETWORK THIS ONE MAY REquire THE MOST EXplanation AS IT’S THE MOST FOREIGN n TO WEStERN EXpe- Rience. First WE’LL DEscribe WHY CCP IS PRIMarily A NETWORK, AND THEN WHY IT’S NO w MAINly MARTIAL. WE DON’T PREtend TO BE CHINA EXPerts — FEW ARE! — BUT THESE ARE RELatively BASIC P Oints THAT ARE STILL NOT THAT WELL KNOWN. WHY IS CCP A NETWORK? THE CCP NETWORK OF PARTY MEMBERS IS ESs SEparate FROM THE CHINESE STATE, AS IT DOESN’T PREtend TO BE AT A GREAT REMOVE FROM THE LEvers OF POWER AS NYT DOES. BUT THE PARTY IS NOT THE SAME AS THE STATE. INdeed, THERE ARE 95 MILLION CCP M Embers, AND THEY DON’T ALI HAVE SENIOR GOVERNMENT POSITIONS ANYMORE THAN EVERY REGISTERED DEMOCRAT H As A PLUM SPOT IN THE BIDEN ADMINISTRATION. INStead, THEY ARE SPread OUT THrough SOCIety. HOW DOES I T WORK? JOINING THE CCP IS ITSELF NONtrivial, WHICH SElects FOR THE MOST DEDicated MEMBERS. THE SOUT h CHINA MORning POST OUTlines THE “Arduous” APPlication PROCESS: AN APPlication MUSt BE FILEd TO THE APplicant’s CLOSEst PARTY COMMITTEE OR BRANCH, WITH A LETTER EXplaining: • WHY HE IS APplying FOR M Embership, • WHY HE BELIEVES IN THE COMMUNIST PARTY, AND • AREas IN WHICH HE FEELS HE HAS FALLEN SHO rt OF THE REquirement TO BEcome A MEMBER. BUT IT DOESN’T END THERE, ACCording TO MERICS: APPLICANTS MUSt WRITE ESSays ON MARxism-Leninism AND ON CURrent POLitical DEVELOPments. EIGHT COLleagues, NEIGH bors AND ACquaintances HAVE TO VOuch FOR AN APplicant’s REputation. AFTER APplying, THE APplicant MU st TAKE COURses AND THEN PASS AN EXam, ONLY TO THEN BE PUT INTO A YEArlong (AT LEAST) PROBationary P Eriod: THE APplicant WILL THEN ATTend PARTY COURses, WHERE HE WILL LEARN ABOUT THE PARTY’S CONstitut ion, AFTER WHICH HE WILL HAVE TO TAKE AND PASS WRITTEN TESTS. . .

52 CHAPTER 3. THE TRIPOLAR MOMENT UPon PASSing The Tests, The APplicant Will REquired TO SUBmit MO
e MATERI- ALS TO THE PARTY BRanch, INCLUDING PERSONal INFORMATION OF HIMSELF AND HIS PARENTS. INFORMATION ABOUT HIS EMPLOYMENT AND HIS PARENTS' POLITICAL AFFILIATIONS ALSO HAVE TO BE DISCLOSED. PROBATIONARY PARTY MEMBERSHIP WILL BE GRANTED UPON: • PASSING THE SCREENING, • BEING RECOMMENDED BY TWO PARTY MEMBERS, AND • DISCUSSIONS AND APPROVAL AFTER A MEETING WITH THE PARTY BRANCH. . . PROBATION LASTS AT LEAST A YEAR. AT THE END OF THE PROBATION PERIOD, THE PARTY BRANCH DECIDES WHETHER TO ADMIT THE APPLICANT, EXTEND THE PROBATION OR EXPEL HIM. LEST ONE MISBEHAVE DURING THE PROBATIONARY PERIOD, THERE ARE CONSEQUENCES IF THE APPLICANT DOES NOT BEHAVE UP TO STRICT STANDARDS: IN THE ENSUING ONE-year PROBATION PERIOD, THE ADMISSION PROCESS CAN STILL BE STOPPED IF "PARTY DISCIPLINE" IS BREACHED. AND IF YOU ARE FINALLY CLEARED BY THE PARTY TO JOIN, YOU HAVE A LIFELONG COMMITMENT TO UPHOLD, AS MO CHEN WRITES:¹³ WHEN THE CCP HOLD A TOP TIER MEETING, YOU WILL BE IN YOUR LOCAL PARTY BRANCH CONFERENCE ROOM TO WATCH IT LIVE, AND WRITE ESSAY ON THOUGHTS AFTER VIEW. NATURAL DISASTERS HAPPEN, DONATE, MANDATORY. OH YOU DON'T KNOW WHERE TO FIND THE DONATION BOX? DON'T WORRY, IT IS DEDUCTED ALREADY FROM YOUR SALARY. . . EVERYTIME THE CHAIRMAN OF CHINA RELEASES IMPORTANT ARTICLE ADDRESS THE ISSUES OF CURRENT AFFAIRS AND OVERARCHING STRATEGY FOR THE NEXT FIVE YEARS, YOU WRITE THAT ARTICLE 10 TIMES, HANDWRITTEN, DUE TOMORROW. THANKFULLY, THESE ARE LIKE, ONCE EVERY FIVE YEARS. IF YOU BREAK THE LAW, NO MATTER HOW SMALL, YOU GET A "PARTY INTERNAL WARNING" POST. AND YES, YOU WRITE [A] REFLECTION ESSAY ABOUT WHAT HAD LED YOU ASTRAY, AND HOW WRONG YOU REALIZE YOU ARE. . . IF IT IS SERIOUS, YOU ARE BACK TO PROBATION PERIOD. . . EVEN MORE SERIOUS? THE DOUBLE POLICY, YOU LOSE BOTH YOUR PARTY STATUS AND OFFICE TITLE. . . ¹³Despite THEIR 95M PERSON SCALE, CCP MEMBERS COMPRISE ONLY 7% OF CHINA'S MASSIVE 1.4B POPULATION, WHICH IS WHY ADMISSION CAN BE SO SELECTIVE. INDEED, AS DESCRIBED, THE PROCESS SELECTS FOR DILIGENCE, IDEOLOGICAL ALIGNMENT, AND MODERATE LEVELS OF INTELLIGENCE AND INITIATIVE: ENOUGH SMARTS AND AMBITION TO FILL OUT AN APPLICATION TO BE PART OF AN IMPORTANT GROUP, BUT NOT ENOUGH TO DO SOMETHING OFFTHE BEATEN TRACK. IN OTHER WORDS, IT'S SIMILAR TO MODERN AMERICA'S COLLEGE APPLICATION PROCESS.

MORAL POWER, MARTIAL POWER, MONEY POWER 153 SEems VErY ALien TO A WEstern MIndset! WHat PEoPle Would CHoose TO COntantly POst NEw ESSays REGurgitating THE LAtest IN REgime PROpaganda, AND INdoctrinating THEIR COworkers AND Family MEMbers? BUt IT ALI FITs IF YOu THINK OF THEM AS CHina's NEw YORK Times SUBscribers. THINK ABout THis SCene IN TEAm AMerica: WORld POLice, WHERE THE JANEane GARofalo FIGure SAYS, "As ACtors, IT IS OUR RESponsibility TO REAd THE NEwspapers, AND THEN SAY WHat WE REAd ON TELevision LIke IT's OUR OWn OPinion." THEN, JUst SWap OUT THE NYT MOBILE APP WITh XUexi Qlangguo. AS THE SAYing GOes, "Party, GOvernment, ARmy, SOciety AND EDucation, EAst, WEst, SOuth AND NOOrth", THE PARTY LEads ON EVerything." IT's ALmost THE SAME FOR THE AMerican ESTablishment, EXcept THE PAper LEads ON EVerything. AMerica's CCP ARE ITs NPCs. WHY IS CCP MARTial? FRom 1978 TO 2013, FRom DENg Xiaoping TO Jlang ZEmIn TO HU JIntao, THE CCP WAS FOCused ON ECONOMIC GRowth. BUt UNDER XI JInping, IT's TAKen A TURn TOwards Mllitarist NATIONALism. IT BUILds MOSt OF THE WORld's PHYSICAL PROducts, ITS Mllitary BUDget IS ALready >1/3 THAT OF AMerica's, IT HAS A MORE FOCused TASK ("reunify CHina" RATHER THAN "Police THE WORld"), IT PROduces Mllitary REcruiting VIdEOS LIke WE WILL ALways BE HERE, AND - MOST IMPortantly - IT IS INvesting HEavily IN AI AND DRones. ON THAT LAST POINT, CHina IS JUst BETter AT DEployment IN THE PHYSICAL WORld THAN THE US GOVERNment OR Mllitary, AS WE CAN SEe FRom (A) THE PUBLIC INFrastructure COmparison, (B) THE MULTibillion DOLLar FAILures OF THE AMerican FORD-class ALircraft CARRIER, THE F-35 MAnned ALircraft, THE LIttoral COmbat SHIP, AND THE ZUMwalt DESTroyer, AND (C) THE FACT THAT ALI THE MANufacturing KNOW-how AND THE FACTORIES THEMSELVES ARE IN CHina. RObotics COULD SHift MANufacturing OUT OF CHina, BUt UNTIL THEN IT IS QUITE POSSIBLE THAT THE "Arsenal OF Democracy" IS MORE LIke THE "Arsenal OF COMMunism."¹⁴ NOTE HOwEVER THAT JUst BECAUSE CHina BECOmes PRIMarily A MARTial POWER DOES NOT MEan IT WILL NEcessarily WIN A PHYSICAL CONflict. THE NAzis TOO IN OUR FRamework WERE PRIMarily A MARTial POWER, AND DID NOT WIN. THEN AGain, WHILE THE NAzis WERE OUT-numbered BY THE US/UK/USSR BY A 5:1 RAtio (70M TO 350M), THE CHinese OUTnumber THE AMericans BY A ROughly 4:1 RAtio (1.4B TO 330M), SO PAST PERFORMANCE MAY NOT BE PREDictive OF FUTURE RESULTS. ¹ If YOU're INTERested IN A COunterargument, PETER ZEihan HAS WRITTEN AT LENGTH ABout HOW WEAK HE THINKS CHina IS, HOW ITS ECONOMY WILL FAIL, ITS DEMographics WILL MEan IT GROWS OLd BEFORE IT GROWS RICH, AND HOW IT CAN'T FIELD A BLUE WATER NAVY. YOU CAN READ HIS WORK HERE. I DISagree FOR THE REasons STated HERE. IN SHort, CHina MAKES PHYSICAL THINGS, SO THE UNDERpinnings OF ITS ECONOMY ARE MORE ROBust IN CRunchtime THAN ONE BASED ON INflation AND IMportation. IT IS AMazing AT AUTomation, AND ROBOTics TRumps DEMographics WHEN IT COMES TO MANufacturing OR Mllitary PROwess. AND IT SHIPS GOODS ALI OvER THE WORld, IS BUying PORTs WITh DEbt-trap DIPlomacy, AND CAN BUild INFrastructure ON A COLOSSal SCALE EVen AS THE US IS LOSing THAT CAPability — SO IT's IMplausible THAT IT WON't EVER BE ABLE TO FIELD A BLUE WATER NAVY, THOUGH IT MIGHT WELL BE AN UNmanned ONE. SEe ALSO CHristian BROse IN THE THE KILL CHain AND KAI-Fu LEE IN AI SUPERpowers.

CHAPTER 3. THE TRIPOLAR MOMENT BTC: THE MONEY NETWORK THIS ONE IS ALMOST TOO OBVIOUS, SO WE WON'T BELABOR IT. THE GLOBAL NETWORK OF BTC HOLDERS IN A KEY SENSE ALSO STANDS ABOVE STATES, LIKE THE NY NETWORK STANDS ABOVE THE AMERICAN STATE AND THE CCP NETWORK STANDS ABOVE THE CHINESE STATE. WHY? BECAUSE IT'S VERY HARD FOR STATES TO SEIZE BITCOIN, IN THE ABSENCE OF SOME KIND OF QUANTUM COMPUTING BREAKTHROUGH. BUT IT'S PRIMARILY A MONEY POWER RATHER THAN A MORAL POWER LIKE NYT, OR A MARTIAL POWER LIKE CCP. THE LESS-OBVIOUS POINT IS THAT BTC — AND ITS ADJACENT GROUP OF WEB3 USERS — ARE BECOMING A MEDIA POWER THAT WILL EVENTUALLY TOPPLE THE NYT, MUCH AS THE 20TH CENTURY US'S MEDIA POWER EVENTUALLY OUTCOMPETED THAT OF THE SOVIET UNION. WHY? DECENTRALIZED MEDIA. YOU CAN SEE EARLY SIGNS OF THIS WITH SUBSTACK, MIRROR, AND NFTs. . . BUT IN BRIEF, THE BEST CONTENT CREATORS HAVE BETTER THINGS TO DO THAN WORK FOR THE ESTABLISHMENT. THEY CAN BECOME PUBLISHERS OF THEIR OWN, BY FOUNDING THEIR OWN MEDIA COMPANIES. AS WITH THE CCP'S TRANSITION TO A MARTIAL POWER, THE BTC/web3 TRANSITION TO A MONEY AND MEDIA POWER IS NOT AT ALL CONVENTIONAL WISDOM. 3.4.3 OVERLAPS AND EXCEPTIONS OF COURSE, THESE AREN'T PURE FORMS. NYT IS A PUBLICLY TRADED MULTIBILLION DOLLAR CORPORATION, AND IS CERTAINLY ABLE TO INFLUENCE THE FED AND OTHER HUGE FLOWS OF MONEY. AND IT CAN SPUR MUCH OF THE US MILITARY INTO ACTION WITH A FAKE ARTICLE OR THREE. SO IT HAS MONEY AND MARTIAL POWER, EVEN IF IT IS PRIMARILY A MORAL POWER. CCP ENDLESSLY PREACHES TO ITS CITIZENS VIA XUEXI QIANGGUO, AND UNTIL RECENTLY WAS FOCUSED ENTIRELY ON BUSINESS. SO IT HAS A MORAL AND MONEY POWER AS WELL, THOUGH IT IS BECOMING PRIMARILY A MARTIAL POWER. FINALLY, BITCOIN CERTAINLY MAKES A SET OF IMPLICIT MORAL ARGUMENTS: INFLATION IS BAD, CENTRALIZATION IS BAD, PSEUDONYMITY IS GOOD, AND THE LIKE. AND IT HAS A MARTIAL POWER, THOUGH IT'S ENTIRELY DEFENSIVE, AS THE COMBINATION OF ENCRYPTION AND PHYSICAL DECENTRALIZATION RENDER IT RESISTANT TO 20TH-CENTURY-STYLE MILITARY ATTACKS. BUT IT IS, PERHAPS OBVIOUSLY, FUNDAMENTALLY A MONEY POWER. ONE CAN DO A SIMILAR EXERCISE FOR THE US/USSR/NSDAP TRIANGLE. 3.5 SUBMISSION, SYMPATHY, SOVEREIGNTY BY EACH POLE LEGITIMIZES THEMSELVES BY APPEALING TO A SOCIETALLY USEFUL CONCEPT, AND TAKES IT TO AN EXTREME AS PART OF DENOUNCING ITS OPPOSITE EXTREME. THE CCP IS THE MOST OBVIOUS: YOU MUST SUBMIT. THEY'RE THE CHINESE COMMUNIST PARTY, AND THEY'RE POWERFUL, SO YOU MUST BOW YOUR HEAD. THIS IS VERY SIMPLE AND

5. SUBMISSION, SYMPATHY, SOVEREIGNTY 155 STraightforward AND EAasy TO UNderstand, THOUGH IT ONLY FALLY WORKS FOR THEM WITHIN CHINA AND THE CHINESE INTERNET. THE NYT POle IS SLightly MOre SUBtle: THE y DEMand YOU MUst SYmpathize. AFTER ALI AREn't YOU WHite, OR MAle, OR STRaight, OR Cls, OR ABled, OR WEalthy, OR A MEMber OF ONE OF AN EVER-multiplying NUMber OF PRivileged CAtegories — AND THEREFORE N OPpressor ON SOME DIimension? BEcause YOU're POWERful, YOU MUst SYmpathize, AND BOw YOUR HEAd TO HOse YOU HAVE OSTensibly OPPressed. IT's A LEft-handed VErSion OF THE SUBmission IDEology. IT CAN GE ANYone TO BOw THEIR HEAd IN THE NAME OF EMPowering THEM, BEcause 99.99% OF THE WORLD IS AN "Oppre- sor" ON AT LEast SOME DIimension. THIS POle IS STRongest ON THE ENGLISH-speaking¹⁵ INTERNET, WEakest ON THE CHINESE INTERNET, AND OF INTERmediate STrength OUTside THAT. THE BTC POle IS THE OPposite OF BOTH OF THESE. IT DEMands YOU MUst BE SOvereign. THAT MEAns RATHER THAN BENDING TO THE CCP, OR SLIT- ting YOUR WRISTS AS NYT DEMands, YOU HOLD YOUR HEAd UP Hlgh. YOU HOLD YOUR PRivate KEys LOcally, YOU DON't TRust CENTralized CORporations OR GOVERNments, YOU're SELF-su■cient AND AUtarkic, YOU're LIVIn g OFFthe GRid. THIS POle IS STRong ON THE GLobal INTERNET, THOUGH IT's FACING PUSHback FROM BOTH CCP AND NYT.

3.5.1 EXtremes AND COUNTER-EXtremES ARE UNdesirable THE SUBtlety HERE IS THAT EACH OF THEs POLES HAS AN ELEment OF TRuth TO IT. YOU DON't WANT A CCP SOCIety WHERE EVERYone HAS NO REcourse I Ut TO SUBmit, BEcause THAT CAN EAasily BEcome A NOW-digital TOTALitarianism. ON THE OTHER HAND, YOU A lso DON't WANT A SOCIety WHERE NO ONE SUBmits TO ANYone, BEcause THAT LOOKS LIKE SAN FRANCISCO, WHERE PEople CAN RUN INTO WALgreens AND STEAL EVERYthing. YOU DON't WANT THE NYT-run SOCIety WHERE EVERY one HAS NO REcourse BUT TO SYmpa- THize WITH THE CURrent THING, BEcause THAT RESULTS IN WHAT MATT YG LESIAS HAS CALLED THE GREAt AWokening: THE EMotive AND IRRational BREAKdowns THAT SET AMERICA ON FIR E AND CONTINUE TO ROil US SOCIety. YET YOU ALSO DON't WANT THE SOCIety WHERE NO ONE SYm- PATHIZES, BEcause THAT LOOKS LIKE THE GRAND THEFT AUto ENVIRONMENT OF 1990s RUSSIA, THE LOW-trust POST-communis t SOCIety WHERE ANY COoperative ENdeavor IS REGARDED AS A SCAM. FINALLY, AND PERhaps LEast OBviously , YOU DON't WANT THE SOCIety WHERE EVERYone MUst BE SOvereign, BEcause TAKEN TO ITS IRRational¹⁶ LIM THAT MEAns PUMping YOUR OWN

¹⁵ONCE OUTSIDE THE US, IT'S OBVIOUS THAT WOKENESS COMES FROM AMERICA. SEE FOR EXAmple THIS PLece BY THE IRISH ANGela NAGle, OR THIS PLece BY THE UK'S ECONoMIST, BOTH OF WHICH CAN SEE WOKENESS' AMERICAN ORIGINS FROM THE SMALL BLT OF CULTURAL DISTANCE THAT EUROPE STILL AFFORDS. CONSIDER THE EPISODE WHEN AN AMERICAN TRIED TO CANCEL A FINN FOR USING THE FINNISH WORD AAVE . OR THE FACT THAT THE BLM PROtests SPREAD DIGITALLY FROM THE US TO THE REST OF THE WORLD, WHILE IT'S HARD TO THINK OF A SITUATION WHERE THE REVERSE HAS HAPPENED. AND CONSIDER THAT PRonoun CHOICE ITSELF ASSUMES THE USE OF ENGLISH (MANY LANGUAGES LACK GENDERED PRonOUNCES), SUCH THAT "Latinx" IS AN AMERICAN IMposition ON SPANISH SPEAKERS.

¹⁶AS YOU WILL, BLTcoin MAXimalism TAKES MANY LIBERTARIAN LEAN ings TO THEIR IRRational LIMITS, JUST AS

CHAPTER 3. THE TRIPOLAR MOMENT WATER FROM OUT OF THE GROUND, GROWING YOUR OWN FOOD, NOT TRUST ANY VENDOR OR PERSON OTHER THAN YOURSELF, AND GENERALLY ENDING THE DIVISION OF LABOR THAT MAKES CAPITALISM RUN. EXTREME AUTARKY MIGHT SOUND ROMANTIC, BUT IN THE ABSENCE OF ROBOTIC BREAKTHROUGHS GOING TRULY OFF-GRID IS A RECIPE FOR DRAMATIC REGRESSION IN THE STANDARD OF LIVING. CONVERSELY, OF COURSE YOU DON'T WANT A SOCIETY WHERE NO ONE HAS THE POSSIBILITY OF BEING SOVEREIGN AT ALL, AS THIS LEAVES US ALL SUBJECT TO THE NOT-SO-INCIPIENT DIGITAL TOTALITARIANISM THAT CCP HAS ALREADY ROLLED OUT AND NYT WISHES IT COULD. 3.5.2 A RECENTRALIZED CENTER ONE MIGHT ARGUE — AND I WOULD AGREE — THAT WHILE THESE THREE POLES AND THEIR OPPOSITE THREE EXTREMES ARE BAD, THEY ARE NOT ALL EQUALLY BAD, AND YOU DON'T NECESSARILY NEED TO BE DEAD CENTER. FOR EXAMPLE, I'D PERSONALLY ERR MUCH CLOSER TO THE SOVEREIGNTY POLE THAN OUR CURRENT CULTURE, AND TRY TO DEVELOP THE TECHNOLOGIES TO ENABLE THIS. HOWEVER, WE SHOULD RECOGNIZE THAT DIFFERENT STROKES WILL SUIT DIFFERENT FOLKS. AND RATHER THAN TRYING TO IMPOSE PREFERENCES ON EVERYONE, WHAT WE REALLY WANT ARE A VARIETY OF POINTS IN BETWEEN THESE THREE UNDESIRABLE POLES: DIFFERENT FUSIONS FOR DIFFERENT GROUPS. THE CONSTRUCTION WE OUTLINE IN THIS BOOK — THE STARTUP SOCIETY THAT ULTIMATELY BECOMES A NETWORK STATE — IDEALLY COMBINES ASPECTS OF ALL THREE. FOR EXAMPLE, IT DOES HAVE A CLEAR FOUNDER TO PROVIDE DIRECTION, BUT IT ENSURES EVERY CITIZEN HAS THE RIGHT TO FREELY LEAVE SHOULD THEY CHOOSE, THAT COINHOLDERS ALSO HAVE A SAY, AND A NUMBER OF OTHER DIGITAL CHECKS AND BALANCES. THIS CONCEPT IS THE BASIS OF THE RECENTRALIZED CENTER, AN IDEA WE DISCUSS IN DEPTH LATER. 3.6 CONFLICTS AND ALLIANCES A TRIPOLAR TRIANGLE LEADS TO SURPRISINGLY COMPLICATED DYNAMICS. BRINGING THE GREAT DEPRESSION, FDR'S US ADMIRERED THE NAZIS AND THE NYT WROTE ENCOMIUMS TO THEM, AS DOCUMENTED IN THREE NEW DEALS AND THE GRAY LADY WINKED. THEN, AFTER THE MOLOTOV-RIBBENTROP PACT, THE USSR AND THE NAZIS KICKED OFF WORLD WAR 2 BY INVADING POLAND TOGETHER, WITH THE USSR STANDING BY AS THE NAZIS FOUGHT THE ANGLO-AMERICANS, AND THE US-ALIGNED UK SERIOUSLY CONTEMPLATING BOMBING THE SOVIETS. LATER, THE USSR AND THE NAZIS FOUGHT EACH OTHER DURING BARBAROSSA. THEN, THE US AND THE USSR TEAMED UP TO FIGHT THE NAZIS. FINALLY, THE US AND USSR SPLIT GERMANY BETWEEN THEMSELVES AND FOUGHT EACH OTHER DURING THE COLD WAR. THAT'S WHY ORWELL WROTE IN 1984 ABOUT HOW "OCEANIA HAD ALWAYS BEEN AT WAR WITH EURASIA"¹⁷ — BECAUSE THE COALITIONS BETWEEN WOKENESS TAKES MANY LIBERAL PRECEPTS TO THEIR (IL)LOGICAL CONCLUSIONS. ¹⁷"AT THIS MOMENT, FOR EXAMPLE, IN 1984 (IF IT WAS 1984), OCEANIA WAS AT WAR WITH EURASIA AND IN ALLIANCE WITH EASTASIA. IN NO PUBLIC OR PRIVATE UTTERANCE WAS IT EVER ADMITTED THAT THE THREE POWERS HAD AT ANY TIME BEEN GROUPED ALONG DIFFERENT LINES. ACTUALLY, AS WINSTON WELLS KNEW, IT WAS ONLY FOUR YEARS SINCE OCEANIA HAD BEEN AT WAR WITH EASTASIA AND IN ALLIANCE WITH EURASIA. BUT THAT WAS MERELY A PIECE OF FURTIVE KNOWLEDGE WHICH HE HAPPENED TO POSSESS BECAUSE HIS MEMORY WAS NOT SATISFACTORILY UNDER CONTROL. OFFICIALLY THE CHANGE OF PARTNERS HAD NEVER HAPPENED. OCEANIA WAS AT WAR WITH EURASIA:

3.6. CONFLICTS AND ALLIANCES 157 States Switched All The Time. With Networks Rather Than States, The Coalitions Are Even More Fluid, With Several Existing Simultaneously. 3.6.1 One Pole Against Another NYT VS CCP. This Is The Obvious One, The Thucydides Trap, The Great Power Conflict Between The US And China That Many Have Predicted. But There's A Subtlety Here. Many Regular Chinese People Don't Want Such A Conflict, And Many Americans Don't Either, But Those Who Are Invested In Imperial Ambitions On Both Sides — The Paper Subscribers And The Party Members — Are Into It. Networks Are Driving The States To War. NYT VS BTC. This Is Another Obvious One, The American Regulatory State (Which NYT Is Upstream Of) Against The Decentralized Network. We Are Seeing This Push With Efforts Like The Failed 2021 House Bill And The "Concerned.tech" Letter. Note The Demographics Of The Signatories To The Letter: It Is Almost Entirely White Westerners Complaining About The US Establishment Losing Root Control Over The Global Financial System. It Is Doubtful That Their Enthusiasm For The Dollar Will Be Shared By Americans Hit By Inflation — Or By People Overseas. This Conflict Is The American Establishment VS The Global Internet. CCP VS BTC. Yet Another Obvious One. The CCP Has "Banned" Bitcoin Many Times Over The Years, But Those Bans Have Materially Grown In Severity. The Most Recent Action Was Just Short Of A Seizure. 3.6.2 Two Poles VS The Third NYT + CCP VS BTC. This Is The State VS The Network. It's When The NYT-controlled American Empire And The CCP-controlled Chinese Empire Team Up To Attack BTC, Perhaps On The Grounds Of "Climate" Or Some Other Thinly Veiled Excuse To Maintain State Power. NYT + BTC VS CCP. This Is Western Voice And Exit Together VS Eastern Control. It's When NYT's Interests In Disrupting The Chinese Regime And BTC's Interests In Providing Globally Uncensorable Savings Overlap To Provide A Thorn In The Side For CCP. The Web3 Part Of BTC/web3 Becomes Particularly Important Here, Because It Provides Hard-to-Censor Global Services That Complement Digital Gold, Which On Its Own Is Necessary But Not Sufficient For Freedom. BTC + CCP VS NYT. This Is The Post-American World Against The American Empire. Against The Inflationary Dollar, China And Crypto Together Can Do Something Neither Can Alone. The CCP/RMB Pole Runs A Chinese System That Is Already At Scale, Capable Of Operating Completely Outside The Dollar, And Based On A More Modern Digital Yuan Therefore Oceanic Powers Have Always Been At War With Eurasia. The Enemy Of The Moment Always Represented Absolute Evil, And It Followed That Any Past Or Future Agreement With Him Was Impossible."

8 CHAPTER 3. THE TRIPOLAR MOMENT TO BOO. THE BTC/web3 PART OF THIS ALIGNS AMERICAN DISSIDENTS WITH GLOBAL CRYPTO HOLDERS, AND PROMOTES NEUTRAL PROTOCOLS THAT TAKE AWAY AMERICAN ROOT ACCESS (BUT ALSO DON'T GRANT IT TO CHINA). 3.6.3 INTRAPOLAR CONFLICTS NEAR EACH POLE THERE IS AN INTERNAL DYAD REPRESENTING THE CONFLICT WITHIN. WE REPRESENT THIS AS AN INSCRIBED TRIANGLE WITHIN THE TRIPOLAR TRIANGLE. NEAR THE NYT POLE ARE THE AMERICAN DISSIDENTS, THE NON-WOKE LIBERALS, CENTRISTS, AND CONSERVATIVES WHO DISAGREE WITH THE US ESTABLISHMENT'S PLATFORM OF SPEECH CONTROLS, INFLATION, AND UNENDING WARFARE - BUT STILL IDENTIFY AS AMERICAN FIRST, AND DON'T WANT TO SEE CHINA BECOME NUMBER ONE. NEAR THE CCP POLE ARE THE CHINESE LIBERALS, THE INTERNATIONALIST CAPITALISTS WHO THOUGHT TIMES WERE BETTER UNDER HU, AS WELL AS THE MANY GROUPS LEFT AND RIGHT WHO'VE SEEN THEIR FORTUNES DIM UNDER NEWLY AGGRESSIVE CHINESE NATIONALISM. . . BUT, AGAIN, WHO STILL SEE THEMSELVES AS CHINESE FIRST, AND DON'T WANT TO BEND TO AMERICAN IMPERIALISM. NEAR THE BTC POLE IS THE WEB3 COMMUNITY AND THE TENS OF MILLIONS OF BITCOIN HOLDERS WHO DON'T IDENTIFY AS MAXIMALISTS. . . BUT WHO ALSO STILL SUBSCRIBE TO MANY OF THE INTERNATIONALIST PRINCIPLES THAT PRESUPPOSE AN INTERNET WITHOUT AMERICAN OR CHINESE ROOT CONTROL OVER THE FINANCIAL OR COMMUNICATION SYSTEMS. 3.6.4 THE ROAD TO RECENTRALIZATION AND WHAT ABOUT OTHER COUNTRIES AND PEOPLE WHO DON'T DEFINE THEMSELVES WITH REFERENCE TO THE AMERICANS, THE CHINESE, OR THE BLOCKCHAIN? WELL, THERE WILL BE A LOT OF PRESSURE TO IDENTIFY WITH THE FIRST TWO POLES. . . WHICH WILL DRIVE ANY GROUP THAT DOESN'T WANT TO BE UNDER THE THUMB OF THE US ESTABLISHMENT OR THE CCP TO THE THIRD POLE OF BTC/web3. THAT IS, ONE OF OUR PREMISES IS THAT THE INDIANS, ISRAELIS, AMERICAN DISSIDENTS, CHINESE LIBERALS, TECH FOUNDERS/INVESTORS, AND PEOPLE FROM OTHER COUNTRIES THAT WANT TO MAINTAIN THEIR OWN SOVEREIGNTY WILL NEED TO AVAIL THEMSELVES OF BTC/web3 FOR DECENTRALIZED COMMUNICATION, TRANSACTION, AND COMPUTATION. BUT TO FULLY EXPLAIN WHY, WE'LL NEED TO GO THROUGH A SCENARIO FOR THE FUTURE THAT ISN'T ABOUT REMAINING UNDER THE THUMB OF US OR CHINESE CENTRALIZATION, NOR ABOUT FALLING INTO CRYPTO-ANARCHIC DECENTRALIZATION, BUT RATHER ABOUT CONSCIOUSLY RECENTRALIZING INTO OPT-IN STARTUP SOCIETIES. 18See Bitcoin IS Civilization FOR THE LONG-FORM ARGUMENT ON WHY AMERICAN DISSIDENTS WILL LINE UP BEHIND BITCOIN. 19See GREAT PROTOCOL POLITICS FOR A FULL ARTICLE ON WHY NEUTRAL PROTOCOLS AND NATIONAL STACKS WILL BE CHOSEN BY ALL COUNTRIES THAT DON'T WANT TO BE UNDER AMERICAN OR CHINESE CONTROL.

Chapter 4 DEcentralization, REcentralization 4.1 THE POSSIBLE FUTURES IT'S NOT ABOUT THE FUTURE, IT'S ABOUT THE POSSIBLE FUTURES. WHY? BECAUSE CAUSALITY EXISTS. BECAUSE WE CAN RUN CONTROLLED EXPERIMENTS. BECAUSE HUMAN ACTION CAN INFLUENCE OUTCOMES. BECAUSE WE AREN'T COMMUNISTS THAT BELIEVE IN THE HISTORICAL INEVITABILITY OF UTOPIAN OUTCOMES, BUT TECHNOLOGISTS THAT BELIEVE IN INDIVIDUAL INITIATIVE SUBJECT TO PRACTICAL CONSTRAINTS.¹ THE PREVIOUS TWO CHAPTERS WERE ABOUT THOSE CONSTRAINTS, ABOUT THE PAST AND THE IM-MEDIATE PRESENT. THEY ORIENT US TO DISCUSS SEVERAL POSSIBLE FUTURES, BEFORE PICKING OUT ONE TRAJECTORY TO FOCUS ON - THE ONE WHERE WE MATERIALIZE MANY STARTUP SOCIETIES, GET A FEW DIPLOMATICALLY RECOGNIZED AS NETWORK STATES, AND REBUILD HIGH-TRUST SOCIETIES VIA A RECENTRALIZED CENTER. SOME CAVEATS BEFORE WE BEGIN, THOUGH. WHEN IT COMES TO THE PAST, EVERY HISTORY IS, INEVITABLY, JUST A STORY.² THAT IS, ANY TALE OF THE PAST IS NECESSARILY ABRIDGED, ABBREVIATED, EDITED, AND IDIOSYNCRATIC. YOU CAN'T CONVEY 5000 YEARS OF WRITTEN RECORDS ANY OTHER WAY. AND OUR TALE OF HISTORY AS TRAJECTORY IS NO DIFFERENT: IT'S LIKE THE "WHY NOW" SLIDE AT THE BEGINNING OF EVERY ENTREPRENEUR'S DECK, A PRACTICAL HISTORY³ OF PARTICULAR EVENTS THAT LEAD TO THE FEASIBILITY 1SEE THE SECTION HERE ON THE TECH TREE MODEL OF HISTORY TO RECONCILE THE "GREAT MAN" AND "HISTORICAL INEVITABILITY" THEORIES. THE GREAT MAN CAN STEER THE TECH TREE, BUT THEY CAN'T REINVENT EVERYTHING FROM SCRATCH. 2WHILE WE'RE NOT ABLE TO GIVE A FULL TREATMENT OF HISTORY, YOU MIGHT WANT TO CHECK OUT SOMETHING LIKE WILL AND ARIEL DURANT'S "THE LESSONS OF HISTORY". 3IT IS OF COURSE PARTLY TONGUE-IN-CHEEK TO CITE THE "WHY NOW" SLIDE AS A KIND OF HISTORY. BUT THERE'S A DEEPER POINT: JUST AS THE CULTURE OF THE MERCHANT WAS ON THE PERIPHERY OF FEUDALISM, AND THEN BECAME CENTRAL TO THE WHOLE THING AS SOCIETY TRANSITIONED FROM SUBSISTENCE AGRICULTURE TO INDUSTRIAL CAPITALISM, SO TOO ARE WE TRANSITIONING FROM THE INDUSTRIAL AGE TO A TECHNOLOGICAL AGE DRIVEN BY ENTREPRENEURS AND INVESTORS. TECH CULTURE, STARTUP CULTURE, AND NOW BTC/web3 CULTURE IS BECOMING GLOBAL CULTURE. AND THE MODEST "WHY NOW" SLIDE IS A LITTLE PIECE OF THAT - IT'S HISTORY FOR PRAGMATISTS, FUNCTIONAL HISTORY, 159

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION OF THE NETWORK STATE. BUT WE CITED OUR REFERENCES SO YOU CAN CHECK OUR FACTS. ON THE TOPIC OF THE PRESENT, OUR CHAPTER ON THE TRIPOLAR MOMENT IS THE SECTION OF THE BOOK THAT IS LIKELY TO BE THE MOST DATED. INTENTIONALLY SO, BECAUSE WE ENDEAVORED TO MOVE MOST REFERENCES TO CURRENT OR NEAR-PAST EVENTS TO THIS SECTION.⁴ SO, THINK OF THAT CHAPTER AS BEING VERY MUCH A WORLDVIEW CIRCA MID-2022; LIKE THE KALMAN FILTER, WE RESERVE THE RIGHT TO INCORPORATE NEW INFORMATION TO UPDATE IT. NOW TO THE SUBJECT OF THE FUTURE. AS YOU'LL SEE WE DO BELIEVE A RECENTRALIZED CENTER OF PRAGMATIC NETWORK STATES CAN EMERGE, AND DESCRIBE SEVERAL SCENARIOS WHERE THIS COULD HAPPEN. BUT OUR PROJECTIONS ARE JUST SCENARIOS, AND THROUGHTOUT WE KEEP IN MIND VOLATILITY, RELEXIVITY, COMPETING CURVES, AND THE CONSEQUENT LIMITS TO PREDICTABILITY. FIRST, VOLATILITY IS RISING BECAUSE THE INTERNET INCREASES VARIANCE. SOCIAL MEDIA IS SOCIAL VOLATILITY (GO VIRAL OR GET CANCELED), AND CRYPTOCURRENCY IS FINANCIAL VOLATILITY (GO TO THE MOON OR GET REKT). VOLATILITY MAKES CORRECT PREDICTIONS MORE DIFFICULT, BUT OFFERS UPSIDE FOR THOSE WHO PREDICT CORRECTLY. AND VOLATILITY IS GOOD FOR INSURGENTS AND BAD FOR INCUMBENTS, BECAUSE THE FORMER ONLY NEED TO GET LUCKY ONCE WHILE THE LATTER NEED TO KEEP STAYING LUCKY. IT'S NO LONGER JUST INDIVIDUALS THAT ARE SUBJECT TO HIGH VOLATILITY, AS ENTIRE COUNTRIES CAN RISE AND FALL OVERNIGHT. SO, IN A HIGH VOLATILITY ENVIRONMENT, ONLY BEZOS-STYLE INVARIANTS REMAIN CONSTANT. ALL OTHER OBSERVATIONS SHOULD BE TAKEN AS TENTATIVE — THEY ARE TRUE UNTIL THEY ARE SUDDENLY NOT. RELEXIVITY IS SOROS' TERM FOR THE FEEDBACK LOOP BETWEEN PARTICIPANTS' UNDERSTANDING OF A SITUATION AND THE SITUATION IN WHICH THEY PARTICIPATE. IN SYSTEMS MADE OF HUMAN BEINGS, PUTTING SOMETHING OUT INTO THE WORLD RESULTS IN A REACTION, AND THEN A REACTION TO THAT REACTION, AND SO ON, OFTEN RESULTING IN POSITIVE AND NEGATIVE FEEDBACK LOOPS RATHER THAN TEXTBOOK CONVERGENCE TO EQUILIBRIA. THUS, WHEN COLLECTING DATA ON SUCH SYSTEMS, LET ALONE FORECASTING THEM, ONE MUST KEEP IN MIND THAT PEOPLE WILL REACT TO PREDICTIONS THEMSELVES, SOMETIMES TO MAKE THEM COME TRUE. IN SOCIAL SCIENCE, UNLIKE PHYSICAL SCIENCE, EVERY ROW IN A DATASET REPRESENTS A HUMAN BEING WITH A MIND OF THEIR OWN. THE CONCEPT OF COMPETING CURVES REFERS TO THE FACT THAT THERE ARE MANY SIMULTANEOUS TECHNOLOGICAL MOVEMENTS COMPETING AT THE PRESENT MOMENT, DIFFERENT PHENOMENA RISING FROM ZERO TO AFFECT MILLIONS OVER THE COURSE OF YEARS, MONTHS, OR EVEN DAYS. FOR EXAMPLE, IF YOU TAKE A LOOK AT THIS GRAPH OF HOW PEOPLE MET THEIR SPOUSES, YOU CAN SEE SEVERAL DIFFERENT CURVES RISING AND FALLING AS DIFFERENT CULTURAL MOVEMENTS "COME ONLINE," HISTORY WITH A POINT, HISTORY THAT IS NOT (AS HENRY FORD ONCE SAID) BUNK. I LEARNED TO DO THIS THE HARD WAY — IN 2013 I GAVE A SERIES OF LECTURES, WHERE SOME BITS HELD UP REASONABLY WELL, WHILE OTHERS WERE VERY MUCH TIME CAPSULES FROM THAT ERA (GCHAT, ANYONE?). BENEDICT ANDERSON'S OTHERWISE EXCELLENT BOOK IMAGINED COMMUNITIES HAS THE SAME ISSUE, AS IT OPENS WITH A REFERENCE TO THE CONFLICT BETWEEN VIETNAM, CAMBODIA, AND CHINA AS BEING A MOMENTOUS EVENT IN THE HISTORY OF NATIONALISM, WHICH IT ARGUABLY WAS NOT⁵ IN RETROSPECT. ¹³⁵AS HE DESCRIBES, IT WAS NOTABLE FOR A MARXIST TO SEE THREE NEWLY INDEPENDENT, OSTENSIBLY COMMUNIST COUNTRIES FIGHTING WITH EACH OTHER IN THE NAME OF NATIONALISM. HE THOUGHT OF NATIONALISM AS AN ILLUSION; THAT WAS WHAT LED HIM TO WRITE THE BOOK.

4.1. THE POSSIBLE FUTURES 161 UNTIL THE INTERNET JUST DOMINATES EVERYTHING. ANOTHER EXAMPLE IS THE MARKET SHARE OF SOCIAL NETWORKS OVER TIME; A THIRD IS RAY DALIO'S GRAPH OF THE RISE AND FALL OF NATIONS. THE POINT IS THAT YOU CAN IDENTIFY THE PLAYERS, BUT NOT ALWAYS THE OUTCOME, IN A COMPLEX MULTI-actor PROCESS. APPLYING THIS TO OUR SCENARIO ANALYSIS, WE HAVE SOME TRENDS THAT ARE SYNERGISTIC AND OTHERS THAT ARE ANTAGONISTIC. FOR EXAMPLE, MANY TRENDLINES POINT TO DIMINISHED AMERICAN POWER, BUT AT LEAST ONE POINTS IN THE OTHER DIRECTION: THE WEST'S WILLINGNESS TO WEAPONIZE ITS TECH GIANTS FOR DOMESTIC AND FOREIGN CONFLICTS ALIKE. DOES THIS GIVE AMERICAN DOMINANCE ANOTHER FEW YEARS, ANOTHER DECADE, OR MANY MORE THAN THAT? WE CAN IDENTIFY THE CURVES BUT NOT ALWAYS WHICH ONES WIN OUT. PREDICTABILITY HAS ITS LIMITS. IN OUR VIEW THERE ARE TWO KINDS OF PREDICTIONS THAT MATTER: THE PHYSICAL AND THE FINANCIAL. THE PHYSICAL PREDICTION IS A VERY SPECIFIC BET ON THE TRAJECTORY OF A BALL, ON A GENOMIC BASE CALL, OR ON THE ELECTRON CONFIGURATION OF AN ORBITAL. IT'S CHECKED BY REPRODUCIBLE EXPERIMENT, AND YOUR DEVICE FAILS IF IT FAILS. THE FINANCIAL PREDICTION IS AT THE OPPOSITE END OF THE SPECTRUM: IT'S A MACROSCOPIC BET ON THE VOLATILE, REFLEXIVE BEHAVIOR OF OTHER HUMAN BEINGS. IT'S CHECKED BY THE UNFORGIVING MARKET, AND YOUR FUND FAILS IF IT FAILS. WE AREN'T AS INTERESTED IN BETTING ON MANIPULATED OR PRONE GOVERNMENT STATISTICS. ACCORDING TO THE CHINESE GOVERNMENT OF 2021, THE NUMBER OF COVID DEATHS IN CHINA FROM MID 2020-2022 WAS ZERO. ACCORDING TO THE SAN FRANCISCO GOVERNMENT OF 2021, THE CRIME RATE IN SF WAS DECLINING. ACCORDING TO THE US ESTABLISHMENT OF 2021, THE INFLATION OF THE DOLLAR WAS TRANSITORY. ALL THIS REMINDS US OF THE SOVIET GOVERNMENT OF 1932, WHO SAID THE HARVEST IN UKRAINE WAS GLORIOUS. AS WE DISCUSS LATER, IT IS USEFUL TO CREATE ON-CHAIN SHADOW STATISTICS THAT ARE MORE VERIFIABLE, RELIABLE, AND CENSORSHIP-RESISTANT THAN THESE EASILY FAKED INDICATORS. BUT OUTSIDE OF THAT, PREDICTIONS ON OFFICIAL GOVERNMENT STATISTICS ARE OTHERWISE UNINTERESTING BECAUSE OF HOW OBVIOUSLY POLITICAL THEY ARE. SO WE STEER CLEAR OF THAT KIND OF THING — IN OUR ANALYSIS OF POSSIBLE FUTURES, WE'LL EITHER PREDICT SOMETHING IS TECHNOLOGICALLY (AND HENCE PHYSICALLY) FEASIBLE, OR THAT IT COULD RESULT IN A FINANCIAL RETURN, OR BOTH. AND WE'LL GIVE RECIPES FOR HOW TO MAKE THOSE PREDICTIONS REALITY, OR PREVENT THEM FROM BECOMING REALITY, IN THE FORM OF FICTIONAL SCENARIOS ON GOOD AND BAD FUTURES. SO, TO RECAP: OUR HISTORY IS JUST A STORY, OUR ANALYSIS OF THE PRESENT MAY PRESENTLY BE DATED, AND OUR FORECASTS FOR THE FUTURE MAY BE CONFOUNDED BY VOLATILITY, REFLEXIVITY, COMPETING CURVES, AND THE LIMITS OF PREDICTABILITY. WITH THAT SAID, ALL MODELS ARE WRONG, BUT SOME ARE USEFUL; SO WITH CAVEATS CATALOGED AND PROVISOS PROVIDED, LET'S PROCEED!

4.1.1 ANALYTICAL AXES AND SCENARIO ANALYSES

WE START BY DESCRIBING NEW LENSES TO VIEW THE WORLD IN THE SECTIONS ON SOCIOPOLITICAL AND TECHNOECONOMIC AXES. THESE ARE MENTAL MODELS THAT HOPEFULLY HELP COMPRESS LARGE AMOUNTS OF DATA INTO ROUGH PATTERNS. NEXT, IN THE SECTION ON FORESEEABLE FUTURES, WE PUT ON OUR TECH INVESTOR HATS AND

2 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION PROJECT OUT INTO THE NEAR FUTURE, DESCRIBING DEVELOPMENTS WE ANTICIPATE. THESE AREN'T JUST RANDOM INVESTMENT THESES, THOUGH; THEY'RE PIECES OF THE FUTURE THAT ARE RELEVANT TO STARTUP SOCIETIES AND NETWORK STATES. WE THEN GAME OUT ONE SPECIFIC SCIENCE FICTION SCENARIO IN DETAIL THAT WE THINK IS UNFORTUNATELY QUITE PLAUSIBLE: AMERICAN ANARCHY, CHINESE CONTROL, AND THE INTERNATIONAL INTERMEDIATE. IN THIS SCENARIO, WE PROJECT A SECOND AMERICAN CIVIL WAR TRIGGERED IN PART BY A BROKE US GOVERNMENT THAT ATTEMPTS BITCOIN SEIZURES, A SITUATION WE CALL AMERICAN ANARCHY. UNLIKE THE FIRST CIVIL WAR, THIS WOULD BE A STOCHASTIC STRUGGLE BETWEEN TWO NETWORKS RATHER THAN AN EXPLICIT DISPUTE BETWEEN TWO STATES. IT WOULD BE MORE UNDECLARED THAN DECLARED, MORE INVISIBLE THAN LEGIBLE. AND THIS CONFLICT COULD END IN DECENTRALIZATION AND DISUNION INSTEAD OF CENTRALIZATION AND CONSOLIDATION. AS RADICAL AS THAT SOUNDS, MANY THINKERS FROM ACROSS THE POLITICAL SPECTRUM ALREADY FORESEE SOMETHING LIKE THIS HAPPENING IN DIFFERENT WAYS, INCLUDING STEPHEN MARCHE, DAVID REABOI, BARBARA WALTER, AND KURT SCHLICHTER, THOUGH LIKE ME NONE OF THEM ARE PARTICULARLY HAPPY ABOUT THE PROSPECT. MEANWHILE, IN THIS FICTIONAL SCENARIO, THE CCP IMPLEMENTS AN INTENSE DOMESTIC CRACK-DOWN ON THE OTHER SIDE OF THE WORLD TO MAINTAIN STABILITY, PREVENTING CHINESE PEOPLE FROM FREELY LEAVING THE DIGITAL YUAN NETWORK WITH THEIR PROPERTY, A RESULT WE REFER TO AS CHINESE CONTROL. AS AMERICA DESCENDS INTO ANARCHY, THE CCP POINTS TO THEIR FUNCTIONAL-BUT-HIGHLY-UNFREE SYSTEM AS THE ONLY ALTERNATIVE, AND EXPORTS A TURNKEY VERSION OF THEIR SURVEILLANCE STATE TO OTHER COUNTRIES AS THE NEXT VERSION OF BELT AND ROAD, AS A PIECE OF "INFRASTRUCTURE" THAT COMES COMPLETE WITH A SaaS SUBSCRIPTION TO CHINA'S ALL-SEEING AI EYE. IN THE NAME OF PUTTING A LID ON THE ANARCHY AND RESTORING "DEMOCRACY", THE US ESTABLISHMENT THEN SILENTLY COPIES CCP'S METHODOLOGY WITHOUT ADMITTING THEY'RE DOING SO, MUCH AS THEY CLONED CHINA'S LOCKDOWN AFTER LOUDLY DENOUNCING IT. SIMILARLY, AFTER SPENDING A DECADE PRETENDING TO DECRY "SURVEILLANCE CAPITALISM", THE US ESTABLISHMENT FORMALLY DEPUTIZES MANY BIG TECH COMPANIES AS OFFICIAL ARMS OF THE SURVEILLANCE STATE. HOWEVER, THE ESTABLISHMENT'S IMPLEMENTATION OF THIS DIGITAL LOCKDOWN IS AS TRAGICOMIC AS THE CCP'S VERSION IS TOTALITARIAN, AND IS POROUS ENOUGH TO PERMIT SERIOUS RESISTANCE. 4.1.2 STRONG FORM AND WEAK FORM MODELS OF THE FUTURE THIS IS THE WORLD WE COULD BE BARRELING TOWARDS. YOU DON'T HAVE TO BELIEVE IN IT TO FOUND A STARTUP SOCIETY, THOUGH. SO WHY TALK ABOUT IT AT ALL THEN? BECAUSE IN A HIGH VOLATILITY TIME, IT'S WORTH THINKING THROUGH MODELS OF HOW OUR FUTURE COULD BE VERY DIFFERENT FROM OUR PRESENT.^{6 6}FOR DIFFERENT VIEWS, YOU CAN RAY DALIO'S PRINCIPLES FOR THE CHANGING WORLD ORDER, BARBARA WALTER AND STEPHEN MARCHE'S WRITINGS ON A POSSIBLE SECOND AMERICAN CIVIL WAR, PETER ZEIHAN'S WORK, OR DAVID REABOI AND KURT SCHLICHTER. ALL OF THEM ALSO THINK THE CURRENT AGE WILL SOON BE GIVING WAY. OF THEM, I AGREE WITH DALIO ON ABOUT 70%, BUT HE'S A BIT MORE BULLISH ON CHINA THAN I AM AND DOESN'T TAKE BTC OR TECHNOLOGY INTO ACCOUNT AS A FACTOR. I AGREE WITH WALTER/MARCHE AND ZEIHAN ON PERHAPS ONLY 20- 30%, BUT IT'S WORTH READING THEM FOR THE US ESTABLISHMENT AND HETERODOX NEOCON VIEWS RESPECTIVELY.

4.1. THE POSSIBLE FUTURES 163 Think OF THE AMerican-Anarchy-vs-Chinese-Control SCenario AS A STRong Form Model OF HOW NYT, BTC, AND CCP COULD COLLIDE, WITH STartup SOcieties AND NETwork STates ARising OUT OF THAT ATom-smasher AS DELiberately CReated ALternatives TO WOkeness, MAXimalism, AND CHinese COMMunism. THE WEAK FORM MODEL IS THAT THINGS DON't WORK OUT PREcisely THIS WAY (FEW THINGS DO!), BUT THAT THE GENERAL TREND IS CORRECT. THAT IS, IN THE FUTURE THE US ESTablishment DOES LOSE RELATIVE CONTROL, THE CCP DOES TRY TO EXert ABSOLUTE CONTROL, AND BLtcoin MAXimalists DO ADVocate FOR NO CONTROL. THE WAY OF LIFE PROpounded BY EACH OF THESE IDEological COMMUNITIES WILL GET EXTREME, BUT WILL ALSO BE ITSELF JUSTIFIED AS A REACTION TO THE OTHER TWO PERceived EXTREMES, AS DISCussed IN EXTREMES AND COUNTER-EXTREMES ARE UNDesirable. SO WE'LL STILL NEED TO BUILD SOCIETIES WITH CONsciously CHosen TRADEoFFs BETWEEN SUBmission, SYmpathy, AND SOVereignty, INSTEAD OF UNConsciously CAPitulating TO EITHER AN EXTREME OR COUNTER-EXTREME. AND THAT AGAIN LEADS US TO STARTUP SOCIETIES AND NETwork STATES. SO, USING THE STRong-form SCenario AS A BASE, WE DISCUSS A NUMBER OF VICTORY CONDITIONS AND SURPRISE ENDINGS FOR DIFFerent FACTIONS. WE ALSO GIVE A BIT MORE DETAIL ON THE DESIRED OUTCOME, THE TRAJECTORY WE WANT TO SHOOT FOR: A RECENTRALIZED CENTER OF HIGH-TRUST SOCIETIES. 4.1.3 BUILDING THE FUTURE RATHER THAN DEFAULTING INTO IT OUR GOAL IN THINKING ALL THIS THROUGH IS NOT PESSIMISTIC BUT PRAGMATIC: TO CHANGE WHAT WE CAN CHANGE, BY SETTING UP A FOURTH POLE AS AN ALTERNATIVE TO THE FAILING US ESTablishment, TO MAXimalist CRYPTO-anarchy, AND TO THE CENTRALIZED SURVEILLANCE STATE OF THE CCP. WE CALL THE RAW MATERIAL FOR THIS FOURTH POLE THE INTERNATIONAL INTERMEDIATE. IT INCLUDES AMERICAN CENTrists, CHinese LIBerals, INdians, ISraelis, WEB3 TEchnologists, AND ESsentially EVERYONE FROM AROUND THE WORLD THAT WANTS TO AVOID BOTH THE AMERICAN AND CHINESE WHIRLPOOLS. AT FIRST BLUSH, THIS GROUP REPRESENTS ~80% OF THE WORLD POPULATION AND HAS LITTLE IN COMMON SAVE THEIR DISINCLINATION TOWARDS BOTH ANARCHY AND TYRANNY. BUT A SUBSET OF THEM WILL BE SMART ENOUGH TO REALIZE THAT EXIT IS A STOPGAP, NOT A SOLUTION. PEOPLE TEND TO IMITATE WHAT THEY SEE, AND IF AMERICAN ANARCHY AND CHINESE CONTROL ARE THE MOST PROMINENT GAMES IN TOWN THEY WILL EVENTUALLY BE IMITATED. SO ISOLATIONISM IS OFF THE TABLE. YET SO IS DIRECT INTERVENTION, AS BOTH THE AMERICAN AND CHINESE THEATERS WILL SNARL AGAINST ANY OUTSIDE INTERFERENCE. THE ANSWER THEN IS INNOVATION RATHER THAN ISOLATIONISM OR INTERVENTIONISM. A SUBSET I AGREE WITH REABOI AND SCHLICHTER THAT CONFLICT WILL ARISE, BUT THINK THE FORM OF THAT STRUGGLE WILL BE DRIVEN BY INTERNATIONAL AND TECHNOLOGICAL FACTORS TO A MUCH GREATER EXTENT THAN MOST US CONservatives CURRENTLY APPRECIATE, BECAUSE THE AMERICAN THEATER IS BECOMING THE ACTED-UPON, AND NOT SIMPLY THE GLOBAL ACTOR.

4 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION OF THE International Intermediate Needs TO BUILD
Something BETTER THAN BOTH AMERICAN ANarchy AND CHinese Control, A CONcrete IMPROVEMENT OVER THE PROp
aganda, COercion, SURveillance, AND CON■ict THAT MAY SOON CHaracterize THE TWO Pillars OF THE GLobal
ECon- OMy. IN OTHER WORDS, THE REST OF THE WORLD WILL NEED TO LEAD. THEY CAN'T HOPE FOR THE US ESTa
blishment OR CCP TO FIGURE IT OUT. AND THAT'S THE REcentralized CENTER: A CIRCLE OF STARTUP SOCIETIE
S AND NETWORK STATES BUILT BY PRagmatic FOUNDERS, A GROUP OF HIGH-trust COMMUNITIES ARCHITECTED AS I
NTENTIONAL ALternatives TO FAILED STATES AND SURveillance STATES ALike. 4.2 SOCIOPOLITICAL AXES OLD
MENTAL MODELS FOR UNDERSTANDING THE WORLD ARE QUICKLY GOING OUT OF DATE. NOT ONLY ARE THINGS CHANGING
G FASTER, THINGS ARE CHANGING FASTER ON NEW DIMENSIONS. NEW SOCIOPOLITICAL AXES ARE EMERGING. SEEING
THE WORLD THROUGH OLD LENSES RISKS BEING CAUGHT BLINDSIDED BY THE POLITICAL EQUIVALENT OF A RUNAWAY
TRUCK. PEOPLE WHO THOUGHT THE FINANCIAL CRISIS OF 2008 WAS UNTHINKABLE JUST WEREN'T LOOKING AT THE
RIGHT GRAPHS. MICHAEL BURRY WAS, THOUGH. IN THE SAME SPIRIT, WHAT ARE SOME NEW GRAPHS WE COULD LOOK
AT, NEW THEMES FOR CON■ict AND COOPERATION, NEW SOCIOPOLITICAL AXES THAT ARE UNDERESTIMATED? THAT'S
WHAT THIS SECTION IS ABOUT. 4.2.1 INTERNATIONAL INDIANS I AM MODERATELY BULLISH ON INDIA, BUT EXTREM
ELY BULLISH ON INDIANS. WHY? WELL, FIRST LET'S TALK ABOUT INDIA THE COUNTRY. IF YOU'RE IN THE WEST,
HAVEN'T BEEN PAYING ATTENTION TO INDIA, AND THINK IT'S STILL JUST AN UNINTERESTING "THIRD WORLD COUN
TRY," YOU CAN BE FORGIVEN FOR THAT. BUT TAKE A LOOK AT THE FOLLOWING LINKS TO ORIENT: • HERE IS A VI
SUAL COMPARISON OF PARTS OF LOS ANGELES VS INDIA. • HERE'S A GRAPH SHOWING HUNDREDS OF MILLIONS OF I
NDIANS GETTING CHEAP MOBILE INTERNET SERVICE OVER THE LAST FIVE FEW YEARS • HERE'S AN AMAZING ECONOM
IC SURVEY OF INDIA SHOWING GROWTH OVER THE LAST DECADE • HERE'S A CHART SHOWING INDIA IS NOW #3 IN T
ECH UNICORNS AFTER THE US AND CHINA. • HERE'S A POST THAT DISCUSSES THE OVERALL PICTURE: THE INTERNE
T COUNTRY PUTTING THAT ALL TOGETHER, THERE ARE NOW SIGNI■CANT CHUNKS OF THE "ASCENDING WORLD" WHICH
ARE CLEANER AND BETTER MAINTAINED THAN THE "DESCENDING WORLD" ENVIRONMENTS OF LOS ANGELES AND SAN FR
ANCISCO. THAT DOESN'T MEAN THE CURVES ARE THE SAME — JUST THAT THEY OVERLAP IN A WAY THAT WOULD HAVE
BEEN UNTHINKABLE A FEW DECADES AGO.

4.2. SOCIOPOLITICAL AXES 165

Next, Let's Talk About The Indian Diaspora. There Are About Five Million People Of Indian Ancestry In The US, UK, Canada, And Australia, And A Fair Bit More If We Include The Full South Asian Diaspora. They Have Done Quite Well Over The Last Few Decades. While The First Generation Came Over With Portable Technical Skills In Medicine And Engineering, The Second Generation Within The West Speaks English Without An Accent And With Full Cultural Fluency - Resulting In Many Indians In Law, Filmmaking, And Media. Some Have Even Ascended To The Commanding Heights Of Politics And Technology, Like Kamala Harris, Sundar Pichai, And Satya Nadella. That Sets Up An Interesting State-plus-Network Dynamic. Using Our Terminology, The Indian State May Take One Step Back For Every Two Steps Forward, Even Though It's Been Moving Forward As Of Late. But The Network Of The Global Indian Diaspora Is Just On An Exponential Rise. Indeed, I Think The 2020s Will Be For The Indian Network What The 2010s Were For The Chinese State - Somewhat Ignored At The Beginning Of The Decade, But An Important Global Force By The End Of It. Recall That "China Had Its First Unicorn In 2010, And It Took Five Years For It To Get To Five Unicorns; The Year After That, It Had Twenty. Ecosystems Develop Very Slowly, And Then All At Once." Please Don't Think Of This As Indian Triumphalism At All - I Actually Find It Surprising! It's Just Recognition Of An Unexpected New Player Entering The Arena That Many Still Underappreciate. For Further Context, You Might Read A New Idea Of India Or Our Time Has Come.

4.2.2 Transhumanism Versus Anarcho-Primitivism

An Important Emerging Political Axis Is Transhumanism Versus Anarcho-primitivism. Briefly, Transhumanists Think Technology Is Good, And Want To Use Technology To Change Humanity In Fundamental Ways. Conversely, Anarcho-primitivists Think Technology Is Bad, And Want To Return To The Wild, De-industrialize, And Abandon Technology. They Think Of Humans As Pollution On This Great Earth. There Are Right And Left Varieties Of Each, Though They Overlap. Left Transhumanists Like Klaus Schwab Of The World Economic Forum To Some Extent Give Rise To Right Anarcho-Primitivists, And Vice Versa. Basically, Left Transhumanists Make Changes To The Human Body That Rightists Find Aesthetically Unappealing. Conversely, Right Transhumanists Advocate Improvements To The Human Body That Left Anarcho-primitivists Find Terrifying. It Works In Reverse As Well. Some Anarcho-primitivists Advocate A Back-to-the-land Kind Of Traditional Masculinity That Some Transhumanists Find Constraining. And Some Anarcho-primitivists Want A Unabomber-like End To Industrial Civilization Which Would (Among Other Things!) Destroy The Supply Chains Needed For The Life Extension Sought By Transhumanists.

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION 4.2.3 THE IDENTITY STACK AN ISSUE THAT CONFUSED I
FOR A WHILE IS WHY CRITICISM OF SAN FRANCISCO SEEMED TO ANGER SOME PEOPLE IRRATIONALLY. COULDN'T THEY
ALSO SEE THAT PRICES AND FEES WERE BOTH UP AND TO THE RIGHT AT THE SAME TIME? EVENTUALLY WHAT I
REALIZED IS THAT EVERYONE IS PATRIOTIC ABOUT SOMETHING, AND THOSE PEOPLE WERE PATRIOTIC ABOUT THEIR
CITY, WHILE OTHERS WERE PATRIOTIC ABOUT THEIR COUNTRIES, COMPANIES, OR EVEN THEIR CRYPTOCURRENCIES.
TO ELABORATE ON THIS POINT, FOR SOMEONE WHO IDENTIFIES THEMSELVES AS A SAN FRANCISCAN, CRITICISM OF T
HE CITY IS TAKEN PERSONALLY, BECAUSE THAT ISN'T A SWAPPABLE PIECE OF THEIR LIFE. THEIR COMPANY? THAT
'S JUST A JOB, IT'S REPLACEABLE, WHAT THEY REALLY CARE ABOUT IS THE GOLDEN GATE BRIDGE, THE PRESIDIO
, THE 49ERS - A SORT OF ROMANTIC IDENTIFICATION WITH THE CITY ITSELF, AND MANY OF THE PEOPLE THAT LIV
E THERE. OTHERS AFFILIATE WITH THEIR NATIONAL IDENTITY FIRST, ABOVE THEIR CITY IDENTITY - THEY'LL MO
VE BETWEEN MILITARY BASES AT THE DROP OF A HAT, WHICH ARE INTERCHANGEABLE, BUT THEY ARE WILLING TO K
ILL AND DIE FOR THE FLAG WITH WHICH THEY IDENTIFY. OR THEY MIGHT BE "BASED" OUT OF SEATTLE FOR A TIM
E, SIGNIFYING THAT THEIR LOCATION IS IMMATERIAL, WHILE SIGNALING THEIR DEEP LOVE FOR DEMOCRACY ONLIN
E, AN IDENTITY THAT IS NON-NEGOTIABLE. STILL OTHERS ARE PATRIOTIC ABOUT THEIR COMPANIES, THOSE THING
S THEY'VE FOUNDED AND FUNDED, BREATHED LIFE INTO, THOSE ENTITIES THAT TOOK ALL THEIR CAPITAL AND INT
ELLECT TO BUILD, WHICH ARE ALWAYS FAR MORE FRAGILE THAN THEY LOOK FROM THE OUTSIDE, AND WHICH SOME C
ALLOUS OUTSIDER COULD BREAK FOR LIKES WITH A FEW MORALE-DRAINING TWEETS. AND YET OTHERS CHARACTERIZE
THEMSELVES BY THEIR CRYPTOCURRENCIES, THINKING OF THEMSELVES FIRST AND FOREMOST AS BITCOINERS OR
ETHEREANS. THESE FOLKS ARE OFTEN DIGITAL NOMADS, INDIFFERENT AS TO WHETHER THEY SEE THE SUNSET IN SAN
FRANCISCO OR SINGAPORE, OR WHAT CRYPTO EXCHANGE LIVES OR DIES, SO LONG AS THEY CAN CHECK IN WITH TH
EIR COMMUNITY OF HOLDERS EACH DAY. IN EACH CASE, THERE'S TYPICALLY A LARGE ECONOMIC, SOCIAL, OR POLI
TICAL STAKE IN THE THING PEOPLE ARE IDENTIFYING WITH. THE CITY PATRIOT MAY BE A HOMEOWNER OR OTHERWI
SE INVESTED IN CITY GOVERNANCE. THE COUNTRY PATRIOT MAY HAVE SIGNED A MILITARY CONTRACT. THE COMPANY
PATRIOT MAY BE A FOUNDER OR EARLY EMPLOYEE WITH A SIGNIFICANT EQUITY STAKE. AND THE CRYPTOCURRENCY P
ATRIOT IS OFTEN A SIZEABLE HOLDER OF COINS. NOW, NOT ALL THINGS ARE LIKE THIS; PEOPLE CAN BE RIGHT-H
ANDED WITHOUT IDENTIFYING THEMSELVES AS RIGHT HANDERS, THEY CAN DO SOMETHING WITHOUT BEING SOMETHI
NG. SO TOP-LEVEL IDENTITY, PRIMARY IDENTITY - THAT'S PRECIOUS, IT'S RARE, IT'S THE IDENTITY THAT SUP
ERSEDES ALL OTHERS. PEOPLE MIGHT USE SEVEN DAILY APPS BUT THEY HAVE EVEN FEWER PRIMARY IDENTITIES -
USUALLY ONLY ONE. PRIMARY IDENTITIES NEED NOT JUST BE ABOUT CITY, COUNTRY, COMPANY, OR CRYPTOCURRENC
Y. THEY CAN BE RELATED TO RELIGION, ETHNICITY, OR PROFESSIONS LIKE "JOURNALIST" AND "PROFESSOR". THE
RE'S A HUGE UP-FRONT SACRIFICE REQUIRED TO BECOME A TENURED PROFESSOR, OR TO PUBLICLY CONVERT TO A NE
W RELIGION, AND FOR THIS REASON SUCH PRIMARY IDENTITIES OFTEN MAKE IT TO THE FORE OF SOMEONE'S TWITT
ER BLOG.

4.3. TECHNOECONOMIC AXES 167 EXample: TWitter Blos HEre's A CONcrete EXample OF THE IDentity STACK, With THree TWitter Blos: • JIm: #HereWeGo #SteelerNation — ALI THings PA — FATHER — HUSband — #Chris tian — #ArmyVet • BIlly: IMmutable MOneY, IN■nite FRontier, ETernal LIfe. #Bitcoin • BOB: ARmy RETir ed, ANti-terrorist ASSistance PRogram, HUSband, FATHER, GRandfa- THER, IRAq VET, EDucator, BUt MOST IMportantly AN AMERICAN! AGain, EVerybody IS PAtriotic ABout SOMething. JIm LOves HIs Clty; BIlly IS PAtriotic ABout TEchnology AND TRanshumanism; BOB WOuld FIGHT FOR THE AMERICAN FLAg. THE COLlection OF ALI THAT DE■nes SOMEone, IN RANk ORder, IS THEIR IDentity STACK. THE TOP OF THE IDentity STACK I S THE PRImary IDentity: THE Plttsburgh STEelers FOR JIm, Bltcoin FOR BIlly, AND AMerica FOR BOB. AND , AS NOTed, PRImary IDentity IS PREcious. IT's THE IDentity THAT SUPersedes ALI OTHERs. TO BUild ANY thing GREat – A COMPANY, A CURRENCY, A CIVILIZATION – AN AFFILIATION MUST BEAT OUT THE REST OF THE IDentity STACK TO BECOME SOMEone's PRImary IDentity. THAT's A Hlgh BAR TO MEet. 4.3 TECHNOECONOMIC AX es 4.3.1 THE INTERNET INCREASES VARIANCE THE INTERNET INCREASES VARIANCE. Dlgitization ALLows Situat ions TO BE TAKen TO THEIR LOGical CONclusion, INSTantly, EVEN WHEN THAT Dlgital LOGic DOESN't QUite WORK IN PHYSICAL REALity. THIS MEANS THINGS CAN FLIp FROM ZERO TO ONE, Wlthout WARning. AN OVERNIGHT SUccess, TEN SECONDS IN THE MAKING. THE ONLY CERTainty IS RlSIng VOLatility.

8 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION First, The OBservation: Over The LAst 20 YEars, W
've GOne FRom 30 MInute Slitcoms TO 30 SEcond CLips AND 30 EPISODE NEt■ix BIngEs. FRom A STable 9-5 J
Ob TO A Glg EConomy TAsk OR A CRyptO WIndfall. FRom A STandard LIfE SCript TO 30 YEAr OLds LIVING WI
th THEIR PAREnts AND 20 YEAr OLd STArtup CEOs. THIS IS A VErY GEneral PHEnomenon. YOU SEe IT IN THE
DAShboard OF EVery INtErnet DIsruptor. Wlth UBER, FOR EXAmple, RELative TO THE TImE OF A STandard TA
xi RIde, Some UBER TRips ARE MUch LONGer AND OTHERs MUch SHorter. WHY IS THIS HAPPening? BECAUSE THE
INtErnet CONNectS PEople PEer-to-peer. IT DIsinter- MEDIates. IN DOing THIS IT REMoves THE MIddlema
n, THE MEDIator, THE MODerator, AND THE MEDIocrity. OF COURse, EACH OF THOSE WORDS HAS A DI■erent CO
nnotation. PEople ARE HAPPY TO SEe THE MIddleman AND MEDIocrity GO, BUT THEY DON't NEcessarily WANT
TO SEe THE MODerator AND MEDIator DIssappear. NEVertheless, AT LEAST AT FIRSt, WHEN THE INtErnet ENTe
rs AN AREna, ONCE THE NEtwork LEviathan REars ITS HEAd, THIS IS WHAT HAPPens. NODEs THAT HAD NEVer ME
t BEfore, COULD NEVer HAVE MEt BEfore, NOW CONNect PEer-to-peer. THEY CAN FORM SOMething TERRIBLE LI
ke A TWitter MOB, OR THEY CAN FORM SOMething AMazing LIke ETH REsearch. YOU GET EXtreme DOWnside AN
d EXtreme UPSide.⁷ ONE ANALogy IS TO A CENTrifuge. IF YOU TAKE A SAMPLE OF BIOlogical FLUID FROM YOU
r BODY AND CENTrifuge IT, YOU'll SEe A BUnch OF LAYers THAT WERE PREviously MIXed TOgether. THEN THE
y ALL GET SEparated OUT. THAT'S WHAT THE INtErnet IS DOing TO SOCIety, TO INStitutions. IT'S JUSt CE
ntrifuging IT INTO ITS CONStituent PARTs, WHETHER THAT BE ALBums SEparated INTO SONGs OR NEWspapers
DISaggregated INTO ARTicles. THAT'S THE UNbundling. THEN COMES THE REbundling. THE SONGs GET GROUped
INTO PLYlists, THE ARTicles GROUped INTO TWitter FEeds. THIS STEP TOO IS PRO■able; IT'S NOT THE S
AME AS WHAT CAME BEFORE, IT'S A V3, IT'S A FLEXible BUNDLE. IT'S THE HELical THEORY OF HIStory, WHER
E FROM ONE STANDpoint WE've COME FULL CIRCLE ("rebundling INTO AN ALbum- LIKE PLYlist") BUT FROM AN
OTHER AXIS WE've MADE AMazing PROgress ("anyone CAN PLY ANY INDIVIDUAL SONG AND CREate WHatever PLY
list THEY WANT"). WITH THAT SAID, THAT REbundling IS STILL Higher VARIance THAN THE PRE-internet BU
ndles THAT PREceded THEM. THERE ARE MILLions MORE PLYlists THAN ALBums, MILLions MORE TWitter FEeds
THAN NEWspapers. BLUEAnon, QAnon, SAToshiAnon AS THE INtErnet INCreases VARIance, WE SEe MORE UPSide
AND MORE DOWnside IN EVERYthing. TECHNOlogists FOCUS ON THE UPSide, BECAUSE THE GAIN FROM THE WINS
(LIKE SEarch ENgines, SMARTphones, SOCIAL NEtworks, AND ARTi■cial INtelligence) SHOULD COMPOUND WHI
LE THE LOSSES SHOULD BE ONE-o■s. THAT IS, ONCE YOU FIND A WINning FORMula, OR A REbundling, YOU 7ANO
ther EXAmple IS BItcoin. IT'S THE UNIX OF MONEY. YOU CAN SEND MILLions WITH A KEystroke OR RM YOUR E
NTIRE FORTune. THAT'S MORE UPSide AND MORE DOWnside, BY MAKING PEople POWER USers, AND TAKING AWAY T
HE SYStem ADMinistrator.

4.3. TECHNOECONOMIC AXES 169 CAN CHEAPLY SCALE IT ACROSS THE REST OF THE NETWORK RELATIVELY QUICKLY. SO, THIS PROBABLY SHOULD LEAD TO MORE NET UPSIDE OVER TIME, JUST LIKE EVERY PAST TECHNOLOGICAL REVOLUTION HAS. I THINK WE'RE ALREADY WAY IN THE BLACK WITH THE INTERNET (ALMOST EVERY PLACE OF INFORMATION EVER IN BILLIONS OF PEOPLE'S HANDS FOR FREE AT ANY TIME, FOR STARTERS), BUT IT DEPENDS ON YOUR METRIC. CONVERSELY, THE ESTABLISHMENT CAN ONLY SEE THE DOWNSIDE OUTCOMES. THAT IS, THE BLUE ANONS CAN ONLY SEE THE Q ANONS WHO ARE WORSE THAN MEDIAN, NOT THE SATOSHI- ANONS WHO ARE FAR BETTER THAN MEDIAN. IT'S A BIT LIKE PAUL GRAHAM'S CONCEPT OF THE BLUB PROGRAMMER. JUST LIKE THE BLUB PROGRAMMER CAN LOOK DOWN TO SEE INCOMPETENCE, BUT CAN'T LOOK UP TO SEE BRILLIANCE, THE ESTABLISHMENTARIAN CAN'T COMPREHEND THE UPWARDS DEVIATIONS OF THE INTERNET. THEY THINK IT'S JUST WEIRD. JUST LIKE HOLLYWOOD ONCE COMPARED NETFLIX TO THE ALBANIAN ARMY, THE US ESTABLISHMENT DOESN'T YET UNDERSTAND HOW MUCH BETTER SATOSHI NAKAMOTO OR VITALIK BUTERIN IS THAN EVERY APPARATCHIK THEY HAVE IN THE FEDERAL RESERVE SYSTEM. AND THEY DON'T UNDERSTAND THAT UPWARD DEVIATION IS CREATING A MORE COMPETENT GROUP OF GLOBAL LEADERS THAN THE AMERICAN ESTABLISHMENT, A MORE MERITOCRATICALLY SELECTED GROUP THAN THE NEPOTISTS OF THE EAST COAST. JUST AS IT ALLOWED SATOSHI TO RISE. SOCIAL MEDIA IS AMERICAN GLASNOST, CRYPTOCURRENCY IS AMERICAN PERESTROIKA. THERE ARE TWO PARTICULAR WAYS THAT THE INTERNET INCREASES VARIANCE WORTH NOTING: SOCIAL MEDIA AND DIGITAL CURRENCY. • SOCIAL MEDIA INCREASES SOCIAL VOLATILITY. YOU CAN GO VIRAL OR GET CANCELED, EXPERIENCING LARGE OVERNIGHT GAINS OR LOSSES IN STATUS. • DIGITAL CURRENCY INCREASES FINANCIAL VOLATILITY. YOU CAN GO TO THE MOON OR "GET REKT," EXPERIENCING LARGE OVERNIGHT GAINS OR LOSSES IN FINANCIAL STATUS. THERE'S A PARALLEL IN HISTORY FOR THIS: GLASNOST AND PERESTROIKA. MIKHAIL GORBACHEV, THE LAST SOVIET LEADER, THOUGHT HE COULD REFORM SOVIET SOCIETY BY ALLOWING MORE FREE SPEECH (VIA GLASNOST) AND FREE MARKETS (VIA PERESTROIKA). HE DIDN'T QUITE UNDERSTAND WHAT HE WAS IN FOR. THE RESULTANT INSTABILITY HELPED BRING DOWN THE SOVIET UNION. SIMILARLY, SOCIAL MEDIA IS LIKE AMERICAN GLASNOST AND CRYPTOCURRENCY IS AMERICAN PERESTROIKA. JUST AS GORBACHEV UNLEASHED FREE SPEECH AND FREE MARKET REFORMS BECAUSE HE BELIEVED COMMUNISM COULD BE REFORMED, THE US ESTABLISHMENT ACTUALLY BOUGHT THEIR OWN NARRATIVE IN THE 1990S AND 2000S ABOUT THEIR OSTENSIBLY FREE AND DEMOCRATIC SOCIETY. ONLY NOW ARE THEY REALIZING THAT THE MANY SPEECH AND THOUGHT CONTROLS THAT THEIR PREDECESSORS HAD SET UP AND HIDDEN IN PLAIN SIGHT - LIKE STRINGENT REGULATIONS AND HIGH FINANCIAL STATUS (MONEY) IS MORE MEASURABLE THAN SOCIAL STATUS, BECAUSE YOUR BANK ACCOUNT BALANCE IS OBJECTIVELY MEASURABLE. BUT SOCIAL STATUS HAS BECOME FAIRLY MEASURABLE TOO, VIA LIKES, RETWEETS, FOLLOWERS, REPLIES, AND BACKLINKS.

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION Capital Requirements For Broadcast Content Production - Was Actually The Key To Their Continued Power. Now That It's Clear That The Internet Is To The USA What The USA Was To The USSR, That It's Truly Free Speech And Free Markets, They Are Trying To Amp Down The American Spring They've Unleashed, But It May Be Too Late. Obama Was In A Sense Arguably America's Gorbachev, As He Allowed Technology To Grow Mostly Unimpeded From 2008- 2016, To Billions Of Users, Without Fully Realizing What Would Ensnare. The 100-Year Information Tsunami Few Institutions That Predated The Internet Will Survive The Internet. Why? Because The Internet Increases Variance, It Causes Huge Surges Of Digital Pressure On Older Institutions That Just Weren't Built For It. They Can't Handle The Peak Levels Of Social And Financial Stress That The Internet Can Unleash. They're Like Seaside Towns That Weren't Built For A Thousand Year Flood. Michael Solana's Post Jump Is Quite Good On This Topic. Indeed, This Is A Good Analogy, Because One Of The Ways To Think About The Internet Is As A Carrier Of Massive Information Waves. Most Normal Waves Propagate In Physical Space — The Standard Partial Differential Equations (PDEs) Are 1-, 2-, OR 3-dimensional (E.g. Longitudinal Waves Like A Slinky, Transverse Like Electromagnetic Waves, OR Earthquake- Style Spherical Waves) But These Information Waves Propagate On Highly Dynamic Social Networks Where The Topology Of Connection & Disconnection Changes Quite A Bit. 4.3.2 Naturally Physical To Natively Digital The Digital Is Primary And The Physical Is Now Secondary. Three Phase Transition The Digital Transition Happens In Three Phases: There's The Physical Version, The Inter-Mediate Form, And Then The Internet-native Version. If You're Into Electrical Engineering, You Can Think Of This As Analog, TO Analog/digital, TO Natively Digital. • One Example Is The Transition From A Piece Of Paper, TO A Scanner Which Scans That File Into A Digital Version, TO A Natively Digital Text File Which Begins Life On The Computer And Is Only Printed Out When It Needs To Be. • Another Example Is The Transition From Face-to-face Meetings, TO Zoom Video (Which Is A Scanner Of Faces), TO Natively Digital VR Meetings. • Yet Another Example: Physical Cash, TO Something Like PayPal OR Fintech (Which Is Just A Scan Of The Pre-existing Banking System), TO The Truly Native Digital Version Of Money: Cryptocurrency. You Might Still Be Able To Visualize It If You Embed The Underlying Graph Into A Manifold Of Some Kind And Then Think Of The Wave As Propagating On That.

TECHNOECONOMIC AXES 171 ONCE YOU SEE THIS PATTERN YOU CAN SEE IT EVERYWHERE, AND YOU CAN LOOK FOR THOSE SPACES WHERE WE'RE STILL STUCK AT THE V2, AT THE SCANNED VERSION, WHERE WE'VE TAKEN THE OFFLINE EXPERIENCE AND PUT IT ONLINE, BUT NOT FUNDAMENTALLY INNOVATED. TRULY DIGITAL NEWS: DASHBOARDS, ON-CHAIN EVENT FEEDS NEWSPAPERS ARE ACTUALLY ONLY PARTIALLY DIGITIZED. IN 1996, THE PRIMARY VERSION OF THE NEW YORK TIMES WAS THE PHYSICAL PAPER AND THE MIRROR WAS THE WEBSITE. THEN, GRADUALLY, MORE AND MORE WEIGHT GOT SHIFTED TO THE DIGITAL VERSION. NOW IT CAN FAIRLY BE SAID THAT THE PHYSICAL PAPER IS JUST A PRINTOUT OF THE WEBSITE, A SNAPSHOT AT A PARTICULAR TIME. AND THERE ARE ONLINE-ONLY FEATURES LIKE INTERACTIVE GRAPHICS THAT ARE IMPOSSIBLE TO REPLICATE IN THE PHYSICAL PAPER. MOST IMPORTANTLY, THE COMMENTS SECTION IS REALLY SOCIAL MEDIA, PARTICULARLY TWITTER, WHERE ALL THE REPORTERS ARE LOCATED. BUT THIS IS STILL REALLY JUST A NEWSPAPER, PUT ONLINE. MOST OF IT CAN BE PRINTED OUT. WHAT'S THE NEXT STEP IN THIS EVOLUTION? WHAT DOES NATIVELY DIGITAL NEWS LOOK LIKE? THERE ARE AT LEAST TWO CONCEPTS OF INTEREST HERE: MORNING DASHBOARDS REPLACING THE MORNING NEWSPAPER, AND CRYPTOGRAPHICALLY VERIFIABLE EVENT FEEDS REPLACING TWEETS OF UNVERIFIABLE CONTENT. DASHBOARDS > NEWSPAPERS. IF YOU ARE IN TECH, THE FIRST THING YOU LOOK AT EACH DAY MAY BE A PERSONAL OR COMPANY DASHBOARD, LIKE YOUR FLIGHT BIT OR YOUR SALES. THIS IS GOOD. THE FIRST THING YOU LOOK AT EACH DAY SHOULDN'T BE RANDOM STORIES SOMEONE ELSE PICKED. SHOULD BE CAREFULLY SELECTED METRICS YOU WANT TO IMPROVE. THIS IS A GOOD VECTOR OF ATTACK TO DEFINITIONALLY DISRUPT NEWSPAPERS. IF WE THINK ABOUT IT FROM CLAYTON CHRISTENSEN'S "JOBS TO BE DONE" PERSPECTIVE, NEWS-PAPERS HAVE THIS INCREDIBLE PRIDE-OF-PLACE — FIRST THING YOU LOOK AT IN THE MORNING! — BUT TYPICALLY DO NOT ADD ENOUGH VALUE TO DESERVE THAT POSITION. ON-CHAIN EVENT FEEDS > TWITTER > NEWSPAPERS. ONE KEY OBSERVATION IS THAT JUST AS MANY SPORTS ARTICLES ARE DIGEST OF BOX SCORES, AND MANY FINANCIAL ARTICLES ARE SUMMARIES OF THE DAY'S STOCK ACTION, SO TOO ARE MANY POLITICAL AND TECH ARTICLES MERELY WRAPPERS AROUND TWEETS. BECAUSE NEWS BREAKS ON TWITTER. SO, EVENTUALLY, THE NEXT KIND OF NEWSPAPER WILL LOOK SOMETHING LIKE A CRYPTOGRAPHICALLY VERIFIED VERSION OF TWITTER. THE FIRST DRAFT OF HISTORY WILL BE THE RAW ON-CHAIN EVENT FEED, WRITTEN DIRECTLY TO THE LEDGER OF RECORD BY BILLIONS OF WRITERS AND SENSORS AROUND THE WORLD. IN OTHER WORDS, TRULY DIGITAL NEWSPAPERS WILL BE ON-CHAIN EVENT FEEDS. DIGITALLY SIGNED CRYPTO ORACLES, NOT CORPORATIONS. REMOTE WORK TO REMOTE LIFE MY FRIEND DANIEL GROSS REMARKED THAT 2020 WILL BE SEEN BY FUTURE HISTORIANS AS THE YEAR WHEN THE INTERNET AGE TRULY BEGAN.

2 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION THE LASTING IMPACT OF COVID-19 IS THAT IT FLIPPED THE WORLD FROM PHYSICAL TO DIGITAL FIRST. BECAUSE THE INTERNET IN 2000 OR 2010 COULDN'T BEAR THE LOAD OF THE ENTIRE PHYSICAL WORLD. BUT BY 2020, IT KIND OF COULD. NOW IT'S NOT JUST ABOUT REMOTE WORK, BUT REMOTE LIFE. DURING THE PANDEMIC, EVERY SECTOR THAT HAD PREVIOUSLY BEEN SOCIALLY RESISTANT TO THE INTERNET (HEALTHCARE, EDUCATION, LAW, FINANCE, GOVERNMENT ITSELF) CAPITULATED. THOSE ASPECTS OF SOCIETY THAT HAD BEEN VERY GRADUALLY CHANGING WITH TECHNOLOGY SHIFTED OVERNIGHT. FOR EXAMPLE, THE CONVENTION OF POLITENESS SHIFTED: NOW IT WAS RUDE TO ASK FOR AN IN-PERSON BUSINESS MEETING, AS YOU'D DO IT REMOTE IF AT ALL POSSIBLE. WITH VACCINATION, MANY OF THESE THINGS HAVE FLIPPED BACK, BUT THEY WON'T COME BACK ALL THE WAY. DIGITIZATION WAS PERMANENTLY ACCELERATED. IT USED TO BE THAT THE PHYSICAL WORLD WAS PRIMARY, AND THE INTERNET WAS THE MIRROR. NOW THAT HAS FLIPPED. THE DIGITAL WORLD IS PRIMARY AND THE PHYSICAL WORLD IS JUST THE MIRROR. WE'RE STILL PHYSICAL BEINGS, OF COURSE. BUT IMPORTANT EVENTS HAPPEN ON THE INTERNET FIRST AND THEN MATERIALIZE IN THE PHYSICAL WORLD LATER, IF EVER. FROM PRINTING TO MATERIALIZING ALL VALUE EVENTUALLY BECOMES DIGITAL, BECAUSE WE ARE GENERALIZING THE CONCEPT OF "PRINTING" FROM INKING A PIECE OF PAPER TO ACTUALLY MATERIALIZING DIGITAL THINGS IN THE PHYSICAL WORLD. THIS IS COUNTERINTUITIVE, AND YOU'LL HAVE OBJECTIONS. BUT LET'S GET THERE IN A FEW STEPS.

1. MUCH VALUE CREATION IS ALREADY DIGITAL. IF YOU'RE READING THIS, YOU'RE PROBABLY AN INFORMATION WORKER. YOU MAY NOT HAVE THOUGHT ABOUT IT THIS WAY, BUT THE MAJORITY OF YOUR WAKING HOURS ARE PROBABLY SPENT IN FRONT OF ONE SCREEN OR ANOTHER — A LAPTOP FOR WORK, A PHONE ON THE GO, A TABLET FOR READING, AND SO ON. SO, MOST OF YOUR LIFE IS ALREADY SPENT IN THE MATRIX, IN A SENSE, EVEN BEFORE THE ADVENT OF WIDESPREAD AR/VR. SHORT OF A PULLBACK TO AN AMISH OR ANDAMAN ISLANDER EXISTENCE, MOST OF YOUR LIFE IS AND WILL BE DIGITALLY INFLUENCED IN SOME FORM. MOREOVER, MUCH OF THE VALUE IN THE PHYSICAL WORLD COMES FROM BLUEPRINTS CREATED ON A COMPUTER IN SOME FORM; EG, THE IPHONES MANUFACTURED IN SHENZHEN GAIN MUCH OF THEIR VALUE FROM THE DESIGNERS IN CALIFORNIA. SO, A GOOD FRACTION OF VALUE CREATION IS LARGELY DIGITAL.
2. MORE VALUE CREATION IS BECOMING DIGITAL. READ PACKY MCCORMICK'S ARTICLE ON "THE GREAT ONLINE GAME," AND THINK ABOUT EVERY INFORMATION WORKER ESSENTIALLY PRESSING BUTTONS TO EARN CRYPTOCURRENCY IN A GLANT GLOBALIZED INTERNET ECONOMY. THAT'S WHAT 2030 OR 2035 IS ON TRACK TO LOOK LIKE.
3. MUCH SPENDING IS ALREADY DIGITAL. THINK ABOUT WHAT FRACTION OF YOUR SPENDING ALREADY GOES TO DIGITAL GOODS LIKE BOOKS, MUSIC, SOFTWARE-AS-A-SERVICE, AND THE LIKE. NOW THINK ABOUT WHAT FRACTION OF THE REMAINDER GOES THROUGH A DIGITAL INTERFACE OF SOME KIND, WHETHER THROUGH AN ECOMMERCE WEBSITE LIKE AMAZON OR A

4.3. TECHNOECONOMIC AXES 173 Point-of-sale Terminal Via Apple Pay. SO, IT's ALready FAirly UNcommon FOR PEople IN INdustrialized SOcieties TO DO A FULLY OFFLine PUrely PHysical TRansaction, WHICH MIght BE CONceptualized AS "Hand A FIVE DOLLar BILL OVER AT A FArmer's MArket FOR SEveral TOMatos." 4. MAny ACTIONS CAN BE ANalogized TO PRinting. NOW TAKE THIS ONE STEP FURther AND THINK ABOUT THE REMAINing OFFLine COmponents AS "Printing" SOMething OUT, THOUGH YOU CAN USE THE WORD "Materializing" IF IT SUITS. YOU HIT A BUTton ON AMazon AND A COMplicated MULTijurisdictional DELivery PROcess ENSues, RESULTING IN A BOX LANDING AT YOUR FRont DOor. YOU HIT A BUTton ON UBER AND A CAR ARrives. YOU HIT A BUTton ON DOordash AND FOOD ARrives. YOU HIT A BUTton TO RENT AN Airbnb, AND THEN ANother TO OPEN THESmart LOCK, AND THE DOor TO HOusing OPens. YOU CAN DO THE SAME FOR THE DOor TO YOUR COworking SPace OFFice, OR THE DOor TO YOUR ELEctric CAR. SO, MORE AND MORE OF THE GOODS PEople PRize IN THE PHYSical WORLD ARE IN A SENSE "Printed" OUT. 5. MAny PRinting ACTIONS CAN BE FULLY AUtomed. TODAY, THERE'S A HUman IN THE LOOP FOR THINGS LIKE FOOD DELIVERY. BUT AS ROBOTICS IMPROVES, THIS COULD IN THEORY BECOME A COMPLETELY ELECTROMECHANICAL PROCESS, JUST LIKE PRINTING. EVERY INDIVIDUAL STEP FROM THE FARM TO TABLE COULD BE AUTOMATED. AS THIS VISUAL SHOWS, THERE ARE ALREADY ROBOTS FOR EACH STEP: ROBOTS IN THE FERTILIZER FACTORIES, FOR HARVESTING, AND FOR LAST-MILE DELIVERY. AS AN EXERCISE, IT'D BE USEFUL TO A FULL STACK EXAMPLE WHERE SOMEONE "PRINTS" OUT AN APPLE AND IT'S FULLY ROBOTICALLY GROWN AND DELIVERED, EVEN IF IN PRACTICE YOU'D HAVE STOCKPILES OF APPLES RATHER THAN (SLOWLY!) GROWING THEM ON DEMAND. SO, IF YOU PUT ALL THAT TOGETHER, ALL VALUE IS DIGITAL. EVERYTHING STARTS ON THE COMPUTER, GENERATES CRYPTOCURRENCY, AND CAN BE USED EITHER TO BUY DIGITAL GOODS OR TO PAY ROBOTS TO MATERIALIZE THINGS IN THE PHYSICAL WORLD. HUMANS WILL STILL EXIST, OF COURSE, BUT THE ECONOMY WILL BECOME THE CRYPTOECONOMY. ALL VALUE GOES DIGITAL. 4.3.3 THE PRODUCTIVITY MYSTERY WHAT IS THE PRODUCTIVITY MYSTERY? WELL, WE REALLY SHOULD BE IN THE MIDDLE OF A GOLDEN AGE OF PRODUCTIVITY. WITHIN LIVING MEMORY, COMPUTERS DID NOT EXIST. PHOTOCOPIERS DID NOT EXIST. EVEN BACKSPACE DID NOT EXIST. YOU HAD TO TYPE IT ALL BY HAND. IT WASN'T THAT LONG AGO THAT YOU COULDN'T SEARCH ALL YOUR DOCUMENTS, SORT THEM, BACK THEM UP, LOOK THINGS UP, COPY/PASTE THINGS, EMAIL THINGS, CHANGE FONTS OF THINGS, OR UNDO THINGS. INSTEAD, YOU HAD TO TYPE IT ALL ON A TYPEWRITER! IF YOU'RE DOING INFORMATION WORK, RELATIVE TO YOUR ANCESTORS WHO WORKED WITH PAPYRUS, PAPER, OR TYPEWRITER, YOU ARE A GOLDEN GOD SURVIVING ON A SEA OF ELECTRONS. YOU CAN MAKE THINGS HAPPEN IN SECONDS THAT WOULD HAVE TAKEN THEM WEEKS, IF THEY COULD DO THEM AT ALL.

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION WE SHOULD ALSO BE FAR MORE PRODUCTIVE IN THE PHYSICAL WORLD. AFTER ALL, OUR PREDECESSORS BUILT RAILROADS, SKYSCRAPERS, AIRPLANES, AND AUTOMOBILES WITHOUT COMPUTERS OR THE INTERNET. AND BUILT THEM FAST. USING JUST TYPEWRITERS, SLIDE RULES, & SAFETY MARGINS. THIS IS A COROLLARY TO THE THIEL/COWEN/HALL CONCEPT OF THE GREAT STAGNATION. WHERE HAS ALL THAT EXTRA PRODUCTIVITY GONE? IT DOESN'T APPEAR MANIFEST IN THE PHYSICAL WORLD, FOR SURE, THOUGH YOU CAN ARGUE IT IS THERE IN THE INTERNET WORLD. THERE ARE A FEW POSSIBLE THESES. 1. THE GREAT DISTRACTION. ALL THE PRODUCTIVITY WE GAINED HAS BEEN FRITTERED AWAY ON EQUAL-AND-OPPOSITE DISTRACTIONS LIKE SOCIAL MEDIA AND GAMES. 2. THE GREAT DISSIPATION. THE PRODUCTIVITY HAS BEEN DISSIPATED ON THINGS LIKE FORMS, COMPLIANCE, AND PROCESS. 3. THE GREAT DIVERGENCE. THE PRODUCTIVITY IS HERE, IT'S JUST ONLY HARNESSSED BY THE INDISTRACTABLE FEW. THE FOUNDERS OF TECH UNICORNS, FOR EXAMPLE, MAY HAVE MORE ABILITY TO FOCUS ONLINE THAN MOST. 4. THE GREAT DILEMMA. THE PRODUCTIVITY HAS BEEN BURNED IN BIZARRE WAYS THAT REQUIRE LINE-BY-LINE "PROOFING" OF EVERYTHING, LIKE THIS TUNNEL STUDY. 5. THE GREAT DUMBNESS. THE PRODUCTIVITY IS HERE, BUT WE'VE JUST MADE DUMB DECISIONS IN THE WEST WHILE OTHERS HAVE HARNESSSED IT. SEE FOR EXAMPLE CHINA BUILDING A TRAIN STATION IN NINE HOURS VS TAKING 100-1000X LONG TO UPGRADE A CALIFORNIA TRAIN STOP. NOW, YES, I'M SURE NOT EVERY TRAIN STATION IN CHINA IS BUILT IN NINE HOURS, AND WOULDN'T BE SURPRISED IF SOME REGIONS IN THE US (OR THE WEST MORE BROADLY) DO BETTER THAN SFBA. BUT FEELS LIKELY THAT A SYSTEMATIC STUDY WOULD FIND A QUALITATIVE SPEED GAP, 10-100X OR MORE. 6. THE GREAT DELAY. THE PRODUCTIVITY WILL BE HERE, BUT IS DELAYED TILL THE ARRIVAL OF ROBOTICS. THAT IS, FOR THINGS WE CAN DO COMPLETELY ON THE COMPUTER, PRODUCTIVITY HAS MEASURABLY ACCELERATED. IT IS 100X FASTER TO EMAIL SOMETHING THAN TO MAIL IT. BUT A SLOW HUMAN STILL NEEDS TO ACT ON IT. SO, IN THIS HYPOTHESIS, HUMANS ARE NOW THE LIMITING FACTOR. ESSENTIALLY, REPRESENTING A COMPLEX PROJECT ON DISPLAY IN SOMETHING LIKE GOOGLE DOCS MAY NOT BE THE PRODUCTIVITY WITHIN WE THINK IT IS. HUMANS STILL NEED TO COMPREHEND ALL THOSE ELECTRONIC DOCUMENTS TO BUILD THE THING IN REAL LIFE. SO THE PROBLEM MAY BE IN THE ANALOG/DIGITAL INTERFACE. DO WE NEED TO ACTUATE AS FAST AS WE COMPUTE? THAT WOULD MEAN ZERO-DELAY ROBOTIC TASK COMPLETION WILL BE THE TRUE PRODUCTIVITY UNLOCK. AND THAT WE HAVEN'T GONE FULLY DIGITAL YET. SO LONG AS HUMANS ARE STILL IN THE LOOP, WE WON'T GET THE FULL BENEFITS OF DIGITAL PRODUCTIVITY. 100-1000X IS NOT AN EXAGGERATION. A CALIFORNIA TRAIN STATION IMPROVEMENT LASTED FROM NOVEMBER 2017 TO FALL 2020, WHICH IS ABOUT 3 YEARS. THREE YEARS VS NINE HOURS IS $(3 * 365 * 24)/9 = 2920$, WHICH MEANS THE US NEEDS ALMOST 3000X AS LONG TO UPGRADE A TRAIN STATION AS CHINA DOES TO BUILD ONE FROM SCRATCH.

4.3. TECHNOECONOMIC AXES 175 I DON'T KNOW THE ANSWER, BUT I THINK THE LINE-BY-LINE PROFILING APPROACH USED ON THE TUNNELS IS A GOOD BUT SLOW WAY TO FIND OUT EXACTLY WHAT WENT WRONG, WHILE THE APPROACH OF LOOKING AT OTHER COUNTRIES AND TIME PERIODS – NAMELY, STUDYING HISTORY – COULD ACTUALLY BE THE FAST WAY OF FIGURING OUT WHAT MIGHT BE RIGHT.

4.3.4 Linguistic Borders OF THE INTERNET IF THE ORGANIC BORDERS OF THE PHYSICAL WORLD ARE RIVERS AND MOUNTAIN RANGES, THE ORGANIC BORDERS OF THE INTERNET ARE SOFTWARE INCOMPATIBILITIES AND LANGUAGE BARRIERS. THE FIRST OF THESE IS OBVIOUS: FACEBOOK'S ECOSYSTEM IS DISTINCT FROM GOOGLE'S IS DISTINCT FROM ETHEREUM'S, BECAUSE THE BACKENDS DON'T FULLY OVERLAP, BECAUSE THEY'RE INCOMPATIBLE AT THE SOFTWARE LEVEL. THE SECOND IS A BIT LESS OBVIOUS. YOU CAN IMAGINE THE INTERNET BEING CUT UP INTO CONTINENTAL-SCALE PIECES, WITH THE ENGLISH-LANGUAGE INTERNET BEING THE LARGEST WITH BILLIONS OF PEOPLE, THE CHINESE-LANGUAGE INTERNET BEING THE SECOND LARGEST WITH 1.3 BILLION, AND SO ON FOR THE SPANISH-LANGUAGE, JAPANESE-LANGUAGE, KOREAN-LANGUAGE, RUSSIAN-LANGUAGE INTERNETS. ONE HUGE DIFFERENCE BETWEEN THE ENGLISH INTERNET AND CHINESE INTERNET IS THAT THE FORMER IS GLOBAL AND ARGUABLY DECENTRALIZED WHILE THE LATTER IS HEAVILY CONCENTRATED IN CHINA WITH THE CCP MAINTAINING ROOT CONTROL OVER MOST KEY NODES. ANOTHER IMPORTANT CONSEQUENCE IS THAT THE ENGLISH INTERNET IS ABOUT TO ADMIT A BILLION NEW USERS IN THE FORM OF ALL THE INDIANS WHO ARE NEWLY COMING ONLINE. AND BECAUSE THE INDIAN INTERNET BECOMES A MUCH BIGGER PART OF THE ENGLISH-LANGUAGE DISCOURSE, IT WILL BE DIFFICULT FOR THE US ESTABLISHMENT TO CENSOR THE ENGLISH-LANGUAGE INTERNET AS MUCH AS THEY WANT TO, BECAUSE HOSTING CAN BE BASED IN THE SOVEREIGN COUNTRY OF INDIA.

4.3.5 Network Defects A NETWORK DEFECT IS WHEN INCREASING THE SIZE BEYOND A CERTAIN POINT DECREASES THE VALUE OF THE NETWORK. METCALFE'S LAW DOESN'T INCLUDE THIS DYNAMIC AS UTILITY IS PROJECTED TO JUST INCREASE TO INFINITY AS NETWORK SIZE GROWS, BUT THERE ARE A FEW DIFFERENT MATHEMATICAL MODELS THAT PREDICT THIS OUTCOME, SUCH AS CONGESTION-BASED MODELS OR THIS POST BY VITALIK. REPULSION WITHIN A NETWORK IS A KEY DYNAMIC THAT CAN LEAD TO NETWORK DEFECT. THE IDEA IS THAT TWO OR MORE SUBGROUPS WITHIN A NETWORK HAVE SUCH CONTACT THAT IT REDUCES THE GLOBAL VALUE OF THE NETWORK FOR BOTH, UNTIL ONE OF THEM DEFECTS TO ANOTHER NETWORK. SO IT'S A NETWORK "DEFECT" IN BOTH SENSES OF THE TERM: A FAILURE AND A POLITICAL DEFECTION.

S CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION 4.4 FOreseeable FUtures 4.4.1 AR GLasses BRidge
ysical AND Dlgital WORlds AUgmented REALity (AR) GLASSES MAY BE THE MOST FOreseeable INvention OF AL
l TIme. IN THE 90s AND 2000s, PEople TAlked ABout THE CONvergence DEvice. GATES IMagined IT WOULD BE
A SMART TELEVISION, BUT IT TURNED OUT TO BE THE IPHONE. WHAT'S THE NEXT CONvergence DEvice? I THINK
IT'S AR GLASSES. TAKE THE FOLLOWING TECHNOLOGIES: • SNAPCHAT'S SPECTACLES • FACEBOOK'S OCULUS QUEST
• GOOGLE GLASS ENTERPRISE • APPLE'S AR KIT • AUGMENTED REALITY APPS LIKE POKEMON GO IF YOU PUT ALL
THOSE TOGETHER, YOU GET A VISION OF AUGMENTED REALITY GLASSES THAT GIVE YOU INSTANT-ON ACCESS TO THE
DIGITAL WORLD IN YOUR FIELD OF VIEW, AND PERHAPS DARKEN WITH ANOTHER TOUCH TO GIVE YOU VIRTUAL REAL
ITY. ANYONE CAN TELEPORT INTO OR OUT OF YOUR FIELD OF VISION WITH YOUR CONSENT, YOU CAN "RIGHT CLICK
" ON ANY OBJECT TO GET AI-INFORMED METADATA ON IT, AND YOU CAN GET COMPUTER-GUIDED INSTRUCTIONS TO E
XECUTE ALMOST ANY PHYSICAL PROCEDURE FROM REPAIRING A MACHINE TO SEWING. WE KNOW THAT MILLIONS OF PE
OPLE MANAGE TO WEAR GLASSES ALL DAY, AND THEY'RE LIGHTER THAN HEADSETS AND EASY TO TAKE ON AND OFF.
SO THESE MAY BECOME AS UBIQUITOUS AS PHONES. IT WILL BE AN ENGINEERING MARVEL TO GET THERE, OF COURSE
E, AND WHILE APPLE IS A STRONG CONTENDER FACEBOOK MAY BE THE MOST LIKELY COMPANY TO BE ABLE TO SHIP
THEM GIVEN ITS PROGRESS WITH OCULUS AND FOUNDER-LED INNOVATION. WHY WILL AR GLASSES BE SO BIG? IF YOU
THINK ABOUT HOW MUCH OF YOUR LIFE IS SPENT LOOKING AT A SCREEN, WHETHER IT'S A LAPTOP OR A PHONE OR
A WATCH, >50% OF YOUR WAKING HOURS IS ALREADY SPENT IN THE MATRIX. AR GLASSES WOULD REDUCE "SCREEN
" TIME IN ONE SENSE, FREEING YOU UP TO COMPUTE ON THE GO WITHOUT LOOKING AT A SCREEN PER SE, BUT INCR
EASE DIGITAL TIME IN ANOTHER SENSE, AS PEOPLE WOULD CONSTANTLY HAVE THESE HUDS ACTIVE TO SEE THE WO
RLD. THIS MEANS EVEN MORE OF OUR DAILY EXPERIENCE WILL BLEND NOT JUST THE PHYSICAL WORLD DOMINATED B
Y NATURAL LAW, BUT THE DIGITAL WORLD RUN BY HUMAN-WRITTEN CODE. THE OFFLINE WORLD STILL EXISTS, PHYS
ICS AND BIOLOGY STILL EXIST, BUT ALGORITHMS AND DATABASES RUN EVEN MORE OF HUMAN EXISTENCE. THE NETW
ORK SURROUNDS US TO AN EVEN GREATER EXTENT THAN THE STATE DID. IF COMBINED WITH SOME KIND OF GESTURE
INTERFACE (GLOVES, RINGS, OR PERHAPS JUST SOPHIS- TICATED MOTION TRACKING), YOU MIGHT BE ABLE TO US
E YOUR HANDS TO DO ANYTHING IN THE DIGITAL REALM. SO, WITH AR GLASSES, THE DIGITAL AND PHYSICAL REAL
MS FULLY BLEND, AND PEOPLE WOULD ACTUALLY BE ABLE TO SEE AND INTERACT WITH AN OPEN METAVERSE IN REAL
LIFE.

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE177 4.4.2 EXperimental MACroeconomics IS TRansforming MACroeconomics INto AN EXperimental SUBject. WHY? BEcause YOU CAN ACTually ISSue A CURRENCY, SET A MONetary POLICY, GET OPT-in PARTICIPANTS, AND TEST YOUR THEORIES IN PRACTICE. THE PROOF IS IN THE PUDDING. AND, IF SUCCESSFUL, THE PUDDING IS WORTH MANY BILLIONS OF DOLLARS. THIS REFUTES THE PREMISE THAT ECONOMICS AND BUSINESS ARE WHOLLY DISJOINT. THEY AREN'T DISJOINT AT ALL. MICROECONOMICS IS THE THEORY OF INDIVIDUALS AND FIRMS, WHICH IS DIRECTLY RELATED TO RUNNING A BUSINESS. EACH PRICE YOU SET, EACH COMPANY YOU START, IS A KIND OF MICROECONOMIC EXPERIMENT (ALBEIT USUALLY A POORLY-CONTROLLED ONE). MACROECONOMICS, BY CONTRAST, UNTIL RECENTLY WAS OFF-LIMITS TO EXPERIMENT. A FIRST STEP FORWARD WAS MIT'S EDWARD CASTRONOVA EARLY WORK ON VIRTUAL ECONOMIES LIKE WORLD OF WARCRAFT. NOW ANYONE CAN CREATE A CRYPTOCURRENCY, SET MONETARY POLICY, AND SEE WHAT HAPPENS. PERHAPS THE CLOSEST THING TO EXPERIMENTAL MACROECONOMICS PRIOR TO CRYPTOCURRENCY WAS THE EXPERIENCE OF SETTING UP & SCALING MASSIVE TWO-SIDED MARKETPLACES LIKE AIRBNB, EBAY, GOOGLE ADS, ETC. YOU QUICKLY LEARN THAT IDEOLOGY IS A POOR GUIDE. NAIVE LIBERTARIANISM AND PROGRESSIVISM BOTH FAIL. WHY? BASICALLY, PEOPLE WANT TO MAKE MONEY ON THOSE PLATFORMS. THEY ABSOLUTELY DO RESPOND TO INCENTIVES, UNLIKE THE NAIVE PROGRESSIVE MODEL THAT IT'LL ALL BE ALTRUISTIC BEHAVIOR. BUT THE MARKETPLACE OPERATOR HAS IMMENSE POWER TO SHAPE INCENTIVES FOR GOOD OR ILL. SO THE NAIVE LIBERTARIAN BELIEF IN A FULLY DECENTRALIZED HAYEKIAN ORDER DOES NOT ALWAYS COME ABOUT. 4.5 AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE HERE WE GIVE A BIT MORE DETAIL ON A SCENARIO¹¹ IN WHICH THE US DESCENDS INTO A CHAOTIC SECOND AMERICAN CIVIL WAR, THE CCP RESPONDS WITH THE OPPOSITE EXTREME OF A TOTAL SURVEILLANCE STATE THAT TRAPS WEALTH IN ITS DIGITAL YUAN NETWORK, AND THE REST OF THE WORLD - IF WE'RE LUCKY - BUILDS A STABLE ALTERNATIVE OF OPT-IN STARTUP SOCIETIES THAT PEACEFULLY REJECTS THESE EXTREMES. TO BE CLEAR, YOU DON'T NEED TO BELIEVE IN THIS SCENARIO TO BUILD STARTUP SOCIETIES AND NETWORK STATES. BUT IT'S A MENTAL MODEL FOR THE FUTURE, WHICH WE PRESENT FOR THE SAME REASON THAT RAY DALIO PUT OUT A (SOMEWHAT EUPHEMISTIC) MODEL OF HOW THE US ORDER¹¹ WHAT'S MY LEVEL OF CONFIDENCE IN THIS? ABOUT WHAT IT WAS IN MY 2013 TALK ON SILICON VALLEY'S ULTIMATE EXIT. I THINK THAT TALK HOLDS UP REASONABLY WELL, BUT AS PER SOROS' REFLEXIVITY THE TRENDS I IDENTIFIED AT THE TIME GAVE RISE TO COUNTER TRENDS WHICH WERE NOT YET OBSERVABLE, LIKE THE TURNAROUND OF MICROSOFT BY SATYA NADELLA, THE RISE OF TRUMP, AND THE WEB3 MOVEMENT AS AN ALTERNATIVE TO US AND CHINESE TECH COMPANIES ALIKE.

8 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION COULD FAIL TO AN EXTERNAL COMPETITOR, AND PETER THIEL
PUT OUT A (LESS EUPHEMISTIC) MODEL OF HOW THE US COULD FAIL INTO INTERNAL DISORDER. 4.5.1 AMERICAN ANARCHY
PROSPERITY, TYRANNY, OR ANARCHY? THE PROGRESSIVE VISION IS THAT THE WEST IS GETTING MORE FREE, EQUAL,
AND PROSPEROUS.¹² THE DYSTOPIAN VISION IS THAT WE'RE ACTUALLY IN THE INCIPENT STAGES OF TYRANNY,
WHETHER THAT BE FASCIST OR WOKE RESPECTIVELY. WHAT'S UNDER-THEORIZED IS A THIRD POSSIBILITY:
NAMELY THAT, IN THE US AT LEAST, THE INCONCLUSIVE POWER STRUGGLE BETWEEN DEMOCRATS AND REPUBLICANS
MEANS AMERICA IS HEADED FOR ANARCHY. AS THE EVENTS OF 2021 UNFOLDED, IT BECAME CLEAR THAT EVEN
WITH UNIFIED CONTROL OF THE FEDERAL GOVERNMENT, THE DEMOCRATS WERE NO MORE EFFECTIVE THAN THE
REPUBLICANS HAD BEEN WITH COMPARABLE POWER FOUR YEARS EARLIER. NEITHER FACTION PROVED CAPABLE OF
IMPLEMENTING THE TOTAL TOP-DOWN DOMINATION THAT SOME IN THEIR PARTY ADVOCATED AND MANY IN THE OTHER PARTY
FEARED. MEANWHILE, THE NON-PARTISAN STATE-CAPACITY OF THE US AS A WHOLE CONTINUED TO VISIBLY DECAY. SQUINT
PAST THE PANDEMIC'S HALF-IGNORED, TSA-LIKE COVID REGULATIONS AND YOU SAW A HALF-IGNORED, TSA-LIKE
COVID REGULATOR – NAMELY, A FAILING STATE THAT PEOPLE DID HALF-IGNORE, AND ARGUABLY HAD TO HALF-IGNORE,
BECAUSE THE USA ITSELF WAS NOW THE TSA, AND THE TSA, THEY KNEW, WAS SAFETY THEATER. TODAY, IN THE
THE TERRITORY GOVERNED BY THIS INEPT BUREAUCRACY, WE NOW SEE POWER OUTAGES, SUPPLY-CHAIN SHORTAGES, RUNAWAY
FLOODING, AND UNCONTROLLED FIRES. WE SEE RIOTS, ARSONS, SHOOTINGS, STABBINGS, ROBBERIES, AND MURDERS.
WE SEE DIGITAL MOBS THAT BECOME PHYSICAL MOBS. WE SEE A COMPLETE LOSS OF TRUST IN INSTITUTIONS
FROM THE STATE TO THE MEDIA. WE SEE ANTI-CAPITALISM AND ANTI-RATIONALISM. WE SEE STATES BREAKING
AWAY FROM THE US FEDERAL GOVERNMENT, AT HOME AND ABROAD. AND WE SEE THE END OF POWER, THE REVOLT
OF THE PUBLIC, THE DEFEAT OF THE MILITARY, THE INFLATION OF THE DOLLAR, AND - LOOMING AHEAD - AN AMERICAN
ANARCHY. WHAT'S COMING ISN'T FASCISM OR COMMUNISM, LIKE THE LEFT-WING AND RIGHT-WING PUNDITS WOULD
HAVE US BELIEVE, EVEN THOUGH THEY DON'T BELIEVE IT THEMSELVES. WHAT'S COMING IS THE EXACT OPPOSITE
OF THAT, A WORLD WHERE THE CIVILIZED CONCEPTS OF FREEDOM AND EQUITY ARE EXTRAPOLATED TO THEIR DECIVILIZED
LIMIT, WHERE YOU AIN'T THE BOSS OF ME AND WE ARE ALL EQUAL, WHERE ALL HIERARCHY IS ILLEGITIMATE
AND WITH IT ALL AUTHORITY, WHERE NO ONE IS IN CHARGE AND EVERYTHING IS IN CHAOS. ¹²ON A LONG ENOUGH
TIMESCALE, THIS IS ARGUABLY TRUE. SEE THE MANY GRAPHS FROM HANS ROSLING AND STEVEN PINKER TO
THAT EFFECT. STILL, CIVILIZATIONAL COLLAPSE DOES OCCUR, AND AS EVERYONE FROM ELON MUSK TO MATT RIDLEY
WILL TELL YOU, THINGS LIKE MOORE'S LAW DON'T HAPPEN BY ACCIDENT - PEOPLE NEED TO DRIVE THOSE INNOVATIONS
TO KEEP US MOVING FORWARD IN TIME. AS AN ANTIDOTE FOR ANTI-EMPIRICAL DOOMERISM, I'M ALL IN FAVOR
OF ROSLING AND PINKER, AND INDEED RECOMMEND THEIR WORK. BUT WE NEED TO ALSO AVOID ANTI-EMPIRICAL
NONCHALANCE. THIEL'S DETERMINATE OPTIMISM IS BETTER THAN THE BELIEF THAT SOMEONE ELSE WILL TAKE CARE
OF IT.

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE179 WE CAN ARGUE THIS MAY BE
able TO THE STATUS QUO, IN THE SAME WAY SOME THINK THE CHAOTIC RUSSIA OF THE 1990s WAS ON BALANCE
ETTER THAN THE AUTHORITARIAN SOVIET UNION OF THE 1980s. WE CAN ARGUE IT MAY BE INEVITABLE; AS THE CH
INESE PROVERB GOES, "THE EMPIRE, LONG DIVIDED, MUST UNITE; LONG UNITED, MUST DIVIDE." AND WE CAN ARG
UE THAT THIS TRANSITIONAL PERIOD OF ANARCHY MAY BE LAMENTABLE, BUT THAT IT'S BETTER THAN THE OTHER T
EAM BEING IN CHARGE, AND THAT WE CAN BUILD A BETTER ORDER ON THE OTHER SIDE. MAYBE SO, AND THAT'S WH
AT THIS BOOK IS ABOUT. BUT PRIOR TO ANY REBUNDLING, I THINK WE'RE ON TRACK FOR QUITE THE UNBUNDLING.
MAXIMALIST VS WOKE WITH THAT POETIC INTRODUCTION OVER, LET'S GET DOWN TO SPECIFICS. RATHER THAN SEEI
NG AN INDEFINITE CONTINUATION OF THE POSTWAR ORDER, OR THE LONG SECOND COLD WAR BETWEEN THE US AND C
HINA THAT MANY ARE PREPARING FOR, THE US MAY BE ON TRACK TO DESCEND INTO AN AMERICAN ANARCHY, A CHAO
TIC SECOND AMERICAN CIVIL WAR BETWEEN THE US ESTABLISHMENT AND ITS PEOPLE. WE FORESEE TWO MAIN FATIO
NS. THE FIRST WILL ALIGN AROUND THE US FEDERAL GOVERN- MENT, NYT/establishment MEDIA, WOKESS, THE
DOLLAR, AND THE DEMOCRAT PARTY; THEY'LL SAY THEY'RE FIGHTING FOR "DEMOCRACY" AGAINST "INSURRECTIONIS
TS." THE SECOND WILL ALIGN AROUND STATE GOVERNMENTS, DECENTRALIZED MEDIA, MAXIMALISM, BITCOIN, AND T
HE REPUB- LICAN PARTY; THEY'LL SAY THEY'RE FIGHTING FOR "FREEDOM" AGAINST FIAT "TYRANNY." WE CAN'T P
REDICT THEIR NAMES, BUT RATHER THAN DEMOCRAT BLUE AND REPUBLICAN RED, LET'S CALL THEM WOKES AND MAXI
MALISTS, OR (MORE NEUTRALLY) DOLLAR GREEN AND BITCOIN ORANGE. CRUCIALLY, IN THIS SCENARIO, MANY NON-
WHITES WILL SWITCH SIDES FROM DEMOCRAT BLUE TO BITCOIN ORANGE, BECAUSE WHETHER BLACK, WHITE, LATINO,
OR ASIAN, EVERYONE'S SAVINGS WILL BE CRUSHED BY INFLATION. MANY TECH FOUNDERS AND INDEPENDENT WRITER
S WILL ALSO GO ORANGE; TOOLS LIKE SQUARE CASH WILL FACILITATE MASS EXODUS TO BITCOIN, AND NEWSLETTER
WRITERS WILL PUT OUT NARRATIVES THAT CONTEST ESTABLISHMENT MEDIA. CONVERSELY, MANY INSTITUTIONAL LO
YALISTS WILL FLIP FROM REPUBLICAN RED TO DOLLAR GREEN, INCLUDING THE POLICE, MILITARY, AND NEOCONSER
VATIVES, SIMPLY BECAUSE THEY ARE IN THE FINAL ANALYSIS THE KIND OF TEAM PLAYERS AND "NATURAL CONSER
VATIVES" WHO WOULD HAVE FOUGHT FOR BOTH TSARIST RUSSIA AND THE SOVIET UNION. MY COUNTRY, RIGHT OR WRO
NG. THE ROLE OF CENTRALIZED TECH COMPANIES WILL BE KEY. BY DEFAULT THEY'LL SWING TO THE DOLLAR GREEN
SIDE, BUT MANY TECH FOUNDERS WILL LEAN BITCOIN ORANGE, SO WE COULD SEE CENTRALIZED TECH COMPANIES S
UPPORTING BOTH SIDES — WITH OLDER AND FULLY WOKIFIED FIRMS LIKE GOOGLE FIRMLY ON THE GREEN SIDE, AND
NEWER FOUNDER-CONTROLLED FIRMS LOCATED IN PLACES LIKE MIAMI AND TEXAS TRENDING ORANGE. HOW AMERICA B
UILDS TOWARDS CONFLICT HOW COULD SOMETHING AS RADICAL AS A SECOND AMERICAN CIVIL WAR HAPPEN? YOU COU
LD WRITE A BOOK ON THIS, AND SEVERAL PEOPLE HAVE, BUT IN LIEU OF THAT WE'LL GIVE A BULLET POINTED L
IST. BEFORE REVIEWING IT, YOU MIGHT WANT TO RE-READ RAY DALIO, PETER TURCHIN,

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION AND STRAUSS & HOWE IF YOU WANT MORE CONTEXT, AS
WON'T BE ABLE TO RECAPITULATE EVERY CITATION THAT INFORMS THIS PROJECTION. DONE? OK, HERE WE GO. 1.
POLITICAL POLARIZATION IS WAY UP. ALL THE GRAPHS SHOW THIS NOW. THE US IS NOT REALLY A "NATION STATE"
ANY MORE, BUT A BINATIONAL COUNTRY COMPRISED OF TWO WAR-RING ETHNIC GROUPS THAT DISAGREE ON FUNDAMENTAL
MORAL PREMISES. IT IS ABOUT "GOD, GAYS, AND GUNS", BUT IT'S ALSO ABOUT CENSORSHIP, SURVEILLANCE, AND INFLATION. 2. STATE CAPACITY IS WAY DOWN. THE COMPETENT AMERICA OF MID-CENTURY, THE LEFT/RIGHT FUSION THAT FDR PUT TOGETHER, THE AMERICA THAT COMBINED A POWERFUL CENTRALIZED STATE WITH SOCIAL
CONSERVATISM, THE AMERICA DEPICTED IN COUNTLESS MOVIES, THE AMERICA THAT WON WORLD WAR TWO AND THE COLD WAR — THAT COUNTRY IS OVER. THIS US GOVERNMENT CAN'T BUILD A BATHROOM IN SAN FRANCISCO, LET
ALONE A COST-EFFECTIVE FIGHTER JET, DESTROYER, COMBAT SHIP, OR AIRCRAFT CARRIER. 3. ECONOMIC PROSPERITY IS DECLINING. ALL THE POLITICAL INFLIGHTING OF THE LAST DECADE HAPPENED DURING A PERIOD OF RELATIVE
PROSPERITY, EVEN IF IT WAS BASED ON THE ARTIFICIAL EXPEDIENT OF PRINTING MONEY. BUT NOW THAT WE FACE POTENTIALLY YEARS OF INFLATION AND STAGNATION, UNHAPPINESS WILL INCREASE. ALREADY YOU'RE SEEING ARTICLES
COMING TRYING TO ACCLIMATE PEOPLE TO LOWER STANDARDS OF LIVING, TO "EAT BUGS AND LIVE IN A POD." AND TURCHIN'S CLIODYNAMICAL GRAPHS PUT NUMBERS TO THESE FEELINGS. 4. ENVY IS INCREASING. THIS IS
NORMALLY PHRASED IN TERMS OF "INEQUALITY", AND THAT IS INDEED ONE WAY TO LOOK AT IT, BUT LET'S ROTATE IT BY A FEW DEGREES AND TALK ABOUT ENVY. THE RETURN OF GREAT FORTUNES, THE RISE OF SOCIAL MEDIA,
AND THE DECLINE IN RELIGION HAS LED TO ESCALATING ENVY. EVERY DAY, PEOPLE CAN SEE OTHERS ONLINE WHO APPEAR TO BE BETTER OFF THAN THEY ARE, AND WHO APPEAR TO BE RISING WHILE THEY ARE FALLING. WHETHER
THAT RISE IS REAL OR NOT, WHETHER IT IS DUE TO THE OTHER PERSON'S OWN EFFORTS OR NOT — IT DOESN'T REALLY MATTER TO THE PERSON WHO FEELS THEY AREN'T GETTING AHEAD, WHO FEELS THEY ARE FALLING BEHIND. WITHOUT
A RISING TIDE THAT LIFTS ALL BOATS, THE "RATIONAL" ACT FOR SOME IS TO SINK THE OTHER BOATS, TO PULL ESCAPING CRABS DOWN INTO THE BUCKET. WHY? BECAUSE MISERY LOVES COMPANY, AND BECAUSE STOPPING
SOMEONE FROM GETTING TOO FAR AHEAD MEANS THEY CAN'T OUTCOMPETE YOU FOR HOUSES OR MATES. THE ONLY WAY OUT OF THIS NEGATIVE-SUM TRAP IS TO BUILD PROVABLY POSITIVE-SUM SYSTEMS AND HIGH-TRUST SOCIETIES.
BUT THAT'S EXACTLY WHAT THE US ESTABLISHMENT IS NOT DOING.¹³ IT'S FOMENTING HATRED ON SOCIAL MEDIA EVERY DAY, AND GIVING NEW REASONS NOT TO TRUST IT — WHETHER THAT BE THE INSISTENT ASSURANCE THAT INFLATION IS
TRANSITORY OR ALL THE OTHER EPISODES OF OFFICIAL MISINFORMATION. 5. FOREIGN MILITARY DEFEAT LOOMS. LEAVING ASIDE YOUR FEELINGS ABOUT THE PANDEMIC, ¹³IT'S ALSO NOT WHAT THE MAXIMALISTS OR THE CCP OFFER. THE MAXIMALIST
INTERPRETS BITCOIN'S TRUST-MINIMIZATION TO MEAN THAT NO ONE SHOULD BE TRUSTED, RATHER THAN THINKING OF BITCOIN AS A WAY TO CHOOSE WHOM TO TRUST, AS A TOOL TO REBUILD A HIGH-TRUST
SOCIETY. AND THE CCP, LIKE THE US ESTABLISHMENT, DOESN'T REALLY GIVE A CONVINCING MESSAGE TO THE WORLD AT LARGE ON WHY IT SHOULD BE TRUSTED, INSTEAD PUSHING A TOP-DOWN MESSAGE OF LOYALTY THROUGH
COERCION.

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE181 The Military Propaganda Band IS Worth Reviewing. IN 2018, The US DE- Partment OF DEfense PUt OUt PRESS RELeases ON ITs PREpa- ration FOR A PAndemic, ON ITs SOphisticated VAccines. . . AND THEN NOthing HAppened. THis WAS THE FI- Rst TIme MANY IN THE PUBlic HAd THE OPportunity TO DIrectly COmpare STatements ABout “Secret Militar- y PROgrams” TO THE ACTual REsults, JUst AS YOu Mlght COmpare PRO- JEctions BY COrporate EXecutives T- O THE ACTual REsults. AND THE SIZE OF THAT GAP WAS REMarkable. IT INDicated THAT AT LEast SOME OF TH- e US Mllitary WAS JUst WORDs, AND NOT REal. I REMarked ON THis IN EARly 2021, MONths BEfore THE DEfe- at IN AFghanistan GAVE YET ANOther EXAmple OF THE GAP BEtween US Mllitary RHetoric AND REALity, WHER- e KABul WASn’t GOing TO FALL IN A FEW DAYS AND THEN IT DID. AS OF THis WRiting, WE’re FOUR MONths IN- to THE RUSSO-Ukrainian WAR OF 2022. AFTER AN INitial SURge OF ATTention, GLobal INTERest IN THE CON- flict HAS DRopped OFF A CLi■. THE NEW YORK TImes AND OTHER ESTablishment MEDIA OUTlets HAVE NOW INStru- cted THE US ADministration TO PURsue PEace, AND VARious REports INDicate THAT THE UKrainians ARE QUI- ckly PLOWing THrough AMmunition STOCKpiles WHILE THE RUSSians ARE GAINing GROUND WITH LONG-range ART- illery. TO BE CLEAR, IT’S NOT AT ALL OBvious WHAT WILL HAPPEN - THERE’S FOG OF WAR WITH EVERYTHING - BUT IN THE EVENT OF AN OUTright RUSSian VICTory, DE■ned AS GAINing TERRitory THEY DIDN’T HAVE PRIor- TO THE WAR, THAT WOULDN’T AUGUR WELL FOR THE US ESTablishment. 6. US STATES ARE PULLING AWAY FROM T- HE FEDs. THERE’S ENormous COverage OF US POLi- Tics AT THE NATional LEVEL, BECAUSE IT ATTRACTS CLICK- s FROM ALL OVER. BUT LOCAL POLITICS DOESN’T GET THE SAME ATTention. HOWEVER, IF YOU’VE BEEN PAYing A- TTention, THERE HAS BEEN A MULTI-decadal TREnd WHEREIN STATES HAVE BEEN PULLING AWAY FROM THE FEDera- l GOVERNment AND EACH OTHER ON MATTERS LIKE GUNS, IMMigration, ABortion, GAMbling, MARIJUANA, AND OT- HER MATTERS. THIS IS PART OF THE FUTURE IS OUR PAST THESIS: IT’S REversing THE DE FACTO 10th AMendme- nt REpeal BY FDR’S GOVERNment, AND MORE BRoadly IS PART OF THE GRAdual WESTern DEcentralization SINCE- THE PEak CENTralization OF 1950. 7. AUTHORITY HAS LOST RESpect. THE OLD AMERICAN LEFT SAID SOMETHI- NG LIKE “WE ALL NEED TO WORK FOR THE COMMON GOOD” WHILE THE OLD RIGHT SAID SOMETHING LIKE “PAY YOUR- DUES AND YOU’LL ACHIEVE THE AMERICAN DREAM.” THE NEW LEFT SAYS “WE ARE ALL EQUAL” AND THE NEW RIGHT- SAYS “YOU AIN’T THE BOSS OF ME.” SO, THE OLD LEFT/right COMbina- TION SUPPORTED SELF-sacri■ce AND A- STABLE Hierarchy14, WHILE THE NEW ONE ATTACKS ALL Hierarchy AS FUNDamentally ILlegitimate, AS OPPres- sive OR TYrannical. THIS IS RE■ected IN THE DEFacement AND DEgradation OF VIRTually EVERY US INSTITU- tion OVER THE LAST FEW DEcades, FROM THE OFFICE OF THE PRESIDENCY TO THE STATUES OF AMERICAN FOUNDE- RS. GEORGE WASHINGTON AND THE US CAPITOL ARE NO LONGER SACRED. 14IT HAD MANY OTHER FLAWS, LIKE THE SU- ppression OF INDividualism, POLITICAL CENTralization, RESTriction OF TEchnological INnovation, AND M- ASS SEIZURE OF ASSETS. WE’RE NOT ROManticizing IT. BUT THAT MID- CENTury IDEology, WHICH WAS ITSELF- THE RESULT OF ENormous CON■ict, WAS A REcipe FOR A MORE STABLE ORDER THAN WHAT WE HAVE NOW.

32 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION 8. National Divorce IS Discussed. SEcession IS NO Officially PART OF The PLatform FOR Texas' REpublicans. AND THERE HAVE BEEN AN INcreasing NUMber OF Pieces ON THE TOPic OF "National Divorce" FROM DEMocrats AND REpublicans ALike, INcluding NYMag ("No, WE CAN't GET A NATional Divorce"), STEphen MARche (The NExt Clvil WAR), BARbara WALTER (How Clvil WARS STart), MIchael MALice ("The CASE FOR AMerican SEcession"), DAvid REaboi ("National Divorce IS EXpensive, BUT IT's WORTH EVery PENny"), AND THE AMerican MInd ("The SEparation"). 9. RADicalized Movements REject The STATUS QUo. THERE HAVE BEEN COUNTless WORDS WRitten ON WOKENess, ON HOW IT's A RADical IDEology THAT THINKS OF THE US AS IN- TRinsically CORrupt — AS SYstemically X-ist FOR MANY VA lues OF X — AND THEREFORE DOESN't REally SEek TO REform AMerica SO MUCH AS TO CAPTure THE STATE TO COM- PLEtely TRANSform IT. SEE WESley YANG, RIchard HANania, MATthew YGlesias, JOHN MCWhorter, BARI WEISS, AND MANY OTHERS FOR DISCUSSION OF DIfferent ASpects OF THIS. THE THING ABOUT WOKENess IS THAT IT'S NOT JUST A SUPERficial WEED GROWing OUT OF THE TOPsoil. IT HAS A ROOT SYstem, A THEORY OF HISTORY AND ETHICS THAT'S BUILT ON THOUSANDS OF PAPERS, ON GENERATIONS OF ACADEMIC HUMANISTS, ON FOUCAULT AND DERRIDA AND THE LIKE, ON DECONSTRUCTION AND CRITICAL RACE THEORY AND SO ON. I HAPPEN TO THINK OF IT AS A MOSTLY EVIL DOCTRINE, AS SOPHISTICATED EVIL PROMOTED IN THE NAME OF GOOD, BUT I RECOGNIZE IT HAS IDEOLOGICAL CONTENT. THE REPUBLICAN PARTY ISN'T REALLY CAPABLE OF DEALING WITH THAT. BUT BITCOIN MAXIMALISM IS. IF YOU HAVEN'T HEARD OF IT, YOU WILL. BITCOIN MAXIMALISM IS BY FAR THE MOST IMPORTANT IDEOLOGY IN THE WORLD THAT MANY PEOPLE HAVEN'T HEARD OF - YET. THERE'S PHILOSOPHICAL DEPTH TO MAXIMALISM. IT REPRESENTS A ROOT-AND-BRANCH REJECTION OF THE INflation THAT POWERS THE US GOVERNMENT AND THUS PAYS FOR EVERY- THING. IT FUSES THE WORLDVIEW OF Mises, ROTHbard, HAYEK, AND RON PAUL WITH BITCOIN. IT NATURALLY ALIGNS WITH THE LOSS OF TRUST IN INSTITUTIONS, WITH THE SUSPICIOUS INDIVIDUAL WHO (UNDERSTANDABLY!) NO LONGER TRUSTS THE FEDERAL GOVERNMENT OR US INSTITUTIONS ON ANYTHING. IT'S NOT MERELY AN EDIT TO THE STATE, IT'S THE END OF THE STATE. AND IT'S A PUSH FROM AN IDEOLOGICAL DIRECTION THE WOKES ARE ILI-prepared FOR, BECAUSE IT'S AN ARACIAL ULtra-libertarianism RATHER THAN THE WHITE NATIONALISM THAT FOLKS LIKE MARCHE AND WALTER THINK WILL BE THEIR FOE. IF YOU WANT TO UNDERSTAND BITCOIN MAXIMALISM, READ THE BITCOIN STANDARD OR THE TWEETS FROM ACCOUNTS AT HIVE.ONE/BITCOIN (NOT ALL ARE MAXIMALISTS). BUT BE AWARE: JUST LIKE WOKES WHO REJECT "CIVILITY" ON IDEOLOGICAL GROUNDS, MAXIMALISTS HAVE DEVELOPED VERBAL JUSTIFICATIONS FOR BEING "TOXIC." I DISAGREE WITH THE FUNDAMENTAL MORAL PREMISE OF MAXIMALISM, WHICH IS THAT BITCOIN IS THE ONLY COIN AND ALL OTHER DIGITAL ASSETS ARE SINS.¹⁵ I DON'T BELIEVE IN JUST AS THE COMMUNIST PATHOLOGIZED PROletariat, AND THE CHRISTIAN FUNDAMENTALIST PATHOLOGIZED IN- TEREST, THE MAXIMALIST PATHOLOGIZES ISSUANCE. IT'S CERTAINLY POSSIBLE TO ABUSE THESE FINANCIAL TOOLS, TO

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE183 One COin ANymore THAN I E
e IN One STate OR One GOd. BUT I UNderstand The POWER THAT SUch A BELief SYstem HAS. AMericans DON't
BELieve IN One GOd ANymore, DON't BELieve IN MOnotheism. SO THEIR CHOICE IS BETween One STate AND O
Ne COin, BETween IDEological MONostatism AND MONonumism. THAT IS, TO BEat SOMething LIKE THE US ESta
blishment IN A CIVIL CONflict, YOU DON't JUst NEEd BRavery, YOU NEEd A MORE POWERful SCelling POINT.
THAT's WHAT Bltcoin IS FOR THE MAXimalists: THE ONE COin THAT's THE ALternative TO THE ONE STate. I
AND WHEN THE DOLLar COLLAPSES DUE TO INfation, THE ORange COin BEcomes THE NEW BLue JEans, THE GL
bal SYmbol OF FREedom AND PROsperity. (AND WHAT's THE ALternative TO THAT ALternative? MANY NETWORK
STATes AS AL-TERNative TO ONE NATION STate, MANY COins AS ALternatives TO THE ONE COin, MANY BELief
s AS THE ALternative TO ONE BELief SYstem. THAT's THE POLystatist, POLynumist, POLytheist MODEL WE D
EScribe LATER ON IN THE REcentralized CENTER.) 10. Bltcoin SEizure COULD BE THE TRigger EVENT. ALI O
F THIS IS A COMbustible Mlx, AND THERE ARE MANY POSSible TRigger EVENTS, BUT ONE THAT I SEE AS PARTi
cularly LIkely IS A COMbination OF (A) RUinous INfation FOLLOWED BY (B) A SOaring BTC/USD PRICE AND
THEN (C) THE ATtempt BY AN INSolvent FEDERAL GOVERNment TO SEize Bltcoin FROM Cltizens. ON THE Bltco
in Slde, THIS ISN't A SHort-term PRICE PREdiction OR ANYthing, AND THERE ARE OF COURSE VARious POSSi
ble FAILURE MODES16 FOR BTC THAT COULD PREvent Bltcoin FROM BEing THE SPECific CRYPTocurrency THAT DR
IVES THIS SCenario. NEvertheless, BEcause THE Bltcoin PROtocol HAS MOSTly BEEN TECHNOlogically FIXEd
FOR A WHILE, ITS PARTisans HAVE FOCused TO A MUCH GREATER EXTent ON POLitical INnovation – LIKE GET
TING IT REcognized AS A SOvereign CURRENCY. ADD IN THE MORal IMportance THAT MAXimalists ATTach TO B
ltcoin, AND ITS GLOBAL NAME REcognition, AND BTC IS LIkely TO BE THE COin OF CONTENTion. ON THE OTHe
r Slde, THE GENERAL CONcept OF ASset SEizure ISN't REALLY EVEN VERY SCi- Glven THE OVERnight FREEzi
ng OF FUNds FOR CANadian TRuckers AND 145M RUSSIAN NATIONals. THE MAIN DIfference IS THAT CRYPTOCURRE
ncy IS BUILT TO BE HARD TO FREEZE. EXPloit WORKERS FOR PROfit, TO CHarge USurious INTERest RATES, OR
TO ISSUE FRAUDulent FINancial INSTRUMENTS. BUT THE ANSWER IS A SYstem OF COMPETITIVE REGULATORS: NOT
(A) ZERO REGulation, NOR (B) THE MONopoly REGulation OF THE CORrupt SEC, NOR (C) THE DEcentralized
“REGulation” OF CALLING EVERYone A SCammer ALI THE TIME JUst AS WOKES CALL EVERYone X-ISTS, BUT RATH
ER (D) A SYstem OF MULTIPLE REVIEWERS THAT PROVIDE CHECKS AND BALANCES ON MARKET PARTICIPANTS, AND W
HO ARE THEMSELVES CHECKED AND BALANCED BY MARKET EXIT. 16A PARTIAL LIST OF FAILURE MODES: (A) THERE
COULD BE A BUG IN THE CODE, (B) CENTRALIZED QUANTUM DECRYPTION COULD COME ONLINE FASTER THAN EXPECTE
D AND WITHOUT DECENTRALIZED QUANTUM-SAFE ENCRYPTION TO MATCH, (C) MINERS COULD GET PRESSURED TO CENS
OR TRANSACTIONS AS MARATHON WAs, (D) ESG ATTACKS COULD BE USED AGAINST MINING, (E) NON-pseudonymous
DEVELOPERS COULD BE PERSONALLY TARGETED, (F) ENOUGH BTC MIGHT BE LEFT ON CENTRALIZED EXCHANGES TO FR
EEZE IT, (G) A GREAT FIREWALL-LIKE APPROACH COULD BE USED TO INTERFERE WITH BLTcoin AT THE PORT/PACK
ET LEVEL, POTentially INTERfering WITH THE PROtocol's IMPLICIT ASSumption OF A GLOBAL, CONNECTED, RE
LATIVELY LOW-LATENCY INTERNET, AND SO ON. I STILL THINK BLTcoin CAN SUCCEED, BUT MY CONfidence IN CRY
ptocurrency IS BOLSTERED BY THE FACT THAT OTHER COins EXIST WITH DIfferent FAILURE MODES.

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION A BANKRUPT STATE CAN AND WILL TRY TO SEIZE FUNDS HELD AT CENTRALIZED EXCHANGES, BUT FOR THOSE THAT HAVE TAKEN THEIR FUNDS OFF EXCHANGES, THE STATE WILL NEED TO GO HOUSE-TO-HOUSE, AND RUBBER HOSES DON'T SCALE. A US ESTABLISHMENT ATTEMPT TO SEIZE BITCOIN IN A TIME OF HIGH INFLATION WOULD BE LIKE A REPEAT OF FDR'S GOLD SEIZURE (EXECUTIVE ORDER 6102), EXCEPT IT'D BE DONE DURING A TIME OF DECLINING STATE CAPACITY RATHER THAN RISING CENTRALIZATION. THE REASON SOMETHING LIKE THIS COULD BE THE TRIGGER EVENT IS THAT NEITHER SIDE COULD EASILY BACK DOWN: STATES WOULD HAVE NO POWER IF THEIR STATE WENT BANKRUPT, AND MAXIMALISTS WOULD HAVE NO MONEY IF THEY SURRENDERED TO THE STATE. THUS, THIS SEEMS LIKE A RELATIVELY FORESEEABLE EVENT THAT COULD KICK OFF THE SECOND AMERICAN CIVIL WAR — ESPECIALLY IF THE SEIZURE BILL IS PASSED BY THE FEDERAL GOVERNMENT AND SOME STATES REFUSE TO ENFORCE IT. HOW COULD THAT HAPPEN? A STATE-LEVEL REFUSAL TO ENFORCE MIGHT JUST BE PART OF THE GROWING DIVERGENCE BETWEEN STATES FROM THE FEDERAL GOVERNMENT AND EACH OTHER, SIMILAR TO THE JUSTIFICATION FOR SANCTUARY CITIES AND THE LIKE. BUT IF YOU WANTED A STATUTORY RATIONALE, YOU COULD IMAGINE A CONSTITUTIONAL AMENDMENT PROPOSED TO BAN BITCOIN SEIZURE, SOMETHING THAT WOULD PUT THE RIGHT TO HOLD BTC ON PAR WITH THE RIGHT TO FREE SPEECH AND THE RIGHT TO BEAR ARMS. SUCH AN AMENDMENT COULD BE RATIFIED BY MANY STATES IN THE RUN UP TO A POSSIBLE SEIZURE BILL. EVEN IF IT DIDN'T PASS NATIONALLY, ANY RATIFYING STATES WOULD THEN CITE THEIR RATIFICATION TO JUSTIFY THEIR REFUSAL TO ENFORCE. A WAR FOR MINDS, NOT LANDS IT'S A MISTAKE TO THINK A SECOND AMERICAN CIVIL WAR WOULD LOOK ANYTHING LIKE THE FIRST CIVIL WAR, OR LIKE WORLD WAR 2 FOR THAT MATTER. IT'D BE NOTHING LIKE THE MOVIES WITH HUGE MOVEMENTS OF UNIFORMED SOLDIERS, TANKS, AND PLANES. INSTEAD IT'LL JUST BE A CONTINUATION AND ESCALATION OF WHAT WE'VE SEEN OVER THE LAST SEVERAL YEARS: A NETWORK-TO-NETWORK WAR TO CONTROL MINDS, RATHER THAN STATE-TO-STATE WAR TO CONTROL TERRITORY. A FUSION OF AMERICA'S DOMESTIC CONFLICTS ON SOCIAL NETWORKS AND ITS FOREIGN CONFLICTS IN THE MIDDLE EAST. THE BEST WAY TO VISUALIZE THIS IS TO LOOK AT THE PHYSICAL MAP OF UNION-VS-CONFEDERATE RIGHT BEFORE THE CIVIL WAR, THE PHYSICAL MAP OF REPUBLICAN-VS-DEMOCRAT BY COUNTY, AND THEN THE DIGITAL MAP OF REPUBLICAN-VS-DEMOCRAT IN THE SAME PERIOD. IN THE FIRST CIVIL WAR, IDEOLOGY AND GEOGRAPHY STRONGLY COINCIDED. THE VICTORY CONDITION FOR THE NORTH WAS OBVIOUS: INVAD THE SOUTH. CONQUER THE TERRITORY TO CONQUER THE MINDS. THEY DIDN'T HAVE TO KILL EVERY LAST CONFEDERATE, THEY JUST HAD TO SHOW THAT RESISTANCE WAS FUTILE TO GET THE REMAINING CONFEDERATES TO STOP FIGHTING. IN ANY SECOND CIVIL WAR, IDEOLOGY AND GEOGRAPHY WOULD ONLY WEAKLY COINCIDE. LOOK AGAIN AT THAT MAP BY COUNTY. IS ONE SIDE REALLY GOING TO INVAD THE OTHER? OR VICE

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE185 Versa? IS THE US ESTABLISHMENT GOING TO SEIZE CORN FIELDS OR WILL ITS OPPONENTS MOVE TO CAPTURE BIG BLOCKS OF CITIES? IS EITHER SIDE GOING TO USE HUGE BOMBS ON TERRITORIES WHERE THEY'D KILL AT LEAST 30% OF THEIR OWN TEAM? COULD NUCLEAR WEAPONS BE TARGETED ENOUGH TO USE AS POLITICAL TOOLS TO GET THE OTHER SIDE TO CONCEDE? NO. INSTEAD IT'LL BE A WAR FOR MINDS, NOT LANDS. AND IF WE LOOK AT THE MAP OF DIGITAL SPACE, SUDDENLY MUCH BECOMES CLEAR. HERE, THE TWO SIDES ARE FULLY SEPARATED, AS THE UNION AND CONFEDERACY WERE. AND NOW WE CAN SEE WHY THERE'S BEEN SUCH AN EMPHASIS ON CANCELLATION, DEPLATFORMING, SILENCING, AND SHUNNING. . . ON MAKING PEOPLE SAY CERTAIN WORDS AND HOIST CERTAIN SYMBOLS. BECAUSE MAKING A PERSON OR A COMPANY POST A PARTICULAR HASHTAG INDICATES CONTROL OF MINDS WHICH IS IN TURN CONTROL OF DIGITAL TERRITORY. ALL THE DISCUSSION OVER THE LAST FEW YEARS AROUND "FREE SPEECH" DOESN'T REALLY ENGAGE THE FUNDAMENTAL ISSUE, WHICH IS THAT THIS IS A TIME OF INFORMATION WAR, WHERE THE VICTORY CONDITION FOR ONE SIDE IS TO INVADe THE MINDS OF THE OTHER SIDE – BECAUSE IT CANNOT FEASIBLY INVADe THE TERRITORY. TO INVADe THE MINDS OF THE OTHER SIDE, AND TO CONTROL THE DIGITAL NETWORKS – BECAUSE THE TECH COMPANIES THAT GREENLIGHT TRANSACTIONS, COMMUNICATIONS, AND ONLINE BEHAVIOR HAVE IN MANY WAYS BECOME THE DE FACTO PRIVATIZED GOVERNMENTS OF THE WESTERN WORLD. THE POWER TO DETERMINE WHAT PEOPLE CAN AND CANNOT DO IN THE DIGITAL WORLD BELONGS TO THE PEOPLE WHO RUN THESE NETWORKS. AND SO CONTROLLING THESE NETWORKS, BY CONTROLLING THE MINDS OF PEOPLE WHO RUN THEM, IS THE KEY TO MAINTAINING CONTROL OVER THE US IN A DIGITAL TIME. THAT'S WHY THERE'S BEEN SUCH A PUSH BY THE US ESTABLISHMENT TO WOKIFY THE BIG TECH COMPANIES. HOWEVER, A NETWORK THAT CAN'T BE CONTROLLED IN THIS WAY, AND THAT ISN'T RUN BY ANY ONE PERSON – LIKE BITCOIN – WELL, THAT'S A FORM OF RESISTANCE. THE SET OF WEB3 NETWORKS THAT ARE MORE DECENTRALIZED17 THAN CENTRALIZED SILICON VALLEY TECH COMPANIES, THAT ARE RUN BY COMMUNITIES – THOSE TOO ARE A FORM OF RESISTANCE. AS SUCH, IF THE FIRST CIVIL WAR WAS THE "WAR BETWEEN THE STATES", THE SECOND CIVIL WAR WILL BE THE "WAR BETWEEN THE NETWORKS." THE GRAPHS WE'VE SHOWN RELATE TO RED-VS-BLUE, BUT ADD A TINT OF YELLOW TO EACH GROUP AND ROTATE IT A BIT. THEN YOU'LL GET WHAT WE THINK IS THE LIKELY FUTURE AXIS OF CONFLICT, WHICH IS BITCOIN-ORANGE-VS-DOLLAR-GREEN. IN AREAS WHERE GREENS CONTROL THE STATE, THEY MAY USE MILITARIZED POLICE, TECH COMPANY SURVEILLANCE, DEPLATFORMING, DENUNCIATION IN MEDIA, ARRESTS, SEIZURES, AND THE LIKE. IN THOSE AREAS, ORANGE MAY RESPOND WITH AN INSURGENCY CAMPAIGN THAT LOOKS LIKE NORTHERN IRELAND OR THE MIDDLE EAST. BUT IN AREAS WHERE ORANGES CONTROL THE STATE, AND GREENS 17ANOTHER ISSUE WHERE WEB3 TECHNOLOGISTS DISAGREE WITH BITCOIN MAXIMALISTS IS ON THE QUESTION OF DECENTRALIZATION. MAXIMALISTS CONTEND THAT BITCOIN IS DECENTRALIZED AND ALL OTHER NETWORKS ARE NOT, THAT DECENTRALIZATION IS A BINARY PROPERTY. BECAUSE THEY ARE MONONUMISTS, THEY SOMETIMES REFER TO THIS IN MONOTHEISTIC TERMS AS AN "IMMACULATE CONCEPTION", USING A TERM FROM CHRISTIAN THEOLOGY. THE SHORT COUNTERARGUMENT IS THAT OBVIOUSLY BITCOIN WASN'T DECENTRALIZED ON DAY ZERO, WHEN SATOSHI NAKAMOTO WAS THE ONLY USER, SO IT MUST HAVE BECOME MORE DECENTRALIZED OVER TIME — AND SO HOW EXACTLY DID THAT HAPPEN, AND WHAT ARE THE METRICS FOR DECENTRALIZATION? A FULL COUNTERARGUMENT, ALONG WITH PROPOSED METRICS FOR INTERMEDIATE LEVELS OF DECENTRALIZATION, IS IN THIS PLECE ON QUANTIFYING DECENTRALIZATION.

6 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION ARE IN THE MINORITY, THESE TACTICS COULD REVERSE
THINK ABOUT THE BLM RIOTS, OR JAN 6, OR THE DOXXING OF SUPREME COURT JUSTICES BY ANGRY ESTABLISHMENT
ARIANS, OR THE VARIOUS STREET FIGHTS BETWEEN RIGHT AND LEFT, OR THE CONSTANT DIGITAL STRUGGLE THAT P
LAYS OUT ONLINE EVERY DAY, AND PROJECT OUT A FUTURE WHERE THOSE KIND OF NETWORK WARFARE TACTICS BECO
ME DAILY OCCURRENCES. LIKE THE PORTMANTEAU “LAWFARE”, THINK OF THIS AS “NETWAR.” MAXIMALIST VS WOKE
ROTATES LEFT AND RIGHT THE REASON THE TERMS “LEFT” AND “RIGHT” DON’T EXACTLY FIT FOR THE PROJECTED C
ONFLICT OF ORANGE VS GREEN IS THAT IN MANY RESPECTS THE BITCOIN ORANGE WOULD BE THE REVOLUTIONARY CLAS
S FACTION AND THE DOLLAR GREENS WOULD BE THE RULING CLASS FACTION.¹⁸ BASICALLY, THOSE WHO SLIDE WITH
THE US ESTABLISHMENT IN THIS SCENARIO WOULD BE THE SAME PERSONALITY TYPE AS THOSE WHO SLIDED WITH TH
E ANCIEN REGIME DURING THE FRENCH REVOLUTION: THEY’D BE FIGHTING TO PRESERVE THE PAST. THEIR MESSAGE
WOULD BE ONE OF PARTICULARISM, OF AMERICAN NATIONALISM, OF CONTINUED DOLLAR SUPREMACY. BY CONTRAST,
THOSE WHO SLIDE WITH BITCOIN MAXIMALISM WOULD BE A REVOLUTIONARY PER- SONALITY FIGHTING TO OVERTURN
WHAT THEY SAW AS TYRANNY. THEIR MESSAGE WOULD BE ONE OF UNIVERSALISM, OF A SYSTEM THAT PUTS EVERYONE
WORLDWIDE ON THE SAME PLAYING FIELD — AND THAT DOESN’T PRIVILEGE AMERICA OVER THE REST OF THE GLOBE
LIKE THE DOLLAR DOES. THIS WILL BE AN EXTREMELY UNCOMFORTABLE POSITION FOR THE US ESTABLISHMENT, BE
CAUSE FOR THE FIRST TIME¹⁹ IN MEMORY THEY’LL REPRESENT THE TECHNOLOGICALLY CONSERVATIVE FACTION, THE
LESS UNIVERSALIST SLIDE, THE PRE-MODERN SLIDE. BUT YOU CAN ALREADY SEE THE FORESHADOWING IN TERMS OF
HOW LEGACY MEDIA INVEIGHS AGAINST TECHNOLOGY, HOW THEY HATE THE FUTURE, HOW THEY WANT TO JAM SOCIAL
MEDIA AND THE INTERNET BACK INTO THE GARAGE, HOW THEY WANT TO TURN BACK THE CLOCK ON ALL THOSE THING
S THAT HAVE DISRUPTED THEIR POLITICAL CONTROL. MAXIMALISM IS THUS A KIND OF LEAPFROGGING. IF TRUMP I
NVOKED A MYTHICAL PAST, AND THE US ESTABLISHMENT REPRESENTS AN ATTEMPT TO FREEZE THE PRESENT IN AMBE
R, THE BITCOIN MAXIMALISTS ARE WILLING TO DRIVE THE SYSTEM TOWARDS AN UNCERTAIN FUTURE. THAT’S WHY A
FAIR NUMBER OF CONSERVATIVE REPUBLICANS WILL SLIDE WITH GREEN, AND WHY REVOLUTIONARY DEMOCRATS WILL
SLIDE WITH ORANGE. BITCOIN MAXIMALISM IS A MOVEMENT THAT KNOWS IT CAN’T “MAKE AMERICA GREAT AGAIN”, B
ECAUSE THAT AMERICA NO LONGER EXISTS AND PERHAPS NEVER DID, SO IT’S WILLING TO TAKE THE ENTIRE FIAT
SYSTEM DOWN. ORANGE IS THUS COMFORTABLE WITH A HIGHER LEVEL OF CHAOS THAN A SUDDENLY CONSERVATIVE US
ESTABLISHMENT. IT IS OK WITH THE UNCERTAINTY OF CRYPTO-ANARCHY OVER THE CERTAINTY OF INFLATIONARY TY
RANNY. AND IT IS NOT LOOKING TO MEND THE FEDERAL GOVERNMENT, BUT TO END IT. UNLIKE THE REFORMIST REP
UBLICAN, MAXIMALISM IS PLAYING TO WIN. AND SO IT MIGHT. ¹⁸SEE LEFT IS THE NEW RIGHT IS THE NEW LEFT.
¹⁹THERE WERE TIMES DURING THE 20TH CENTURY WHEN AMERICAN PROGRESSIVES THOUGHT THE USSR WAS MORE MOD
ERN; AS LINCOLN STEVENS SAID, “I HAVE SEEN THE FUTURE, AND IT WORKS!” BUT BY THE END, THE SOVIETS FE
LT GRAY AND STIFF, NOT REVOLUTIONARY.

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE187 WHO WINS? IT'S EXTREMELY D
IT TO FORECAST WHAT HAPPENS, BUT I DO THINK THAT IN THE LONG RUN THE MAXIMALISTS MAY WIN AT LEAST SOME
TERRITORY IN A SECOND AMERICAN CIVIL WAR, BECAUSE THEY'LL EVENTUALLY OUTLAST THE MONEY PRINTING O
F THE US ESTABLISHMENT. THE VALUE PROPOSITION IN THE AMERICAN REGIONS THAT GO MAXIMALIST WILL BE "FR
EDOM", THOUGH OTHERS WILL PERCEIVE IT AS ANARCHY. WHY COULD MAXIMALISTS WIN A WAR OF ATTRITION? EVE
RY DAY THE PRICE OF BTC/USD GOES UP IS ANOTHER VICTORY IN THE MAXIMALIST SOCIAL WAR AGAINST THE US E
STABLISHMENT; EVERY DAY IT GOES DOWN IS A TEMPORARY DEFEAT. 20 BECAUSE THE US GOVERNMENT CAN'T INVAD
E THE REST OF THE WORLD, AND BECAUSE OTHER STATES WON'T NECESSARILY LISTEN TO IT, IT CAN'T EASILY SE
IZE BITCOIN GLOBALLY. SO LONG AS THE LONG-TERM PRICE TREND IS UP, WHICH IS NOT GUARANTEED, THEN MAXI
MALISTS WIN. THAT DOES LEAD TO A RELATED POINT: WITH AN ESTIMATED 300M CRYPTOCURRENCY HOLDERS WORLDW
IDE AT THE TIME OF WRITING, HUNDREDS OF MILLIONS OF PEOPLE WHO AREN'T MAXIMAL-ISTS ALREADY BELIEVE
IN BITCOIN. AND IT'S ON TRACK TO BE BILLIONS BY 2030. SO LONG AS THOSE HOLDERS DON'T SELL THEIR BITC
OIN, THAT'S A FUNDAMENTALLY NEW INTERNATIONAL SUPPORT NETWORK OF A KIND THAT MAGA REPUBLICANS DON'T
HAVE. THAT IS, A MAN IN BRAZIL DOESN'T NECESSARILY CARE ABOUT AMERICAN REPUBLICANS VS DEMOCRATS — HE
'S NOT AN AMERICAN NATIONALIST, AND DOESN'T HAVE A DOG IN THAT FIGHT — BUT HE MAY WELL HOLD BITCOIN.
AND SO LONG AS HE DOESN'T SELL BTC FOR DOLLARS, HE'S INDIRECTLY SUPPORTING MAXIMALISTS. YET HIS FOR
EIGN SUPPORT COMES IN AN INTANGIBLE AND IDEOLOGICAL FORM THAT FEELS ACCEPTABLE TO THE PROUD AMERICAN
BITCOIN MAXIMALIST, AS OPPOSED TO (SAY) THE EXPLICIT SUPPORT OF A FOREIGN MILITARY GETTING INVOLVED
ON US SOIL. WITH THAT SAID, THE US ESTABLISHMENT COULD ALSO WIN A WAR OF ATTRITION. THEIR STARTING
ADVANTAGES ARE IMMENSE: THE UNIVERSITIES, THE MEDIA, THE MILITARY, THE INTELLIGENCE AGENCIES, MOST O
F THE TECH COMPANIES, AND THE FEDERAL GOVERNMENT ITSELF. THE US ESTABLISHMENT ALSO HAS AN ELITE GLOB
AL SUPPORT BASE: ALL THE PEOPLE WHO SYMPATHIZE WITH IT AROUND THE WORLD: THE MCKINSEY TYPES, THE IVY
GRADS, THE FREQUENT FLYER CLASS, AND THE PEOPLE WHO STILL THINK AMERICA IS THE COUNTRY FROM THE MOV
IES.21 EVEN IF THE ESTABLISHMENT CAN'T FORCE FOREIGN GOVERNMENTS TO SEIZE BTC, THEY MAY TRY SEIZING
BITCOIN FOR THEIR OWN REASONS, THOUGH OTHER STATES WILL INSTEAD VECTOR TOWARDS THE DIRECTION OF ECON
OMIC FREEDOM. 20THIS IS WHY MAXIMALISTS MAY ACTUALLY PUSH LAWS AGAINST HOLDING OTHER COINS IN THEIR
JURISDICTION. YOU MIGHT THINK THAT SUCH ADVOCACY WOULD BE AN IDEOLOGICALLY INCONSISTENT FUSION OF AN
TI-FED AND PRO-SEC, BUT THERE IS A LOGIC TO THE ILLOGIC. MAXIMALISTS ARE IN FAVOR OF ANYTHING THAT M
AKES "NUMBER- GO-UP", WHAT THEY THINK OF AS BRINGING THE PRICE OF BITCOIN UP IN THE SHORT RUN. MANY
HAVE CONVINCED THEMSELVES THAT INVESTMENT INTO THE WEB3 CRYPTOECONOMY ACTUALLY HARMS THE PRICE OF B
ITCOIN RATHER THAN SUPPORTING IT. AGAIN, JUST LIKE A COMMUNIST PATHOLOGIZES PRO■T, OR A CHRISTIAN FUN
DAMENTALIST PATHOLOGIZES INTEREST, A MAXIMALIST PATHOLOGIZES THE ISSUANCE OR PURCHASE OF ANY DIGITAL
ASSET OTHER THAN BITCOIN. 21THERE'S A PERHAPS APOCRYPHAL CONCEPT CALLED "PARIS SYNDROME" FOR THE SH
OCK EXPERIENCED BY THOSE WHO'D ONLY KNOWN THE MOVIE VERSION OF PARIS, AND THEN WERE FACED WITH THE D
REARY REALITY OF WHAT IT ACTUALLY IS.

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION Moreover, Even IF The US EStablishment DOes LOse
Some Territory, IT Will Likely HAng ON TO The Northeast ANd The West COast. The VALue PRoposition IN
Those REGions THat STick Wlth The EStablishment Will BE “Democracy”, THough OTHeRs Will PERceive IT
AS FIAt “Tyranny”. DURING ALI THis, The PRESSure OF CON■ict COULD FORCE PEople TO THE IDEological EX
tremes. The CLOsest MOVie ARchetypes FOR THE GREEN AND ORange Slides COULD BE A MORE OPpressive VERS
ion OF PORTlandia AND A MORE FUNctional VERSION OF MAD MAX. CARToonish CARicatures COME TO LIfe. WARS
AREN’t ROMantic IF IT’s NOT ABundantly CLEAR, I TAKE NO Slides HERE, AND AM NOT ROoting FOR ANarchy.
I’d PRefer A STable World WHERE WE COULD FOCUS ON MAThematics AND GETTING TO MARS THAN THE CHAOS TH
at MAY SOon ENSue. AND I HAVE NO ILLusions ABOUT HOW BAD CIVIL CON■ict CAN GET; THERE ARE NO UNscath
ed WINners IN WARS. REAd DAVID HINES FOR A GOOD DEpiction OF WHAT POLITICAL VIOlence IS ACTually LIk
e. POLITICAL VIOlence IS LIKE WAR, LIKE VIOlence IN GENeral: PEople HAVE A FAN- TAsy ABOUT HOW IT WO
THIS IS THE FANTasy OF HOW VIOlence WORKS: YOU SMITE YOUR ENEMIES IN A GRAND AND GLORIOUS CL
NG BECAUSE OF COURSE YOU’RE BETTER. GRAND AND GLORIOUS SMiting ISn’t ACTually HOW VIOlence WORKS
I’ve WORKed A FEW PLaces THat HAVE HAD SERious POLITICAL VIOlence. AND I’m NOT SURE HOW TO REally DE
scribe IT SO PEople GET IT. THIS IS A STupid COMparison, BUT HERE: IMAGINE THAT ONE DAY GODzilla WAI
S THrough YOUR TOWN. THE NEXT DAY, HE DOES IT AGAIN. AND HE KEEPS DOing IT. SOME DAYS HE STEPS ON M
ORE PEople THAN OTHeRs. THAT’S IT. THAT’S ALI HE DOES: TRudging THrough YOUR TOWN, BACK AND FORTH. Y
OUR TOWN’S NOT YOUR TOWN NOW; IT’S THE GODzilla TRudging ZONE. POINT: CIVIL CON■ict IS NOT ROMantic,
IT’S NOT TARGETed, IT’S NOT PROportional. IT’S INSane. IF YOU THINK THE SCenario OF AMERICAN ANarch
y IS A POSSIBILITY, YOU PRObably WANT TO GET AS FAR AWAY FROM IT AS YOU CAN, REGARDless OF YOUR “Sym
pathies” WITH EITHER SIDE. AND THEN YOU SHOULD HELP BUILD A PEaceful ALternative TO AMERICAN ANarchy
. BUT NOT THE ALternative THat CHINA Will OFFer, WHICH WE’LL COVER NEXT. 4.5.2 CHinese CONTROL ATtem
pted COup LEADS TO TOTAL CONTROL WHILE IN THE WEST WE MAY SEE AMERICAN ANarchy, IN THE EAST WE COULD
SEE CHinese CONTROL. BEFORE THE US ENTERS SERious INTERNAL CON■ict, IT COULD SUPPORT SOME KIND OF C
HINA COup

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE189 — WHETHER WITH WORDS OR V
ORE THAN THAT — AS WRITTEN ABOUT BY ROGER GARSIDE IN THE EPONYMOUS BOOK CHINA COUP, AS HINTED AT BY
PARTIES AS DIFFERENT AS GEORGE SOROS AND AMERICA'S JSOC, AND AS PREVIOUSLY ACCOMPLISHED IN MANY ACKNO
WLEDGED REGIME CHANGES AND UNACKNOWLEDGED COLOR REVOLUTIONS AROUND THE WORLD. FOR REASONS WE'LL GET
INTO, I DON'T THINK SUCH A COUP IS LIKELY TO BE SUCCESSFUL. BUT THE REACTION TO ANY COUP ATTEMPT BY
THE CCP COULD BE THE MOST INTENSE CRACKDOWN ON DOMESTIC OPPOSITION WE'VE EVER SEEN. IT WOULD BE AN
I-POWERED RIPPING UP OF CHINESE SOCIETY BY THE ROOTS THAT PUTS EVERY CITIZEN UNDER SUSPICION AND MAK
ES IT VERY DIFFICULT FOR CHINESE NATIONALS TO LEAVE WITH THEIR PROPERTY, TO "RUNXUE". IT MAY ALSO BE A
CCOMPANIED BY DENIABLE (OR OVERT) CHINESE RETALIATION AGAINST THE US FOR ATTEMPTING A COUP, RETALIAT
ION WHICH COULD TAKE THE FORM OF TARGETED SHORTAGES OF KEY PHYSICAL GOODS TO EXACERBATE AMERICAN IN
ATION AND SUPPLY CHAIN WOES. IF AND WHEN THE COUP IS QUASHED, THE CCP WILL THEN EXPORT THEIR COUP-de
FEATING SURVEIL- LANCE STATE TO OTHER COUNTRIES. AND THEIR VALUE PROPOSITION TO THE WORLD WILL BE CH
INESE CONTROL — THE COMPLETE OPPOSITE OF AMERICAN ANARCHY. CHINA BLOCKS THE EXITS A SPECIFIC PREDICTI
ON IS THAT WE'LL SEE A WORLD WHERE IT BECOMES INCREASINGLY DIFFICULT FOR CHINESE PEOPLE TO LEAVE THE C
OUNTRY OR GET THEIR PROPERTY OUT OF THE DIGITAL YUAN ECOSYS- TEM WITHOUT CCP PERMISSION. TAKE THE EX
ISTING HUKOU SYSTEM OF INTERNAL PASSPORTS, THE WECHAT SYSTEM OF RED/YELLOW/GREEN TRAVEL RESTRICTIONS
BASED ON HEALTH STATUS, THE AGGRESSIVE COVID LOCKDOWNS, AND THE RECENT PASSPORT RESTRICTIONS — THEN
FUSE THEM WITH A SURVEILLANCE STATE THAT CAN TRACK PEOPLE GLOBALLY, A WECHAT SUPERAPP THAT CAN UNPE
RSON THEM, AND A DIGITAL YUAN THAT CAN FREEZE THEIR ASSETS. THERE ARE TRENDS THAT POINT IN THE DIREC
TION OF DIGITAL AND PHYSICAL MOVEMENT RESTRICTION ALREADY. CHINESE PASSPORT ISSUANCE HAS ALREADY DEC
LINED DRAMATICALLY, DOWN "95 PER CENT IN THE FIRST QUARTER COMPARED TO BEFORE THE PANDEMIC." OUTBOUN
D TRAVEL IS SIMILARLY DOWN 95%, WITH 8.5 MILLION PEOPLE LEAVING CHINA IN 2021 RELATIVE TO 154 MILLIO
N IN 2019. CHINA HAS ALSO BEEN USING COVID QUARANTINE CODES TO STOP PEOPLE FROM MOVING MONEY OR MO
VING AROUND. AND CHINESE CAPITAL CONTROLS, ALWAYS STRICT, MAY GET EVEN MORE INTENSE WITH THE ROLLOUT O
F THE DIGITAL YUAN. SO THAT MAKES EXIT HARD. CONVERSELY, ON THE ENTRANCE SIDE, WHILE IT WILL STILL B
E POSSIBLE FOR APPROVED CHINESE CITIZENS TO TRAVEL TO PLACES LIKE IRAN OR RUSSIA THAT ARE EFFECTIVELY
MILITARY ALLIES, THE COUNTRIES WHERE THE CHINESE STATE LACKS A HARD POWER PRESENCE WILL START TURN
ING DOWN CHINESE NATIONALS DUE TO ESPIONAGE CONCERNS. THIS HAS ALREADY BEEN HAPPENING. THIS COMBINAT
ION OF OUTBOUND RESTRICTIONS IMPOSED BY THEIR GOVERNMENT AND INBOUND RESTRICTIONS FROM OTHER GOVERN
MENTS WILL MAKE LIFE HARD FOR THE CHINESE LIBERALS AND INTERNATIONALISTS WHO DISAGREE WITH THE SYSTEM
, THE "RUNXUE" TYPES. THEY WON'T BE ABLE TO POLITICALLY DISSSENT, BUT IT'LL ALSO BE HARD FOR THEM TO
LEAVE THE COUNTRY WITH THEIR PROPERTY, AS MANY WILL WANT TO DO. SUCH AN ACT WILL BE PREVENTED OR POR
TRAYED AS A TRAITOROUS RUN-ON-THE-BANK, PARTICULARLY IF THE ECONOMY ISN'T DOING WELL. THINK ABOUT

CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION HOW ENTHUSIASTIC PUTIN HAS BEEN ABOUT THE “RENATIONALIZATION OF THE ELITES”, AND HOW CLOSELY THE CCP HAS BEEN WATCHING WESTERN TACTICS DURING THE RUSSO-UKRAINE WAR. THEY RECOGNIZE THAT ANY COMMERCIAL LINKAGE WITH THE WEST IS A POINT OF VULNERABILITY DURING A CONFLICT. SO IT’S QUITE LIKELY THAT CCP WILL INCREASINGLY MAKE IT DIFFICULT FOR PEOPLE TO EXIT PHYSICALLY OR DIGITALLY. THE PATH TO CHINESE CONTROL WHAT ARE THE FACTORS THAT LEAD US TO THIS PREDICTION, THAT CCP WILL EMPHASIZE THE “LOYALTY” PART OF HIRSCHMAN’S TRIAD AND TURN STRONGLY AGAINST BOTH VOICE AND EXIT? 1. SHUTTING DOWN OPPOSITION ACROSS THE SPECTRUM. THIS PLOT FROM MERICS IS WORTH LOOKING AT, AS IT REMINDS US THAT THE CCP IS NOT SOLELY AGAINST US-STYLE “DEMOCRATIZATION”, BUT ALSO AGAINST MANY DIFFERENT KINDS OF IDEOLOGIES THAT DIFFER FROM THE PARTY-STATE’S CURRENT LINE. WHETHER THAT OPPOSITION IS MAOIST (LIKE BO XILAI), DEMOCRATIC (LIKE HONG KONG AND TAIWAN), ISLAMIC (LIKE THE UIGHURS), CHRISTIAN (LIKE THE CHURCHES), TECHNOLOGIST (LIKE JACK MA AND OTHER FOUNDERS), OR EVEN ULTRA-NATIONALIST, THE CCP STANDS AT THE MIDDLE OF AN IDEOLOGICAL CIRCLE AND CONSTANTLY MONITORS EVERYONE FOR DEVIATION. 2. INCULCATING CHINESE NATIONALISM. JUST AS THE US HAS GONE THROUGH A GREAT AWAKENING SINCE THE 2013, CHINESE SOCIETY HAS BEEN DRIVEN BY XU XI QIANGGUO INTO A PHASE OF ULTRA-NATIONALISM. THERE IS OPPOSITION TO THIS INTERNALLY, BUT IT REMAINS TO BE SEEN WHETHER IT ACTUALLY FLIPS THE NATIONALISM OR SIMPLY MODERATES IT. 3. BUILDING A SURVEILLANCE STATE. MUCH HAS BEEN WRITTEN ON THIS, BUT THE SHEER SCALE OF WHAT HAS BEEN BUILT ISN’T WELL UNDERSTOOD. WHILE IT’S WORTH BEING AWARE OF GELL-MANN AMNESIA, THIS IS ACTUALLY AN AREA WHERE US ESTABLISHMENT MEDIA IS CLOSER TO REALITY THAN IT IS DOMESTICALLY, IN PART BECAUSE RELATIVE TO THE CHINESE STATE IT’S ACTUALLY OPPOSITION MEDIA. SEE VIDEOS LIKE THIS FROM DW AND THIS. 4. HOOKING IT INTO AI. READ KAI-FU LEE’S AI SUPERPOWERS AND THEN READ THIS, THIS, AND THIS. SUPPLEMENT IT WITH DAN WANG’S LETTERS, OR THIS 2019 POST FROM A CHINESE INTELLECTUAL PUBLISHED AT READING THE CHINESE DREAM THAT IS STILL ABLE TO QUESTION THE DEPLOYMENT OF ALL THE SURVEILLANCE. 5. PILOTING THE SYSTEM DURING COVID. THE GREEN/YELLOW/RED HEALTH CODES ROLLED OUT ON WECHAT DURING THE EARLY DAYS OF COVID ARE USED FOR TRAVEL RESTRICTIONS - AND HAVE BEEN REPURPOSED TO SIMPLY PREVENT PEOPLE FROM TRAVELING IN A DENIABLE WAY. 6. CUTTING OFF DIGITAL AND PHYSICAL EXIT. MISBEHAVIOR IN CHINA CAN GET YOU REMOVED FROM WECHAT, WHICH IS LIKE UNPERSONING YOU GIVEN HOW MANY SERVICES IT’S HOOKED INTO, PUBLIC AND PRIVATE. MORE RECENTLY, CHINA HAS REPEATEDLY MADE IT DIFFICULT TO LEAVE THE COUNTRY ON THE GROUNDS THAT DOING SO WOULD SPREAD COVID: “TRIPS IN OR OUT OF THE COUNTRY MADE BY MAINLAND CITIZENS IN 2021 PLUNGED NEARLY 80% COMPARED WITH THE LEVEL IN 2019, NIA DATA SHOWED.” 7. SELLING TO OTHER GOVERNMENTS. BOTH CHINA AND THE US HAVE SOLD SURVEILLANCE

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE191 Technology TO The GLOBE, Ne DIfference IS THAT CHINA CAN EXecute BETTER IN THE PHYSICAL WORLD - SO SMART CITIES BUILT WITH CHINESE TECHNOLOGY HAVE FULL-stack SURVEILLANCE. 8. JUSTIFYING AN ANTI-IMPERIALISM. THE EDUCATIONAL SYSTEM AND THE BIG-SCREEN MOVIES LIKE BATTLE OF LAKE CHANGJIN AND WOLF WARRIOR 2 POSITION CHINA AS DEFENDING ITSELF FROM WESTERN IMPERIALISM. AND THIS FILTERS DOWN TO THE SMALL SCALE, LIKE THIS VIDEO OF AN OFFICIAL DEFENDING SHANGHAI'S LOCKDOWN WITH THE NARRATIVE THAT CHINA WILL EVENTUALLY HAVE A WAR WITH THE US, SO CITIZENS NEED TO GET IN LINE FOR THE LOCKDOWN. 9. POINTING TO RELATIVE STABILITY. THE "HARMONIOUS SOCIETY" NARRATIVE BEGUN UNDER HU JINTAO HAS BEEN MENTIONED LESS IN AN INTERNATIONAL CONTEXT BY XI JINPING, WHO HAS NOT EXACTLY BEEN PURSUING HARMONY ABROAD. BUT IT'S STILL A USEFUL TOOL TO JUSTIFY SOCIAL CONTROL – LIKE NYT TALKS ABOUT CENSORSHIP AND SOCIAL CONTROLS TO PRESERVE "DEMOCRACY", CCP TALKS ABOUT CENSORSHIP TO MAINTAIN "HARMONY." 10. CHINA COUP COULD BE THE TRIGGER EVENT. THE US ESTABLISHMENT HAS PUT OUT VIDEOS AND ARTICLES THAT COME CLOSE TO CALLING FOR A COUP IN CHINA. GEORGE SOROS BROADLY HINTS AT IT IN SPEECHES LIKE THIS. AND FOLKS LIKE ROGER GARSIDE LITERALLY WROTE A BOOK ON IT. AN ATTEMPTED COUP, WHETHER ACTUALLY AMERICAN-BACKED OR SIMPLY ACCUSED OF BEING SUCH, COULD BE THE TRIGGER EVENT FOR ROLLING OUT A FEARSOME SYSTEM OF CHINESE CONTROL. AI WOULD BE TURNED ON THE POPULATION, AND ANY EVEN MILDLY WESTERN-SYMPATHIC GROUPS WOULD BE PATTERN-RECOGNIZED AND DUG OUT BY THEIR ROOTS. NATIONALIST MOBS MIGHT PARTICIPATE, ONLINE OR EVEN IN PERSON. IT COULD GET VERY UGLY. THE LAST PART IS IMPORTANT: CHINESE CONTROL WOULD HAVE SIGNIFICANT POPULAR SUPPORT. THE COUNTRY IS HEAVILY NATIONALIST NOW. IT IS POSSIBLE THE SWING TOWARDS NATIONALISM PARTIALLY REVERSES — THERE ARE SIGNIFICANT FACTIONS IN CHINA WHO DO NOT LIKE THE CURRENT TREND — BUT I THINK IT'S TOO MUCH TO THINK THAT CHINA IS GOING TO "GO DEMOCRATIC." AMERICA'S INTERNAL CHAOS MEANS IT IS SIMPLY NOT AN ADMIRABLE MODEL FOR MUCH OF THE WORLD ANYMORE, AND WHILE SOME EDUCATED CHINESE LIBERALS MAY INDEED WANT TO RUNXUE, THERE IS MOMENTUM TOWARDS NATIONALISM AMONG MUCH OF CHINA'S YOUTH. I MAY BE WRONG ABOUT THIS, BUT PUTTING IT ALL ON ONE PERSON OR EVEN ONE PARTY DOESN'T FEEL RIGHT. THE IDEOLOGICAL CURRENT TOWARDS CHINESE ULTRA-NATIONALISM FEELS STRONGER THAN XI THE PERSON, OR EVEN THE CCP, AND MAY OUTLAST HIM IN THE EVENT OF A BLACK SWAN. ANYWAY, WITH THE COUP DEFEATED, CCP WOULD THEN SELL A TURNKEY VERSION OF THEIR COUP- DEFEATING SURVEILLANCE STATE TO OTHER COUNTRIES AS A WAY TO (A) STOP ANY POSSIBLE CON- TAGION OF AMERICAN ANARCHY, (B) CONTROL CRIME, (C) PREVENT INCREASINGLY MOBILE CITIZENS FROM LEAVING WITH THEIR FUNDS TO OTHER COUNTRIES, AND (D) PREVENT UNREST OF ANY KIND, LEGITIMATE OR NOT. IT WOULD ENSURE THAT ANY LEADER CURRENTLY IN CHARGE REMAINS IN CHARGE, AND WOULD BE PICKED BY MANY GOVERNMENTS FOR EXACTLY THAT REASON.

2 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION CHINA CAVEAT THERE'S AN IMPORTANT CAVEAT TO ALL THIS. MUCH WESTERN COVERAGE OF CHINA IS UNREMITTINGLY NEGATIVE. AND CERTAINLY THE SCENARIO DESCRIBED HEREIN IS NOT A PARTICULARLY ROSY ONE. BUT WE NEED TO TEMPER THAT NEGATIVITY WITH A DOSE OF REALISM.

1. FIRST, WHY ARE WE EVEN DISCUSSING CHINA? WHY AREN'T WE DISCUSSING CHAD OR CHILE? BECAUSE CHINA HAS DONE A BALANCE EXECUTED PHENOMENALLY WELL SINCE 1978. AFTER DENG XIAOPING'S REFORMS, THE COUNTRY REALLY HAS RISEN TO THE WORKSHOP OF THE WORLD, WITH AN ENORMOUS TRADE SURPLUS, A SURFEIT OF HARD CURRENCY, AND DOZENS OF HUGE NEW CITIES. IT'S THE #2 ECONOMY, THE #2 MILITARY, AND THE #2 IN TECH UNICORNS. A LOT OF THAT HAPPENED FROM A STARTING POINT OVER THE LAST 40-ODD YEARS, SINCE DENG'S TURNAROUND OF CHINA (CALLED BOLUAN FANZHENG). CONVERSELY, OVER THE LAST 30 OR SO YEARS, THE US ESTABLISHMENT HAS SQUANDERED PERHAPS THE GREATEST LEAD IN HUMAN HISTORY, GOING FROM COMPLETE AND UNCONTESTED DOMINANCE IN 1991 TO INTERNAL CONFLICT AND POTENTIALLY IMPLOSION. MOREOVER, AS NOTED IN WHAT ABOUT CHINA, HUH?, IT'S NOT THAT THE US ESTABLISHMENT IS MORE ETHICAL THAN THE CCP WHEN IT COMES TO CIVIL LIBERTIES, IT'S JUST LESS COMPETENT. AFTER 9/11, THE US ESTABLISHMENT ALSO DOES WARRANTLESS SURVEILLANCE VIA THE NSA, UNCONSTITUTIONAL SEARCH AND SEIZURE VIA THE TSA, ARBITRARY CONSCISCATION OF PROPERTY VIA CIVIL FORFEITURE, CENSORSHIP OF POLITICAL KEYWORDS JUST LIKE WECHAT, AND HAS PUSHED FOR DISINFORMATION AGENCIES, CIVILIAN DISARMAMENT, DIGITAL CENSORSHIP, AND THE LIKE. THE US ESTABLISHMENT COPIED THE CCP ON LOCKDOWN, WITHOUT EVER REALLY ADMITTING IT WAS DOING SO, AND FUNDED THE LAB THAT MAY HAVE LEAKED THE CORONAVIRUS. IT'S ALSO BOMBED AND DESTABILIZED MANY COUNTRIES AROUND THE WORLD. AND IF WE'RE HONEST, OVER THE LAST TWO DECADES, THE US HAS KILLED AND DISPLACED FAR MORE PEOPLE ABROAD THAN THE CCP HAS. THAT MIGHT BE HARD TO HEAR FOR A WESTERNER, BUT WHAT ALL OF THAT MEANS IS THAT (A) THE CCP DOES HAVE SOME CREDIT WITH MANY "NEUTRAL" COUNTRIES, (B) IT ALSO HAS CREDIT WITH HUGE SWATHS OF ITS OWN POPULATION THANKS IN PART TO BOTH NATIONALIST PROPAGANDA AND ACTUAL EXECUTION, (C) THAT RELATIVE CREDIT WILL GROW IF AMERICA DESCENDS INTO ANARCHY, (D) THE CREDIT WILL MAKE IT EASIER FOR CCP TO ROLL OUT MORE CHINESE CONTROL AT HOME AND ABROAD, AND (E) THE CREDIT WILL ACTUALLY ATTRACT SOME CHINESE ANCESTRY PEOPLE BACK TO CHINA EVEN AS OTHERS WANT TO LEAVE. WAIT – THAT LAST POINT SEEMS PARADOXICAL. HOW COULD PEOPLE WANT TO COME TO CHINESE CONTROL IF WE'VE JUST SPENT ALL THIS TIME TALKING ABOUT SO MANY WANT TO LEAVE? THINK ABOUT MICROSOFT. IT'S A STRONG COMPANY. MOST PEOPLE IN THE WORLD WOULD BE GLAD TO GET A JOB AT MICROSOFT. BUT MANY OF THE VERY BEST WOULD FIND IT STIMULATING, AND WOULD INSTEAD STRIKE OUT ON THEIR OWN TO JOIN OR FOUND A TECH COMPANY. THERE'S SIMULTANEOUSLY A DEMAND FOR SOME PEOPLE TO JOIN MICROSOFT WHILE OTHERS WANT TO LEAVE. IN THE CASE OF CHINA, THIS IS COMPOUNDED BY CHINA'S EVAPORATING SOFT POWER IN REGIONS WHERE IT DOESN'T HAVE HARD POWER. THE CLIMATE OF SUSPICION TOWARDS CHINESE NATIONALISMS HAS RAMPED UP DRAMATICALLY IN RECENT YEARS, AND IT'S GENERALLY NOT FLAGGED AS "RACISM"

AMERICAN ANARCHY, CHINESE CONTROL, INTERNATIONAL INTERMEDIATE¹⁹³ BY THE ESTABLISHMENT PRES
is COULD MAKE A GOOD NUMBER OF CHINESE ANCESTRY PEOPLE LEAVE RATHER THAN BE SINGLED OUT IN THE EVENT
OF A HOT CONFLICT. SO, THAT'S WHAT COULD HAPPEN TO CHINA: SIGNIFICANT INFLOWS OF CHINESE ANCESTRY PEOPLE
le, ALONG WITH SOME OUTFLOWS (OR BLOCKED OUTFLOWS) OF ELITES. AND THE CHINESE CONTROL SCENARIO WE'VE D
Escribed, WHILE DYSTOPIAN TO THE AMBITIOUS AND FREEDOM-SEEKING, WILL LIKELY BE ACCEPTABLE TO MANY PEOPLE
WHO PRIZE STABILITY OVER ALL ELSE AND SEE SCENES OF FLAMES AND GUNFIRE (WHETHER REPRESENTATIVE OR
R NOT) COMING FROM AMERICAN ANARCHY. IT WON'T BE TRIVIAL TO BEAT THE AVERAGE STANDARD OF LIVING THAT
CHINESE CONTROL MAY BE CAPABLE OF DELIVERING. IT WILL APPEAL TO MANY. AND THAT BRINGS US TO THE INT
ernational Intermediate. 4.5.3 International Intermediate WHAT'S THE INTERNATIONAL INTERMEDIATE? THE
y'RE JUST THE PEOPLE WHO DON'T WANT THEIR SOCIETIES TO DESCEND INTO AMERICAN AN-ARCHY, BUT ALSO WANT
t A BETTER OPTION THAN CHINESE CONTROL. THAT'S INDIA AND ISRAEL, BUT ALSO AMERICAN CENTRISTS, CHINESE
e LIBERALS, GLOBAL TECHNOLOGISTS, AND PEOPLE FROM OTHER PLACES THAT WANT TO STEER A DIFFERENT COURSE
FROM THE US ESTABLISHMENT, FROM CRYPTO-ANARCHY, AND FROM CHINESE CONTROL. WHY MENTION INDIA AND ISRAEL
el SO PROMINENTLY? CALL IT A HUNCH, BUT THOSE TWO GROUPS ARE #1 AND #2 IN IMMIGRANT TECH FOUNDERS IN
THE US. INDIA IS, SEPARATELY, ALSO #3 IN TECH UNICORNS AFTER THE US AND CHINA. AT THE STATE LEVEL I
NDIA AND ISRAEL ARE NOW HIGHLY ALIGNED, AND AT THE INDIVIDUAL LEVEL INDIANS AND ISRAELIS TEND TO BE
GLOBALLY FLEXIBLE AND ENGLISH-SPEAKING. SO, INsofar AS THERE IS A THIRD TECHNOLOGICAL POLE OUTSIDE T
HE US AND CHINA, IT WILL PROBABLY HAVE SIGNIFICANT INDO-ISRAELI CHARACTER, WITH SERVERS POSITIONED
IN THEIR RESPECTIVE TERRITORIES, AND DEALS INKED ACROSS BORDERS. OF COURSE, IT WILL ALSO HAVE CONTRI
butions FROM ALL AROUND THE WORLD. IT'S PROBABLY EASIER TO SAY WHO THE INTERNATIONAL INTERMEDIATE IS
NOT THAN WHO IT IS. IT'S NOT THE US ESTABLISHMENT, OR PLACES HEAVILY ALIGNED WITH IT. AND IT'S NOT
CHINA OR HEAVILY CHINA-ALIGNED REGIONS LIKE RUSSIA AND IRAN. BUT IT COULD INCLUDE PLACES LIKE THE V
Isegrad COUNTRIES (ANTI-RUSSIA BUT ALSO SKEPTICAL OF MUCH IN AMERICA), OR SOUTH KOREA (WHICH ELECTED
A PRO-BITCOIN HEAD OF STATE), OR EVEN VIETNAM (NOW PULLING AWAY FROM CHINA TO SLIDE MORE WITH INDIA)
. BECAUSE IT'S "EVERYONE ELSE", BY DEFAULT THIS INTERNATIONAL INTERMEDIATE IS JUST RAW MATERIAL –
THE 80% OF THE WORLD THAT IS NOT AMERICAN OR CHINESE IS JUST A FORMLESS MASS WITHOUT INTERNAL STRUCTURE.
Indeed, THAT'S WHAT HAPPENED TO THE "THIRD WORLD" DURING LAST CENTURY'S COLD WAR. THE NON-ALIGN
ed COUNTRIES WEREN'T JUST NOT ALIGNED WITH THE US OR USSR, THEY WEREN'T ALIGNED WITH EACH OTHER. TH
is TIME, HOWEVER, RATHER THAN BEING THE THIRD WORLD / NON-ALIGNED MOVEMENT, A

4 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION SUBSET OF THE MANY BILLIONS OF PEOPLE IN THE INTERNATIONAL INTERMEDIATE CAN ALIGN AROUND WEB3 TO TRY TO BUILD ALTERNATIVES TO AMERICAN ANARCHY AND CHINESE CONTROL. AND THAT SUBSET WE CALL THE RECENTRALIZED CENTER. 4.6 VICTORY CONDITIONS AND SURPRISE ENDINGS MANY VIDEO GAMES HAVE THE CONCEPT OF GOOD AND BAD ENDINGS, LIKE SHATTERED UNION AND STARCRAFT. WE'LL TAKE THAT APPROACH WITH THE SCIENCE-FICTION SCENARIO WE OUTLINED, DESCRIBING SOME VICTORY CONDITIONS FOR DIFFERENT FACTIONS AS WELL AS SURPRISE ENDINGS THAT GIVE AN UNEXPECTED TWIST. AGAIN, THIS IS A WAY TO THINK THROUGH AN UNCERTAIN FUTURE WITH SOME SCENARIO ANALYSIS, NOT A HARD AND FAST SET OF PREDICTIONS. 4.6.1 THE VICTORY CONDITIONS THE "BASE RATE FALLACY" FALLACY THIS IS A SCENARIO WHERE THE US ESTABLISHMENT WINS, AND AVERTS AMERICAN ANARCHY. IN 2020, TYLER COWEN WROTE ABOUT HOW "BASE-RATERS" AND "GROWTHERS" DIFFER REGARDING THE CORONAVIRUS. GROWTHERS LOOKED AT THE GROWTH RATE OF THE VIRUS, WHICH AT THE TIME WAS EXPONENTIAL. BASE-RATERS START BY ASKING HOW OFTEN SOMETHING HAS HAPPENED BEFORE; THEY ASSUME THINGS WILL MORE OR LESS STAY THE SAME. SO, BASE-RATERS ASSUME THE POST-WAR ORDER REMAINS INTACT; THE DOLLAR REMAINS NUMBER ONE; THE USA STAYS NUMBER ONE; CHINA WILL COLLAPSE LIKE JAPAN; EVERYBODY ALWAYS SAYS THE WEST IS DECLINING, BUT IT'LL ALWAYS REINVENT ITSELF; IT'LL BE OKAY; YOU'RE TOO CONCERNED OR WORRIED ABOUT THIS, ETC. IF THE BASE RATE FALLACY IS ASSUMING TOMORROW WILL BE LIKE TODAY, THEN THE BASE RATE FALLACY FALLACY IS ASSUMING THAT THE BASE RATE FALLACY IS ALWAYS A FALLACY. AFTER ALL, TOMORROW OFTEN IS LIKE TODAY! THE GROWTHERS ALWAYS THINKS THAT CHANGE IS GOING TO HAPPEN, BUT IT MAY NOT. SO WHAT DOES THE ESTABLISHMENT WIN SCENARIO LOOK LIKE? IT'S THE SAME THING WE'VE ALREADY GOT. THE POST-WAR ORDER JUST KEEPS ON KEEPING ON IN A ZOMBIFIED FASHION. THERE'S NO DRAMATIC ACCELERATION OR COLLAPSE. INSTEAD, THE WEST JUST KEEPS REINVENTING ITSELF AND ALL IS MOSTLY WELL. IF YOU WANT A FAITHFUL RENDITION OF THIS WORLDVIEW, THIS THREAD BY VUK VUKOVIC IS DECENT. I DISAGREE WITH MANY BITS OF IT, INCLUDING THE IDEA THAT DISCORD IS OUR STRENGTH. AND I THINK IN GENERAL THAT THE THREAD IS FAIRLY ANTI-EMPIRICAL; THE GRAPH OF LONG-RUN INTEREST RATE TRENDS ALONE SHOWS THAT SOMETHING IS GOING TO RUN OUT OF JUICE EVENTUALLY. STILL, IT'S WORTH A HEARING. CHINA CAN MAKE A PENCIL THIS IS A SCENARIO WHERE THE CCP WINS, AND CHINESE CONTROL TRIUMPHS.

VICTORY CONDITIONS AND SURPRISE ENDINGS 195 HOW MIGHT CHINA BECOME THE MOST PROSPEROUS AND
le COUNTRY IN THE WORLD, EVEN IF IT'S UNPOPULAR IN SOME PLACES ABROAD, AND EVEN IF THE US ATTEMPTS T
O FINANCIALLY OR SOCIALLY SANCTION IT? CHINA WOULD BECOME AN AUTARKIC AUTONOMOUS AUTOCRACY. TO UNDER
stand THIS, LET'S START WITH A FAMOUS LIBERTARIAN STORY: "THE PENCIL." THE IDEA IS THAT NO ONE PERSON
CAN MAKE A PENCIL. AFTER ALL, A SEEMINGLY SIMPLE PENCIL IS COMPOSED OF WOOD, GRAPHITE, YELLOW PAINT
t, THE METAL THAT CONTAINS THE ERASER, AND THE ERASER RUBBER ITSELF. BUT CREATING EACH OF THESE THING
gs IN-HOUSE WOULD REQUIRE RUNNING A VARIETY OF DIFFERENT AGRICULTURAL AND MINING OPERATIONS. SO INSTE
AD OF HAVING ONE PERSON DO ALL OF THAT, THE CAPITALIST SYSTEM MAKES A PENCIL IN A "NETWORKED" WAY. WE
USE PRICES AS AN API, SO THAT DIFFERENT ORGANIZATIONS CAN SPIN UP, PRODUCE COMPONENTS IN A COST-EFFE
ctive WAY, USE THEIR PROFITS TO GROW OR MAINTAIN THEMSELVES, AND ADAPT WITHOUT COORDINATING WITH EACH
OTHER. BUT THAT WAS THEN. MAYBE CHINESE COMMUNISM WITH THE DIGITAL YUAN IS DIFFERENT. WHAT HAPPENS I
YOU HAVE A COMPUTER SYSTEM WHICH REALLY DOES KNOW ABOUT EVERY VENDOR, THAT HAS EVERY RECORD OF EV
ry PAYMENT, THAT CAN ACTUALLY SEE THE GLOBAL SUPPLY CHAIN, AND THAT KNOWS EVERY SINGLE PERSON (OR RO
bot) REQUIRED TO MAKE THAT PENCIL? IT IS A LARGE, BUT FINITE PROBLEM AFTER ALL. MAYBE SUCH A SYSTEM
CAN SOLVE HAYEK'S CALCULATION PROBLEM. WE ALREADY HAVE PROOF POINTS FOR THIS. IF YOU RUN A TWO-SIDED
MARKETPLACE, YOU'LL FIND CONTRA HAYEK THAT NOT ALL KNOWLEDGE IS LOCAL. FOR EXAMPLE, SLIDECAR LOST TO
UBER BECAUSE DRIVERS SET PRICES THEMSELVES, AS OPPOSED TO SETTING THEM CENTRALLY. HAYEKIANS WOULD A
GREE THAT SLIDECAR'S APPROACH WAS OPTIMAL: DRIVERS HAVE LOCAL KNOWLEDGE AND CENTRAL PLANNING CAN'T WO
rk. BUT UBER'S CENTRAL PLANNING DID WORK. THEY HAD A GLOBAL VIEW OF SUPPLY & DEMAND. AND RIDERS WANT
ed SPEED, NOT PRICE SHOPPING. SO, THAT'S WHAT THIS WIN SCENARIO CONTEMPLATES. IF CHINA INTEGRATES AI
WITH THE DIGITAL YUAN, AND MAKES THEIR ENTIRE ECONOMY COMPUTABLE, AT THEIR SCALE THEY MIGHT ACTUALL
y BE ABLE TO MAKE A PENCIL. AND EVERYTHING ELSE. RECALL THAT PREVIOUS ABSTRACTIONS LIKE "SIX DEGREES
OF SEPARATION" OR "WRITTEN HISTORY" BE- CAME VERY REAL ONCE SOCIAL NETWORKS DIGITIZED DECADES OF IN
teraction AND COMMUNICATION BY BILLIONS OF PEOPLE. SO TOO WOULD PREVIOUS VERBAL ABSTRACTIONS LIKE "T
he ECONOMY" OR "THE SUPPLY CHAIN" BECOME ACTUAL COMPUTABLE OBJECTS WHEN YOU HAVE EVERY TRANSACTION
AND VENDOR IN THE SAME DATABASE. BASICALLY, ALL THE BLOCKCHAIN SUPPLY CHAIN CONCEPT ACTUALLY COULD WO
rk, BUT ONLY IF ALL PAYMENTS (AND HENCE RECEIPTS) ARE ON-CHAIN — OR IN SOMETHING LIKE A BLOCKCHAIN,
WHICH IS WHAT THE DIGITAL YUAN MAY BE. THIS IS DOUBLY TRUE IF AI-DRIVEN ROBOTS ARE CARRYING OUT MANY
OF THESE FUNCTIONS. CHINA MIGHT BE ABLE TO INTERNALIZE HUGE SWATHS OF THE ECONOMY. IT COULD MEAN FU
ll SCALE PRODUCTION OF EVERYTHING, HYPERDEFINITION OF LIVING COSTS WITHIN CHINA, WHERE LABOR BE- COMES
ELECTRICITY. IN THIS SCENARIO, NO ONE PERSON CAN MAKE A PENCIL, BUT CHINA CAN MAKE A PENCIL, BECAUS
e THEY CAN ALGORITHMICALLY COORDINATE THE SUPPLY CHAIN OF MILLIONS OF COOPERATING HUMANS IN A WAY NO
ONE HAS EVER BEEN ABLE TO DO BEFORE. THEY'D STILL NEED THE RAW MATERIALS, BUT THEIR ALLIANCES WITH
AFRICAN COUNTRIES, RUSSIA, AND PLACES

96 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION Like IRan MIght Take CAre OF THat. IT's ESsential y The VIsion OF REd PLenty, SOviet-style Central PLanning MAde FEasible Wlth SUPERior COMputation ANd RObotics — SO THat THE RObots ACTually DId WHat YOU SAId THEY'd DO, AND DIdn't HAVE THat PESky SElf-interest GETting IN THE WAY LIke HUMans DId. IT'd BE A RI■on AARon BASTani's FULLy AUTomated LUXur COMMunism, WHERE THE COMMunistic PARTs WOULD BE THE RObotic PARTs — AS THEY WOULD LACK ANY ECONOMIC INTERESTS OF THEIR OWN, AND MOVE AS ONE. IN THIS WIn SCenario, THE CHINESE COMMUNISTS MIGHT HAVE THE HIGHEST STANDARD OF LIVING ON THE PLANET, AS MUCH HIGHER THAN THE US AS THE US WAS RELATIVE TO THE USSR, NOT ONLY BECAUSE THEY ACTUALLY MAKE PHYSICAL THINGS, BUT BECAUSE THEY COULD SEE THE FULL STACK, HAVE DATA ON EVERYTHING, TRACK EVERY TRANSACTION, AND DEPLOY AI AND ROBOTICS IN THE PHYSICAL WORLD. OF COURSE, THAT STANDARD OF LIVING WOULD BE ACHIEVED IN AN ETHNONATIONALIST SOCIETY WITH A BONE TO PICK WITH THE US IN PARTICULAR. AND IT MIGHT RESULT IN A GREATER EAST ASIAN CO-PROSPERITY SPHERE 2.0, THIS TIME UNDER CHINESE RATHER THAN JAPANESE TERMS. EVERYONE WOULD HAVE TO BEND TO CHINESE HARD POWER TO GET THE BENE■IT OF THEIR ROBOTIC ECONOMY. IN THIS SCENARIO, THE CHINESE MIGHT EVEN CHOOSE TO COPY THE TACTICS AMERICA USED IN THE RUSSO-UKRAINIAN WAR: NAMELY, PHYSICALLY SANCTION ANY GROUP OR STATE THAT OPPOSES THEM, THEREBY CUTTING THEM OFF FROM THE SUPPLY OF GOODS FROM AN INCREASINGLY PHYSICALLY AUTARKIC CHINA. I DON'T LIKE THIS WORLD, BECAUSE IT CUTS AGAINST THE CONVENIENT OUTCOME OF THE LATE 20TH CENTURY, IN WHICH THE SYSTEM THAT PRODUCED FREEDOM ALSO PRODUCED PROSPERITY. BUT THE EXPERIENCE OF TWO-SIDED MARKETPLACES SHOWS IT IS A POSSIBILITY. 4.6.2 THE SURPRISE ENDINGS DUOPOLY OF DIGITAL DESPOTISM IN THIS SURPRISE ENDING, THE U.S. ESTABLISHMENT AND THE CCP WORK TOGETHER TO STOP THE GLOBAL BITCOIN AND WEB3 INSURGENTS. IT WOULD BE LIKE THE US AND THE USSR ALIGNING AGAINST THE THIRD WORLD. NOW, THERE WAS ACTUALLY ONE EXAMPLE WHERE THAT HAPPENED, WHEN THE US AND THE SOVIET UNION WERE ON THE SAME SIDE, AND THAT WAS THE FIRST IRAQ WAR IN 1990. THE SOVIET UNION ACTUALLY VOTED WITH THE US IN THE UN SECURITY COUNCIL TO CONDEMN IRAQ. THAT WAS A HUGE MOMENT, BECAUSE NORMALLY THEY WERE RE■EXIVELY OPPOSITIONAL. THE EXPLICIT VERSION WOULD BE SOMETHING LIKE THIS, WHERE THE OTHERWISE HOSTILE US ESTABLISHMENT AND CCP BOTH DECIDE THAT BTC AND/OR WEB3 ARE A THREAT TO THEIR POWER, AND TRY TO DENOUNCE IT AT THE LEVEL OF THE UN, A BIT LIKE THEIR QUASI-COOPERATION ON NON-POLITICAL ISSUES

6. VICTORY CONDITIONS AND SURPRISE ENDINGS 197 There's Also AN IMplicit VErSion OF IT, Where They Team UP Wlthout TEaming UP. The US EStablishment ON MAny LEvels ADmires The CCP CRackdown ON SPeech. For EXample, IN The ATlantic They SAid CHina TOok The Rlght COurse ON INternet SPeech, AND IN The NYT They NOTed THat FRee SPeech IS KIlling US. The US EStablishment DId COpy CHinese LOkdown, Wlthout ADmitting IT. AND SO YOu COuld IMagine Them TEaming UP Wlthout TEaming UP, WHERE CHina DOes SOMethIng, Then The US EStablishment COpies IT, MAYbe Wlthout ACknowledging IT, AND They Thereby PERform AN UNAcknowledged Plncer ATtack AGainst TEchnologies That OPpose Them, A Blt Like The MOlotov-Ribbentrop PAct. WE CALL THAT SCenario The DUopoly OF Dlgital DEspotism. Bltcoin ENds HUman WAR, BUt NOT RObot WAR A KEy THesis OF The SOvereign INdividual – AND AN IMportant ARgument FOR Bltcoin AND CRYptocurrencies MOre GEneraly – IS THAT IF A GOvernment CANNOT SEize MONEY, THEN IT CANNOT STart WARS. WHY? IF A STate CAN't COerce, IT CAN't PAY TO ENforce CONscription, OR PAY The CONscripts THEMSELVES, OR SEize The MONEY TO PAY FOR ALI The EQUIPMENT NEEDED TO PROsecute The EXpensive INdustrialized WARS OF The 20th AND EARly 21st CENTury. There's A BOOk CALled GOLD, BLOOD, AND POWER: Finance AND WAR ThROugh The AGes THAT DEScribes HOW Finance WAS A WEAPON OF WAR, AND THAT The 20th CENTury WAS ONE OF The FIRSt TImes WHERE HUGe WARS HAVE BEEN FOught Wlthout ANY COuntry RUNning OUt OF MONEY. The ONLY THING The COuntries RAN OUt OF WERE BODIES, BEcause They WERE Glant CENTralized STATES THAT COuld SEize EVERYthing IN Their TERRitory, AND COuld PROpagandize EVERYone IN Their TERRitory, AND COuld JUst DRIVE Total WAR. SO The NAzis, SOviets, AND AMericans JUst GRabbed EVERYthing IN Their TERRitory TO FIGHT These WARS, Like ENormous GHosts THAT COMmanded Mlllions OF BODIES IN These TItanic IDEoloGICAL COmbats. HOW DId They COMmand THose BODIES? IF YOu THINK ABOUT The TRipolar TRIangle, The LOWER LEFT CORner OF NYT IS VOIce, AND IT's CONvincing PEople Wlth WORDs. The LOWER RIGHT CORner OF BTC IS CHOICE OR EXit, AND IT's CONvincing PEople Wlth MONEY. YOu CAN THINK OF These AS LEFT AND RIGHT DEMocracy RESpectively. BUt There's A THIRd POle. The TOP POle IS LOyaltY. IT's CCP. TOday, IT's AI. AND IT's CONvincing PEople Wlthout CONvincing PEople AT ALI. BEcause They're ALI LIterally ONE. IT's HARmony. AND RObots FIT AT THAT POle. WHY? BEcause UNlike A HUman SOLDier, A RObot CAN't BE PROpagandized. AND UNlike A HUman SOLDier, A RObot DOESN't NEED TO BE PAId, JUst CHarged. SO: The PROblem IS THAT Bltcoin COuld ENd HUman WAR, BUt NOT RObot WAR. There WOULD STILL BE The QUEstion OF FUNDing The INdustrial CAPacity TO MANufacture The RObots IN The FIRSt PLace. BUt IF YOu COULD GEt PAST THAT BOotstrap PROblem. . . Then There's A SCenario WHERE CCP's AI BEats BOTH BTC AND NYT, AND WAR KEeps GOing. AND NOW The ONLY

8 CHAPTER 4. DECENTRALIZATION, RECENTRALIZATION
Reliable Soldiers ARE ROBOT Soldiers THAT CAN'T BE
PROPAGANDIZED BY NYT AND DON'T NEED TO BE PAID IN BTC. 4.7 TOWARDS A RECENTRALIZED CENTER OUR BASE
SCENARIO DOESN'T CONTEMPLATE AN EXTENDED SECOND COLD WAR BETWEEN COM- MUNISM AND CAPITALISM. BUT WE
DO THINK THAT THE CHOICE BETWEEN AMERICAN ANARCHY AND CHINESE CONTROL CAN BE SEEN AS A KIND OF GLOBAL
IDEOLOGICAL STRUGGLE OF A DIFFERENT KIND, AS A CHOICE BETWEEN DECENTRALIZATION AND CENTRALIZATION.
DO YOU GO WITH THE FAILED CENTRALIZATION OF NYT AND THE DECLINING US ESTABLISHMENT? THE TOTAL DECENTRALIZATION OF BITCOIN MAXIMALISM? OR THE TOTALITARIAN CENTRALIZATION OF THE CCP? A BETTER ANSWER MIGHT BE: NONE OF THE ABOVE. THAT INSTEAD OF CHOOSING EITHER ANARCHIC DECENTRALIZATION OR COERCIVE CENTRALIZATION, WE CHOOSE VOLITIONAL RECENTRALIZATION. 4.7.1 IN DEFENSE OF RECENTRALIZATION WHEN YOU MENTION A RECENTRALIZED CENTER, AT FIRST IT SEEMS LAUGHABLE. THE CENTRALISTS WILL SAY "WHAT'S THE POINT OF DECENTRALIZING THEN? JUST STICK WITH OUR EXISTING SYSTEM!" AND THE DECENTRALISTS WILL SAY "NEW BOSS, SAME AS THE OLD BOSS, I PREFER FREEDOM!" DERISIVE REFERENCES TO RUBEN GOLDBERG MACHINES AND ANIMAL FARM WILL ABOUND. BUT THE WHOLE POINT IS THAT THE NEW BOSS IS NOT THE SAME AS THE OLD BOSS, ANYMORE. THAN APPLE WAS THE SAME AS BLACKBERRY, AMAZON WAS THE SAME AS BARNES AND NOBLE, OR AMERICA WAS THE SAME AS BRITAIN. RECENTRALIZATION MEANS NEW LEADERS, FRESH BLOOD. JUST AS COMPANIES AND TECHNOLOGIES KEEP LEAPFROGGING EACH OTHER, SO TOO CAN NEW SOCIETIES WITH ONE COMMANDMENTS COMBINE MORAL AND TECHNOLOGICAL INNOVATION TO GENUINELY PROGRESS BEYOND OUR STATUS QUO. RECENTRALIZATION IS NOT ABOUT GOING FULL CIRCLE AND MAKING ZERO PROGRESS. IT'S THE HELICAL THEORY OF HISTORY. RECENTRALIZATION, DONE RIGHT, IS A CYCLE BACK TO CENTRALIZATION FROM ONE VANTAGE POINT BUT A STEP FORWARD FROM ANOTHER. I DON'T AGREE WITH HIM ON EVERYTHING, BUT YUVAL HARARI HAS A GOOD QUOTE ON THIS: I MEAN WE NEED INSTITUTIONS ACTUALLY MORE, BUT THERE IS THIS WAVE OF DISTRUST AGAINST THEM. NOW, IT DOESN'T MEAN WE NEED THE OLD INSTITUTIONS. IT DOESN'T MEAN THAT WE HAVE TO STICK WITH THE OLD MEDIA. MAYBE WE NEED NEW MEDIA INSTITUTIONS, WHICH WILL BE MORE DIVERSE, WHICH WILL GIVE MORE PEOPLE A CHANCE TO VOICE THEIR OPINIONS, BUT IN THE END WE WILL NEED TO BUILD THESE INSTITUTIONS. THE IDEA THAT WE CAN JUST DO WITHOUT THEM, THAT WE'LL HAVE JUST THIS FREE MARKET OF IDEAS AND ANYBODY CAN SAY ANYTHING, AND WE DON'T WANT INSTITUTIONS TO KIND OF STAND IN THE MIDDLE, AND CURATE AND DECIDE

7. TOWARDS A RECENTRALIZED CENTER 199 WHAT IS RELIABLE AND WHAT IS NOT RELIABLE, THIS DOESN'T WORK, IT'S BEEN TRIED SO MANY TIMES IN HISTORY. YOU KNOW, IF YOU LOOK AT RELIGIOUS HISTORY, TO TAKE A COUNTER EXAMPLE, SO YOU HAVE IN CHRISTIANITY, AGAIN AND AGAIN THESE PEOPLE COMING AND SAYING, "YOU KNOW, WE DON'T WANT THE CATHOLIC CHURCH, THIS INSTITUTION, LET'S JUST EVERY PERSON CAN READ THE BIBLE FOR HIMSELF AND KNOW THE TRUTH, WHAT IS MORE SIMPLE THAN THAT, WHY DO WE NEED AN INSTITUTION," AND YOU HAVE THE REFORMATION, THE PROTESTANT REFORMATION. AND WITHIN TWENTY YEARS OR FIFTY YEARS, THEY REALIZE THAT WHEN YOU LET EVERY PERSON READ THE BIBLE FOR THEMSELVES YOU GET 100 DIFFERENT INTERPRETATIONS, [EACH] RADICALLY DIFFERENT. SO EVENTUALLY SOMEONE COMES AND SAYS "NO, THESE ARE THE CORRECT INTERPRETATIONS" AND YOU GET THE LUTHERAN CHURCH. AND AFTER 100 YEARS, SOMEONE SAYS "WAIT, BUT THE WHOLE IDEA OF THE REFORMATION WAS TO GET RID OF THE CHURCH SO WE DON'T WANT THE LUTHERAN CHURCH. LET EVERY PERSON JUST READ THE BIBLE AND UNDERSTAND BY THEMSELVES." AND YOU HAVE CHAOS. AND AFTER 50 YEARS, YOU HAVE THE BAPTIST CHURCH, AND THIS CHURCH, AND THAT.. YOU ALWAYS GO BACK TO INSTITUTIONS. SO IT'S THE SAME WITH THE KIND OF INFORMATION EXPLOSION THAT WE HAVE RIGHT NOW. NOTE THAT IN THIS EXAMPLE THE PROTESTANTS, AND THEN THE LUTHERANS, AND THEN THE BAPTISTS HAD TO ATTRACT PEOPLE TO THEIR INTERPRETATIONS. MANY OTHER COMPETING DENOMINATIONS DID NOT. THIS PROCESS OF CONSTANTLY FORKING AND INNOVATING AND HAVING IT COMPETE IN THE MARKETPLACE BRINGS IN NEW BLOOD. AND THAT'S THE CONCEPT OF THE RECENTRALIZED CENTER. THE WAY TO DEMONSTRATE IT'S A STEP FORWARD IS VIA MASS EXODUS OF PEOPLE FROM BOTH AMERICAN ANARCHY AND CHINESE CONTROL TO THE RECENTRALIZED CENTER, TO HIGH-TRUST STARTUP SOCIETIES AND NETWORK STATES.

Chapter 5 From Nation States TO Network States 5.1 Why NOW? Why NOW? After Almost 400 Years OF THE Westphalian Nation State, Why DO WE Think THE Status Quo COULD Change? First, THE Status Quo. What IS THE Modern Nation State, ANYway? What IS A Nation, FOR THAT Matter? How WAS State Formation ENabled Long AGo BY Technological INnovations Like MAPmaking AND PPrint CAPITALism? WHEN Did THE POLitical EVents TRAnspire THAT LEd TO THE Rise OF THE Nation State? AND What WERE THE HIsTOrical ALternatives? Then, THE CHange. What ARE THE COntemporary CATalysts, THE TEchnological AND POLitical DEvelopments THAT PRomise TO ALter CEnturies OF PRactice? What ARE THE COncEpts, CHarts, CALculations, AND Cltations THAT SUGgest Blg CHanges ARE IN THE OFFIng? AND What MIGHT A NEtwork State EVEN LOOk LIke? 5.2 ON Nation States YOU MAY Think YOU KNOW What A Nation State IS, BUt YOU PRobably HAVen't Glven IT MUch THought. POke ON THE ABStraction A Blt, AND FUn ENSues. YOU STart REalizing HOW DIfferent THE NAtion IS FRom THE State, HOW TRicky IT IS TO DEtermine WHO QUALifies AS A "Nation," HOW COnfusing OUR MOdern Terminology ARound THIS TOpic IS, AND HOW MAny OTHER MOdes OF HUman ORganization REpresent POTential COmpetitors TO THE NAtion State. THAT EXploration OPens THE DOor TO THE NEtwork State. IN THE PRocess, YOU'll ENcounter ALl THOSE PHilosophers PEople VAguely REcall FRom SCHOOL. YOU KNOW, LOCKE AND ROUSSEAU, PLATO AND ARISTOTLE, THE SUBJECTS OF COuntless BORing BOOK REports — MANY OF THEM MAKE A SHOWing IN THIS CHapter. BUt THEIR PResence HERE IS DIfferent FRom THE TYpical DRYasdust COLlege LECTure, BEcause THE NEtwork State MAKES POLitical SCIENCE AN APPLIED SCIENCE, MORE LIKE POLITICAL TECHNOLOGY. YOU ARE LISTening WITH INTent TO REpeat. THAT IS, JUST LIKE CRYPTOCURRENCIES GAVE PEOPLE O

2. ON NATION STATES 201 THAN THE FED CHAIR A REASON TO LEARN ABOUT EVERYTHING FROM SEIGNORAGE TO EMURRAGE, CRYPTOCOUNTRIES GIVE PEOPLE OTHER THAN THE FOUNDING FATHERS THE ABILITY TO PUT POLITICAL THEORY INTO POLITICAL PRACTICE. BUT ONLY IF YOU UNDERSTAND THAT THEORY, SO LET'S DIVE IN.

5.2.1 WHAT IS A NATION STATE? THE MOST OBVIOUS DEFINITION IS THAT A NATION STATE IS A GEOGRAPHIC REGION OF THE WORLD RULED BY A GROUP OF HUMANS WE CALL A GOVERNMENT. IT'S WHAT WE TALK ABOUT WHEN WE REFER TO "COUNTRIES" LIKE THE UNITED STATES OF AMERICA AND THE PEOPLE'S REPUBLIC OF CHINA. IT'S A FLAG-LABELED REGION ON A POLITICAL MAP OF THE GLOBE. BRITANNICA PROVIDES A MORE PRECISE DEFINITION, NAMELY THAT A NATION STATE IS A "Territorially Bounded Sovereign Polity" THAT IS "Ruled IN THE NAME OF A COMMUNITY OF CITIZENS THAT IDENTIFY THEMSELVES AS A NATION." AND THAT LATTER BIT IS KEY, BECAUSE A NATION STATE IS NOT JUST A GOVERNMENT THAT CONTROLS A TERRITORY. IT'S SUPPOSED TO BE A GOVERNMENT THAT REPRESENTS A DISTINCT PEOPLE, A NATION.

5.2.2 WHAT IS THE NATION STATE SYSTEM? THERE'S AN EXCELLENT PASSAGE FROM JOSHUA KEATING IN HIS BOOK INVISIBLE COUNTRIES ON THE PECULIARITY OF THE NATION STATE SYSTEM. HE ANALOGIZES THE SYSTEM TO A SELECTIVE CLUB WITH THE FOLLOWING EIGHT RULES:

- RULE 1: A COUNTRY IS A TERRITORY DEFINED BY BORDERS MUTUALLY AGREED UPON BY ALL COUNTRIES.
- RULE 2: A COUNTRY MUST HAVE A STATE THAT CONTROLS (OR AT LEAST SEEKS TO CONTROL) THE LEGITIMATE USE OF FORCE WITHIN ITS TERRITORY, AND A POPULATION OF CITIZENS.
- RULE 3: EVERY SPOT ON THE EARTH'S LANDMASS MUST BE OCCUPIED BY A COUNTRY.
- RULE 4: EVERY PERSON ON THE PLANET MUST BE A CITIZEN OF AT LEAST ONE COUNTRY.
- RULE 5: ON PAPER, ALL COUNTRIES HAVE THE SAME LEGAL STANDING—TUVALU HAS JUST AS MUCH RIGHT TO ITS COUNTRYHOOD AS CHINA, SOMALIA JUST AS MUCH AS SWITZERLAND—even IF THEY ARE POLITICALLY AND ECONOMICALLY HIGHLY UNEQUAL.
- RULE 6: CONSENT OF THE PEOPLE WITHIN EACH COUNTRY IS PREFERRED, BUT NOT REQUIRED. TYRANNY OR DE FACTO ANARCHY WITHIN A COUNTRY IS NOT GROUNDS FOR LOSS OF CLUB MEMBERSHIP.
- RULE 7: UNDER SOME CIRCUMSTANCES, ONE OR MORE COUNTRIES MAY INVADe OR OCCUPY ANOTHER COUNTRY, BUT NOT ELIMINATE ITS COUNTRYHOOD OR REDRAW

02 CHAPTER 5. FROM NATION STATES TO NETWORK STATES ITS BORDERS. • RULE 8: THE CURRENTLY EXISTING SYSTEM OF COUNTRIES AND THE BORDERS BETWEEN THEM SHOULD BE LEFT IN PLACE WHENEVER POSSIBLE—that IS, THE CLUB PREFERS NOT TO ADMIT NEW MEMBERS. KEATING GOES ON TO NOTE THAT THE RULES OF THIS CLUB ARE BACKED BY THE INSTITUTIONS OF THE UN AND THE MILITARY FORCE OF THE US, AND THAT THE AGREEMENT OF BILLIONS OF PEOPLE THROUGH THEIR GOVERNMENTS ON THE CURRENT WORLD ORDER IS WHAT PRESERVES “CARTOGRAPHIC STABILITY.” NOTE THAT EVEN IF ONE THINKS OF THE UN AS IDEAL, IT’S A SCHELLING POINT FOR THE SYSTEM. NOTHING ELSE HAS AS MUCH LEGITIMACY, AS MANY BACKLINKS. ASSUMPTIONS OF THE NATION STATE SYSTEM WE CAN DESCRIBE THE ASSUMPTIONS OF THE NATION STATE SYSTEM IN A DIFFERENT LENS, ONE THAT MAKES IT EASIER TO UNDERSTAND THE DIFFERENCES BETWEEN THIS SYSTEM AND THE NETWORK STATE SYSTEM WE WILL INTRODUCE IN THE FOLLOWING PAGES: • PHYSICAL FIRST. THE PHYSICAL MAP OF THE WORLD IS PRIMARY. • COMPOSITION. IN THEORY, A NATION STATE IS COMPOSED OF A SINGLE NATION (THE PEOPLE) AND AN ADMINISTRATIVE ENTITY (THE STATE). IN PRACTICE, SOME “NATION STATES” ARE REALLY MULTINATIONAL EMPIRES, WHILE SOME NATIONS ARE STATELESS NATIONS. • NO TERRA INCOGNITA. THE MODERN NATION STATE SYSTEM TAKES FOR GRANTED THAT THERE IS NO TERRA INCOGNITA: THAT THE MAP OF THE PHYSICAL WORLD IS FULLY KNOWN, SUCH THAT IT CAN BE SUBDIVIDED. • NO TERRA NULLIUS. THE SYSTEM ALSO TAKES FOR GRANTED THAT THERE’S NO TERRA NULLIUS, NO UNCLAIMED LAND. WITH FEW EXCEPTIONS, EVERY PIECE OF LAND ON THE SURFACE OF THE EARTH IS SPOKEN FOR BY ONE AND ONLY ONE STATE. MUCH OF THE OCEAN IS LIKEWISE SPLIT UP THIS WAY, ASIDE FROM INTERNATIONAL WATERS. • TOP-DOWN DIVISION OF LAND. THE FULLY VISIBLE MAP IS CARVED INTO GEOGRAPHICAL REGIONS CALLED STATES, WITH BORDERS PRECISELY DEMARCATED BY LATITUDES AND LONGITUDES. • ONE STATE PER CITIZEN. PEOPLE ARE TYPICALLY CITIZENS OF JUST ONE STATE, CHANGING CITIZENSHIP IS INFREQUENT, AND MOST CITIZENS ARE GOVERNED BY THE SAME STATE AS THEIR PARENTS. THE PRIMARY METHOD OF CITIZENSHIP IS STILL JUS SANGUINIS, BY BIRTH. • LEGITIMACY FROM PHYSICAL CONTROL AND ELECTORAL CHOICE. A NATION STATE’S LEGITIMACY COMES FROM A FEW SOURCES. FIRST, THE STATE NEEDS TO BE GOOD ENOUGH AT VIOLENCE TO ACTUALLY CONTROL THE TERRITORY IT CLAIMS. SECOND, BUT REALLY SECONDARILY, THE STATE IS SUPPOSEDLY LEGITIMIZED BY THE SUPPORT OF THEIR UNDERLYING NATION AND THEIR DEMONSTRATED RESPECT FOR UNIVERSAL HUMAN RIGHTS. (IT’S UNFORTUNATELY A SECONDARY POINT BECAUSE ANY GROUP THAT IS IN DE FACTO CONTROL OF TERRITORY FOR LONG ENOUGH

5.2. ON NATION STATES 203 Eventually Gets Recognized.) Ideally, A Legitimate State Reflects The Will Of Its People While Also Respecting The Rights Of The Individual – Giving Voice To The Masses And The Minority Alike. • Centralized Administration. The Administrators Of The State, Frequently An Executive And A Legislature, Write Laws On Paper To Specify What Is Mandatory And Forbidden. These Laws Are Typically Interpreted By A Judiciary And Enforced By Men With Guns. And In The Nation State System, Every Piece Of Land Is Administered By Exactly One State, Regardless Of Who Is On It. • Domestic Monopoly Of Violence. Each State Keeps Order Within Its Borders Through A Police Force. Citizens Who Defy The Law Are Subject To Increasing Levels Of Violence Until They Comply, As Per Grand Theft Auto. • International Sovereignty Via Military. In Principle, States Aren't Supposed To Interfere With The Domestic Affairs Of Other States. In Practice, A State Only Maintains Sovereignty If It Is Competent Enough In Defending Against Domestic And Foreign Rivals Alike, Via Its Police, Intelligence Agencies, And Military. • Diplomatic Recognition Via Bilateral And Multilateral Fora. States May Sign Bilateral Agreements With Each Other, Or They May Be Recognized By Multilateral Fora Like The UN, The World Trade Organization (WTO), The International Monetary Fund (IMF), And The G-20. Diplomatic Recognition Is A Matter Of Both Politics And Paperwork, And The Lack Of Recognition Can Isolate A State And/or Its Citizens. • Treaties Manage Cooperation And Constraint. A Set Of Cross-border Compacts Attempt To Govern Interstate Interaction And Limit Abuses, Promising Things Like Human Rights And Freedom Of Movement — Declarations That Are Frequently Flouted. • Pax Americana. Finally, While It Was Not Always So, The Guarantor Of The Current Nation State System Is The USA, Which Is Where The UN Is Headquartered, And Which Purports To “Provide Global Leadership” And “Champion The Rules-based International Order.” All Other States Must Hope That This Guarantor Of The Rules-Based Order Doesn't Decide To Invade, Surveillance, Sanction, Strafe, Or Otherwise Destabilize Them. These Cover The Six Essential Parts Of The State: Borders, Population, Central Government, International Sovereignty, Diplomatic Recognition, And The Domestic Monopoly On Violence.

5.2.3 The Nation State As A Term Understanding The Term “Nation State” Requires Us To Distinguish The Nation (A Group Of People With Common Descent, History, Culture, Or Language) From The State (Their Government). They Are Not The Same. Even Though “Nation” Is Often Conflated With “State,” The Term “Nation State” Has Two Words For A Reason. The First Word (Nation) Has The Same Etymological Root As “Nativity.”

CHAPTER 5. FROM NATION STATES TO NETWORK STATES IT ONCE DENOTED A GROUP OF PEOPLE WITH SHARED ANCESTRY. THE SECOND WORD (State) REFERS TO THE ENTITY THAT GOVERNS THESE PEOPLE, THAT COMMANDS THE POLICE AND THE MILITARY, AND THAT HOLDS THE MONOPOLY OF VIOLENCE OVER THE GEOGRAPHIC AREA THAT THE NATION INHABITS. IN A SENSE, THE NATION AND THE STATE ARE AS DIFFERENT AS LABOR AND MANAGEMENT IN A FACTORY. THE FORMER ARE THE MASSES AND THE LATTER ARE THE ELITE. THE TEXTBOOK NATION STATE IS SOMETHING LIKE JAPAN, IN WHICH A SINGLE GROUP WITH SHARED ANCESTRY AND CULTURE (THE JAPANESE) OCCUPIES A CLEARLY DELINEATED TERRITORY (THE ISLANDS OF JAPAN) AND IS RULED BY A CLEAR SOVEREIGN (THE JAPANESE GOVERNMENT) WHICH IS REPRESENTATIVE OF THE PEOPLE IN SOME SENSE (ORIGINALLY VIA THE DIVINE, CONTEMPORANEOUSLY VIA THE DICTATOR). 5.2.4 MICRONATIONS AND MULTINATIONS THIS GIVES US A NEW PERSPECTIVE ON WHY MICRONATIONS LIKE SEELAND DON'T WORK: THEY START BACKWARDS, FROM THE TERRITORY AND THE GOVERNMENT, RATHER THAN WORKING FORWARDS FROM A PEOPLE AND THEIR CULTURE. THE LATTER PROCESS IS HOW NATION STATES HISTORICALLY EMERGED: A STATE WAS SET UP BY A NATION TO GOVERN IT, NOT VICE VERSA. . . THOUGH THEN THAT THE SAME STATE OFTEN BEGAN THE PROCESS OF ASSIMILATING OTHERS INTO ITS FOUNDING NATION, SO IT WAS A BIDIRECTIONAL PROCESS. BIDIRECTIONALITY NOTWITHSTANDING, THE EGG OF THE NATION PRECEDES THE CHICKEN OF THE STATE. FROM THIS PERSPECTIVE, A BETTER TERM THAN MICRONATION IS REALLY MICROSTATE, BECAUSE IT'S NOT A MICRO-NATION UNLESS IT REPRESENTS A SMALL GROUP OF ALIGNED PEOPLE. A SINGLE PERSON SELF-PROCLAIMING A GOVERNMENT IS JUST A TINY STATE. AS THE SAYING GOES, YOU AND WHAT ARMY? WITHOUT A NATION, THERE IS NO ARMY - AND NO LEGITIMACY. 1 ON THE OTHER SIDE OF THE SPECTRUM IS AN EMPIRE, OR MULTINATION. THE ROMAN EMPIRE, THE OTTOMAN EMPIRE, AND THE SOVIET EMPIRE CONTAINED MANY NATIONS AND ETHNIC GROUPS. THIS VANTAGE POINT ALLOWS US TO RECTIFY MORE VOCABULARY. THE CONCEPT OF A MULTI-NATIONAL CORPORATION, FOR EXAMPLE, IS SOMETHING OF A MISNOMER; THE RIGHT TERM IS A MULTI-STATE CORPORATION (WHICH OPERATES ACROSS POLITICS), AS OPPOSED TO A MULTI-NATIONAL STATE (WHICH MANAGES THE AFFAIRS OF MANY DIFFERENT ETHNIC GROUPS WITHIN ITS BOUNDARIES). 5.2.5 0-nation, 1-nation, N-nations IN BETWEEN 0-nation Microstates AND N-nation Empires ARE 1-nation States, GOVERNMENTS THAT ARE SET UP TO MANAGE THE AFFAIRS OF A SINGLE ETHNIC GROUP IN A DEFINED TERRITORY. HOWEVER, WHILE THIS KIND OF TERMINOLOGY IS NOT EXACTLY DEPRECATED, IT'S A BIT OLD-FASHIONED. IT'S NOT HOW WE TEND TO TALK ABOUT NATION STATES IN THE CURRENT YEAR. 1 TO BE CLEAR, EVEN IF THE GOAL IS TO GAIN THE MINIMUM NECESSARY SOVEREIGNTY GRADUALLY AND PEACEFULLY - WHICH WE STRONGLY RECOMMEND! - THE FOUNDER OF A STARTUP SOCIETY WILL NEED AN "ARMY" IN THE SENSE THAT GANDHI HAD AN "ARMY." THAT MEANS A LARGE GROUP OF PEOPLE COMMITTED TO BUILDING THEIR NETWORK STATE. IT'S A COLLECTIVE LARP, NOT JUST ONE PERSON DAYDREAMING TO THEMSELVES.

5.2. ON NATION STATES 205 First, Today WE OFten Discuss Multiethnic States — Multinations, Like The USA — Which ARE Really MORE Like The EMpires OF YORE Than A CLassical Monoethnic Nation State. Second, Many Contend That PHysical BOrders DON't MATter IN The AGE OF The Internet. Third, MODern Discourse FOCuses TO A MUch GREater EXtent ON PRoposition Nations, WHERE SHARED IDEas ARE The ORganizing PRinciple RATHER Than SHARED INheritance. Fourth, AND MOST Importantly, CONflict BETWEEN ETHnic GROUPs WITHin STATES CAN REsult IN Civil WAR, MASS DEportation, Totalitarian BRAinwashing, ETHnic CLeansing, FORced CONversion, AND CUI-TURAL DEstruction, The Kind OF PRocess That REcently REsulted IN The FORMations OF East Timor AND South Sudan. Later, WE'll TALK ABOUT HOW NEtwork STATES ADdress These ISSues, BUT These ARE The (Un- DERstandable!) REasons WHY The Distinction BETWEEN The Nation AND The State HAS FAlLEN OUT OF FAVOR. SCHolars DON't WANT TO INadvertently ENCourage SEparatism OR IRredentism OR WORse, LEst PEople THINK IT's NOT A REAL NATION STATE UNless The POLitical ENTITY (The State) REPRESENTS ALl The MEMBERS OF A Single ETHnicity (The Nation) IN ALl The LANDs AROUND The WORLD WHERE They PREponderate. OR AT LEast, They DON't WANT TO DO SO DOMestically. BEcause The AVerage AMerican IS A Blt SCHizophrenic WHEN IT COMEs TO TERminology Like THIS. HE CAN EAsily UNDERstand The DESire OF, SAY, The UKrainian PEople TO BREak FREe OF The RUssian EMpire, OR FOR The TibeTAN Nation TO HAVE Their OWN GOVernment SEparate FROM The CHinese State, OR FOR The PERSian PEople TO DISTinguish THEMSELVES FROM The THEocracy OF IRan. BUT The SAME PERSON IS TYPically MORE SKeptical THAT BRitain SHOULD HAVE EXited The EUROpean UNION, LEt ALone THAT The "Texan Nation" SHOULD HAVE ITS OWN SOvereign State. The CYnical MIGHT SAY THAT NAtional ASpirations GET AIRtime IN PROportion TO The NAtional Interest; The MORE CYnical MIGHT SAY THAT EVEN The TERM "National Interest" IS YET ANOther MISnomer, BEcause IT's MORE Like The "State's Interest" GIVen THAT The AMerican State RULES MORE Than ONE Nation. THIS, HOWEVER, LEads US TO The KEY QUESion OF WHAT EXactly CONstitutes A Nation. 5.2.6 WHAT IS A Nation? This QUESion WAS ONCE ALl-important: WHAT GROUPs ARE SIGNiFicant ENough TO BE CALled Nations, CANDidates FOR A State OF Their OWN? IT Will SOon BE ALl-important AGain, AS IMportant AS "What IS A CURRENCY," AND FOR SIMilar REasons: BEcause Bltcoin, WEb3, The METaverse, REMote WORK, MOBILE, AND The INTERNet ALLOW PEople TO EXit LEGacy ARrange-MENTS AND FORM NEw GROUPs MORE EAsily Than AT Any TIme IN The REcent PAST. BUT WHICH OF These GROUPs SHOULD BE CONsidered A "Nation"? A DEFINitional APPROach LET's START WITH OXFord's DEFINition BY WAY OF Their FREE SERVICE LEXICO: A Large BODY OF PEople UNited BY COMMON DEscent, Hlstory, CULTure, OR LANGUAGE, INHABiting A PARTICULAR COuntry OR TERRitory.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES FROM THAT DEFINITION, WE CAN EXTRACT THE FOLLOWING PROPERTIES: • A LARGE BODY OF PEOPLE: HAS TO BE OF A SUBSTANTIAL SIZE (10-100k+?) • UNITED: MEMBERS SEE THEMSELVES AS BEING PART OF THE SAME GROUP. • COMMON DESCENT: SHARED GENETICS, HAVE INTERMARRIED MORE WITH EACH OTHER THAN PEOPLE OUTSIDE THE NATION. • (OR) HISTORY: SHARED PAST, HAVE LIVED NEAR EACH OTHER FOR SOME TIME. • (OR) CULTURE: SHARED DRESS, FOOD, MANNERISMS, RELIGION, AND/OR CUSTOMS. • (OR) LANGUAGE: SHARED SPOKEN AND/OR WRITTEN TONGUE. • INHABITING A PARTICULAR...TERRITORY: FOUND IN A SPECIFIC REGION OF THE GLOBE. EACH OF THESE PIECES CAN BE POKED AT. HOW LARGE IS "LARGE"? HOW DO WE MEASURE WHETHER A GROUP OF PEOPLE IS UNITED? HOW LOCALIZED TO A PARTICULAR TERRITORY DOES A NATION HAVE TO BE, OR CAN IT BE NOMADIC? AND WHY DO WE HAVE A COMPLEX "OR" STATEMENT BURIED IN THE MIDDLE, WHERE COMMON DESCENT, HISTORY, CULTURE, OR LANGUAGE ALL FIGURE IN? OUR FIRST INSTINCT IS THAT THE DEFINITION OF A NATION IS A LITTLE FUZZY, AND OUR INSTINCT IS RIGHT. AN EMPIRICAL APPROACH TO GROUND OUR DISCUSSION, LET'S GO THROUGH SPECIFIC EXAMPLES OF GROUPS THAT HAVE BEEN CALLED NATIONS: • THE JAPANESE: THEY LINE UP WITH THE DEFINITION PERFECTLY. THE JAPANESE AT ONE POINT DID HAVE QUITE AN EMPIRE, AND THERE IS A JAPANESE DIASPORA IN THE US (AND BRAZIL). . . BUT MOST PEOPLE OF JAPANESE ANCESTRY LIVE ON THE ISLANDS OF JAPAN, SPEAK THE JAPANESE LANGUAGE, ARE GOVERNED BY THE JAPANESE STATE, AND LIVE IN AN ESSENTIALLY MONOETHNIC POLITY. • THE SPANISH: THEY HAVE A NATION STATE TODAY, BUT IN THE PAST THEY HAD AN INTERNATIONAL EMPIRE THAT THEN CONTRACTED, LEAVING THEM MOSTLY TO THEMSELVES ON THE IBERIAN PENINSULA. THEY LEFT BEHIND A GLOBAL FOOTPRINT IN THE FORM OF 20 COUNTRIES THAT SPEAK SPANISH, YET DO NOT CONSIDER THEMSELVES PART OF THE SPANISH NATION STATE. • THE TURKS: THEY ARE A MULTIETHNIC STATE TODAY THAT IS ALSO THE SUCCESSOR TO AN EVEN LARGER EMPIRE, THE OTTOMAN EMPIRE, WITH A DEFINITIONALLY BYZANTINE HISTORY. • THE ISRAELIS: THEIR STATUS AS A NATION STATE CHANGED WITH TIME. THE JEWISH PEOPLE WERE ONCE A STATELESS NATION, A DIASPORIC GROUP UNITED BY COMMON ANCESTRY AND TRADITION WITHOUT A LAND OR GOVERNMENT TO CALL THEIR OWN. THEN, WITHIN LIVING MEMORY, THEY FOUNDED THE STATE OF ISRAEL. (HERZL'S WORK IS A MAJOR INSPIRATION FOR THIS BOOK.) • THE CATALONIANS, THE KURDS, AND THE PALESTINIANS: OF COURSE, FOR EVERY SPAIN, ISRAEL, OR TURKEY, THERE IS A CATALONIA, A PALESTINE, A KURDISTAN — NAMELY A GROUP

5.2. ON NATION STATES 207 THAT SELF-IDENTIFY AS A NATION AND FEEL ITS NATIONAL ASPIRATIONS HAVE BEEN DENIED. THESE ARE STATELESS NATIONS, AS DISTINCT FROM NATION STATES, WITHOUT NECESSARILY ENDORSING ANY PARTICULAR CAUSE. • THE IRISH: THEY NOW HAVE AN INDEPENDENT IRELAND, BUT FAMOUSLY DIDN'T FOR MANY YEARS UNDER THE BRITISH. A CONTROVERSIAL ISSUE IS WHETHER NORTHERN IRELAND SHOULD BE PART OF THE REPUBLIC OF IRELAND, OR PART OF THE UK. • THE TAIWANESE: THIS GROUP IS RECOGNIZED AS A NATION BY SOME PARTIES BUT BY NO MEANS ALL. WE CAN THINK OF THESE AS PARTIALLY SOVEREIGN NATIONS, WITH A MEASURE OF CONTROL OVER THEIR OWN STATE AND TERRITORY, BUT LESS THAN THEY'D LIKE. • THE AMERICANS, THE SINGAPOREANS, AND THE FRENCH: THESE STATES HAVE TRIED, WITH VARYING SUCCESS, TO CRAFT A COMMON IDENTITY AS A "NATION" FROM THE RAW MATERIAL OF SEVERAL DIFFERENT ETHNIC GROUPS. INDEED, THE AMERICANS HAVE, BY SOME MEASURES, BEEN VERY SUCCESSFUL IN THIS EFFORT — AT LEAST FOR A TIME. THE AMERICANS, THE SINGAPOREANS, AND THE FRENCH ARE EXPLICITLY PROPOSITION NATIONS. • THE CHINESE AND THE INDIANS: THESE GLASS STATES ARE NOT REALLY SINGLE-NATION STATES GIVEN THE SHEER MULTIPLICITY OF DIFFERENT GROUPS WITHIN EACH COUNTRY'S BORDERS. HOWEVER, THOSE DIFFERENT GROUPS DIDN'T ALL RECENTLY ARRIVE NEXT TO EACH OTHER LIKE A BURNING MAN ENCAMPMENT. THEY'VE BEEN LIVING ALONGSIDE EACH OTHER FOR CENTURIES IN A COMMON CIVILIZATION, WITH GREATER AND LESSER LEVELS OF PAST UNIFICATION, SO THE GROUPING IS MORE "LINDY" THAN MORE RECENT MULTIETHNIC STATES WITH LESS OF A LONG-TERM TRACK RECORD, LET ALONE THE WHOLLY ARBITRARY STATES LEFT IN THE WAKE OF COLONIALISM. SOME HAVE USED THE TERM CIVILIZATION STATE FOR THESE ENTITIES. YOU MIGHT EVEN STRETCH THIS TO ENCOMPASS THE EUROPEAN UNION, THOUGH IT IS MORE OF A TRANSNATIONAL BUREAUCRACY THAN AN ENTITY THAT CELEBRATES EUROPEAN CIVILIZATION. AND FOR MANY MIDDLE EASTERN AND AFRICAN COUNTRIES, THE STATES DON'T REALLY REFLECT THE UNDERLYING NATIONS AT ALL. A CLUE HERE IS THE PRESENCE OF HORIZONTAL OR VERTICAL LINES ON A MAP, LINES THAT DON'T REFLECT THE ORGANIC PHYSICAL (DESERTS, MOUNTAINS, RIVERS) AND CULTURAL (LANGUAGES, MARRIAGES, RELIGIONS) BARRIERS THAT HELP DEFINE NATIONS. MANY OF THESE "IMPOSED STATES" ARE A PARTING GIFT FROM COLONIAL EMPIRES. FROM THESE EXAMPLES, WE CAN ALREADY SEE QUITE A BIT OF VARIATION: • NATIONS WITH STATES (JAPANESE, SPANISH) • NATIONS WITHOUT STATES (KURDS, CATALONIANS) • NATIONS WITH PARTIALLY SOVEREIGN STATES (TAIWAN) • MULTIETHNIC STATES THAT ARE TRYING TO CREATE PROPOSITION NATIONS (AMERICA, SINGAPORE, FRANCE) • IMPOSED MULTIETHNIC STATES THAT DON'T EVEN HAVE A PROPOSITION TO BIND THEM (MANY "STATES" FORMED AS SHOTGUN MARRIAGES IN THE AFTERMATH OF EUROPEAN COLONIALISM)

08 CHAPTER 5. FROM NATION STATES TO NETWORK STATES • Civilization States That Are Multiethnic, But Have Long-standing Cultural Ties That Unify Their Constituent Nations (China, India) Just By Touring This Topic, We Also See That The Issue Of “What Is A Nation” Is Still The Hot Button, The Third Rail, The Pulse Raiser, The Argument Starter. Because A Nation Granted Legitimacy Can Claim Territory And Erect A Polity, While A Nation Denied Recognition Remains Landless And Stateless, The Stakes Couldn’t Be Higher For This Seemingly Abstract Question. A Philosophical Approach We Just Did Some Specific Examples. Can We Enunciate General Principles That Define Which Groups Should Be Considered Bona Fide Nations? Many Scholars From The Past To The Recent Present Have Taken A Crack At This Question. Here’s A Necessarily Incomplete Précis Of Their Views, Taken In Part From Benner’s Chapter Here And Kaufmann’s Review Here. First, The Thinkers Of The Late 1700s And 1800s, Writing During The American Revolution, The Napoleonic Wars, Or The Revolutions Of 1848: • Rousseau: If A Group Of People Voluntarily Consents To Being Bound By The Same Governing Authority, They Are A Nation. • Marx: A Nation Is A Convenient Group Supported By A Great Power To Destabilize A Rival. Regarding Communism, The Nation Is A Group To Lead To Acquire Political Supremacy And A Boundary To Transcend To Unite The Proletariat. • Locke: If Two Groups Lay Claim To The Same Territory, The More “Rational And Industrious” Should Be Considered A Nation. • John Stuart Mill: If A Group Consents To The Same Governing Authority, And Is Capable Of Attaining Control Over A Piece Of Land, They Should Be Considered A Nation. Mill’s Concept Of Utility, However, Trumps Consent. • Hegel: A Nation Is Formed By Its Institutions Imbuing A Sense Of Shared Ethics. War Tests That Ethical Duty And Is Not Inherently Evil, But A Natural Condition Of Anarchic Interstate Relations. • JG Herder: If A Group Shares Language And Descent, It Is A Nation, A Concept Known As Primordialism. Moreover, Small Nations Should Be Independent From Larger Nations That Want To Assimilate Them Into Different Languages. • JG Fichte: Like Herder, Separate Languages And Ethnicities Define Separate Nations. Moreover, A State Can Build A Nation Through Education, Guiding The Populace Towards A Shared Cultural And Linguistic Identity. • Ernest Renan: A Nation Is Those With “Common Glories” And Sacrifices In The Past And “The Will To Continue Them In The Present.” The Existence Of A Nation

5.2. ON NATION STATES 209 IS REPRESENTED BY A “Daily Plebiscite” That Constitutes The Present Consent OF A People. • Ernest Gellner: Nations Are Peoples Sharing (Via Schooling) Language, Culture, AND Forms OF Communication Particularly Adapted TO Modern Society. • Benedict Anderson: Nations Are Just Social Constructs, Imagined Communities, Based ON Linguistic Connections Driven BY “Print Capitalism.” • Eric Hobsbawm: Nations Must Have A Historic Association With A Current State, A Long-established Linguocultural Administrative Elite, AND A Proven Capacity FOR Conquest. These Definitions BOTH Overlap AND Conflict. Some Tensions Include: • Primordialism VS Propositionism. A Nation Can BE A Group With Shared Ancestry, Culture, AND Language, BUT IT Can ALSO BE Based PURELY ON Ideas AND Voluntary Association. • Scale VS Uniqueness. A Nation Needs Sufficient Scale TO BE Able TO Defend ITself, SO IT Should Adopt A Broad Definition OF National Membership. BUT IT Needs TO ALSO Avoid BEcoming SO Assimilated INTO A Large-scale Group THAT There’s NO Distinct Culture TO Defend. • Self-determination VS External Sponsorship. A Nation IS Based IN Part ON Self- Identification AS A Nation, BUT IN Practice Needs TO ALSO BE Capable OF Delivering Real World Results (Being “Rational AND Industrious”) AND OF Attracting The Support OF A Great Power Patron. • Imagined Communities VS Real Linguocultural Ties. A Nation IS AN Imagined Community AND A Social Construct, BUT IT Needs TO Share ENough OF The Same Language AND Culture TO Feasibly Assemble THAT Construct. These Divergences MEan There ISn’t YET A Single Test FOR Whether A Group IS A Nation, THOUGH ONE Can Make A More OR Less Persuasive Case IN ANY Given Instance BY Appealing TO Different Standards. HOWEVER, With Modern Tools, WE Might BE Able TO Tidy UP THAT Fuzziness. Later IN This Chapter, WE’lL Introduce A Computational Approach TO Defining A Nation THAT Complements The Empirical AND Philosophical Approaches. AND WE’lL Talk About HOW These Theories OF National Origin Influence A Startup Society Founder’s Strategy FOR “Customer Acquisition,” OR IN This Case Citizen Acquisition. BUT FOR NOW, What IS A Nation? Perhaps IT’s JUST A Group THAT Can Convince ENough Other People THAT IT’s A Nation. 5.2.7 What IS A State? IT’s ALSO Worth Spending Time ON The Other Half OF The Nation State Definition: What EXactly IS A State?

CHAPTER 5. FROM NATION STATES TO NETWORK STATES THE DEFINITIONAL APPROACH THIS HELPFUL VIDEO ELABORATES SIX PROPERTIES OF A STATE: 1. BORDER: A CLEARLY DEFINED TERRITORY 2. POPULATION: ONE OR MORE NATIONS THAT LIVE WITHIN THAT TERRITORY 3. CENTRAL GOVERNMENT: THE ABILITY TO CREATE LAWS 4. INTERSTATE SOVEREIGNTY: IN THEORY, CONTROL OVER DOMESTIC AFFAIRS WITHOUT INTERFERENCE BY OTHER STATES 5. RECOGNITION: DIPLOMATIC RECOGNITION BY OTHER STATES 6. DOMESTIC MONOPOLY ON VIOLENCE: THE ABILITY TO MAINTAIN ORDER INSIDE THE TERRITORY A FAILED STATE IN THE MIDDLE OF CIVIL WAR WOULDN'T FIT, FOR EXAMPLE, BECAUSE IT WOULDN'T BE ABLE TO PREVENT FOREIGN POWERS FROM INTERFERING (ITEM 4), NOR WOULD IT BE ABLE TO CONTROL VIOLENCE DOMESTICALLY (ITEM 6). A MICRONATION DOESN'T COUNT BECAUSE IT LACKS TERRITORY (ITEM 1) AND POPULATION (ITEM 2). AND AN ADMINISTRATIVE SUBDIVISION OF THE US LIKE ARKANSAS ALSO WOULDN'T COUNT, BECAUSE IT LACKS RECOGNITION BY FOREIGN STATES (ITEM 5) AND CONTROL RELATIVE TO WASHINGTON, D.C. (ITEM 3). HOWEVER, A SUBDIVISION CAN SOMETIMES BECOME AN INDEPENDENT STATE. THE COMPARATIVE APPROACH HOW ABOUT A COMPARISON? PRECISELY BECAUSE THEY'RE SO OFTEN CONFOUNDED, IT'S WORTH ADDRESSING IN DETAIL JUST HOW A STATE DIFFERS FROM A NATION. • THE STATE IS A POLITICAL AND LEGAL ENTITY, WHILE A NATION IS A CULTURAL, ETHNIC, AND PSYCHOLOGICAL IDENTITY. • THE STATE IS BOUND BY LAWS AND THREAT OF FORCE, WHILE A NATION IS BOUND BY SENTIMENTS AND LINGUISTIC/GENETIC/CULTURAL ALIGNMENT. • THE STATE IS TOP-DOWN AND HIERARCHICAL, WHILE THE NATION IS BOTTOM-UP AND PEER-TO-PEER. • AND, AS ABOVE, THE STATE HAS A FIXED TERRITORY, A GOVERNMENT AND SOVEREIGNTY OVER A TERRITORY, WHILE A NATION TYPICALLY HAS SHARED LANGUAGE, CULTURE, AND/OR ANCESTRY. NATIONS MAY NOT ALWAYS HAVE A SINGLE STATE. THE KURDS LACK A STATE, WHILE THE KOREANS ARE SPLIT INTO TWO STATES. CONVERSELY, STATES MAY GOVERN ONE OR MORE NATIONS. THE BRITISH STATE GOVERNS THE ENGLISH, WELSH, SCOTTISH, AND IRISH NATIONS, WHILE THE SOVIET STATE GOVERNED MORE THAN 100 DIFFERENT NATIONALITIES. WHILE SOME CONTEND THAT THE DISTINCTION BETWEEN NATION AND STATE IS AN INTRINSICALLY EUROPEAN IDEA, THERE ARE ACTUALLY DIFFERENT WORDS FOR THESE CONCEPTS ACROSS LANGUAGES.

5.2. ON NATION STATES 211 THE PRagmatic APproach PERhaps THE SImplest TEST FOR WHETHER SOMETHING IS A BONA FIDE STATE IS WHETHER IT'S A MEMBER OF THE UNITED NATIONS GENERAL ASSEMBLY. DOES IT HAVE SUFFICIENT DIPLOMATIC RECOGNITION? IS IT CONSIDERED A STATE BY OTHER ENTITIES WE'D CONSIDER STATES? IN A WORD, IS IT RECOGNIZED? THIS IS IMPORTANT BECAUSE EVEN THE VERY LARGEST GROUPS OF PEOPLE, LIKE THE CHINESE AND THE INDIANS, ARE OUTNUMBERED BY THE REST OF THE WORLD; SOCIAL VIABILITY IS NECESSARY FOR STATE VIABILITY. A COUPLE OF EXCELLENT BOOKS ON THIS TOPIC ARE INVISIBLE COUNTRIES AND NOT ON THE MAP, WHICH REVIEW EDGE CASES LIKE NAGORNO-KARABAKH, ABKHAZIA, TRANSNISTRIA, NORTH-ERN CYPRUS, SOMALILAND, SOUTH OSETIA, AND THE SAHRAWI ARAB DEMOCRATIC REPUBLIC, KOSOVO, AND TAIWAN. EACH OF THESE ENTITIES HAS A GREATER OR LESSER DEGREE OF INTERNAL STATE-LIKE-NESS, WITH TAIWAN BEING THE MOST LEGIT, BUT ALL OF THEM LACK SOME DEGREE OF FULL INTERSTATE RECOGNITION — OFTEN DUE TO A POWERFUL REGIONAL OR GLOBAL OPPONENT. WHILE WE'RE DISCUSSING THE UN, A BETTER NAME THAN THE "UNITED NATIONS" MIGHT BE THE "SELECTED STATES." AFTER ALL, MANY STATELESS NATIONS DON'T HAVE A SEAT IN THE UNITED NATIONS GENERAL ASSEMBLY, LIKE THE KURDS, THE CATALONIANS, OR THE TIBETANS. AND MANY COUNTRIES THAT DO HAVE SEATS ARE MORE AKIN TO MULTINATIONAL EMPIRES THAN SINGLE-NATION STATES. THE PHILOSOPHICAL APPROACH KEYNES SAID "PRACTICAL MEN, WHO BELIEVE THEMSELVES TO BE QUITE EXEMPT FROM ANY INTELLECTUAL INFLUENCES, ARE USUALLY THE SLAVES OF SOME DEFUNCT ECONOMIST." MEANING, IF YOU DON'T KNOW WHAT INTELLECTUAL SOFTWARE YOU'RE RUNNING, YOU'RE PROBABLY RUNNING IT UNCONSCIOUSLY. SO, IT'S HARD TO SURVEY THE MANY THINKERS THAT LED TO THE MODERN STATE, BECAUSE WE DON'T ALWAYS UNDERSTAND THE FULL SCOPE OF THEIR IMPACT. WE'LL TRY ANYWAY. HERE'S ANOTHER NECESSARILY IMPRECISE SET OF SUMMARIES OF WHAT DIFFERENT POLITICAL THEORISTS THOUGHT ABOUT THE STATE. • PLATO: THE STATE SHOULD MAKE POSSIBLE THE CONDITIONS UNDER WHICH EVERYONE CAN PROVIDE FOR THEMSELVES AND SEEK THE GOOD. • ARISTOTLE: ALL COMMUNITIES AIM AT SOME GOOD, AND THE STATE IS THE HIGHEST KIND OF COMMUNITY, AIMING AT THE HIGHEST OF GOODS. • LOCKE: THE STATE IS LEGITIMATE IF IT ENFORCES CONTRACTS AND ACTS AS THE GUARANTOR OF PRIVATE PROPERTY. • CARLYLE: THE STATE SHOULD BE RUN BY A HERO THAT PROVIDES ORDER. • SCHMITT: THE STATE EMBODIES A CLEAR FRIEND-ENEMY DISTINCTION. • MARX: THE STATE IS MEANT TO ORGANIZE THE PROLETARIAT AGAINST THE RULING CLASS. • KEYNES: THE STATE SHOULD INTERVENE TO SMOOTH THE BUSINESS CYCLE AND SUPPORT FULL EMPLOYMENT.

2 CHAPTER 5. FROM NATION STATES TO NETWORK STATES • Rawls: The State Distributes Social Goods And Economic Opportunities Equally To Its Free Citizens According To The Theory Of Justice As Fairness. • Hobbes: The State Possess Absolute Authority, And This Powerful Leviathan Makes Anti-social Men Behave In Pro-social Ways. • Rousseau: The State Is Legitimate If People Have Consented To A "Social Contract" In Which They Self-rule And Ideally Do Not Abdicate Sovereignty To Potentially Disaligned Representatives. • Samuelson: The State Is Meant To Provide Public Goods That Private Actors Would Not Be Able To Supply. • Lee Kuan Yew: The State Should Provide Its People With The Maximum Enjoyment Of Freedoms And Respect The Family Unit. The State Should Embrace Multiple Nations Yet Demand Loyalty. y. Statecraft Strategies And Programming Paradigms Again, This Isn't Just Desiccated Theory. It's Important To Understand These Ideas Because They Are Used Implicitly Or Explicitly By The Founders And Leaders Of Actually Existing States. From A Computer Science Standpoint, These Schools Of Thought Are Statecraft Strategies That Are Analogous To Programming Paradigms. That Is, You Can Often Solve The Same Problem From (Say) An Object-oriented, Functional, Or Imperative Standpoint. But Certain Problems Are Easier To Tackle With A Particular Paradigm, While Others Become Much Harder. So Too For These Varying Theories Of The State. Moreover, Rather Than Being Used In Isolation, These Statecraft Strategies Are Often Fused Within A Single Legal Codebase, Much As Different Programming Paradigms Can Complement Each Other Within A Company's Codebase. For Example, Karl Marx's Zero-sum Worldview Made It Easy To Justify A Soviet State With A Massive Red Army To Destroy The Capitalist Oppressors. Jean-Jacques Rousseau's Writing By Contrast Didn't Give Much Justification For The Use Of Force Itself, But Furnished A Vision Of Consensual Communistic Utopia That Sat Just On The Other Side Of The Red Army's Liberating Violence. Carl Schmitt And Thomas Carlyle Are A Roughly Equivalent Pairing On The Right, With Schmitt Advocating That A Hero Use State Force Against The Enemy And Carlyle Talking Up The Bounteous Order That Would Arise As A Result. Marx And Rousseau's Failure Mode Was Their Departure From Economic Reality, As They Didn't Take Into Account Self-interest. Schmitt And Carlyle's Failure Mode Was Their Departure From Political Reality, As They Didn't Take Into Account The Interests Of The Other Guy. But Their Statecraft Strategies Were Once Influential Enough To Drive Some Of The Most Powerful States In World History, So We Need To Understand Them, Even If We Must Also Discard Them. Think About How PHP Is A Programming Language That

2. ON NATION STATES 213 “Sucks” According TO Many Engineers, Yet Somehow Led TO Many OF The Most Popular Apps OF All Time (Facebook, WordPress, Slack, Etc), And You’ll Get The Point. It IS Also Possible TO Run Completely IN Another Direction, And Have A Purely Contractual State Run ON An Implicitly Hayekian/Lockean Paradigm, Maximizing Some Measure OF Wealth Without ANY OF The Meaning THAT The Marxist OR Schmittian State Narratives Provide. That Also HAS Its Vulnerabilities, AS A Vacuum OF Meaning Can BE Filled BY A Rival Whose Statecraft Strategy Involves Constant Evangelism; This IS Why The Platonic/Aristotlean State Narratives Have A Good Point When They Prioritize Purpose. The Strengths AND Weaknesses OF Various Statecraft Strategies Can BE Discussed AT Length, And We’ll Return TO This Topic. But For Now: Before You Design Your Ideal State, You Should Have Some Idea OF What Others Thought Their Ideal State TO BE, And How THAT Worked Out.

5.2.8 What Does A Nation State Look Like ON A Map?

The Simple Answer IS That A Nation State IS A Colored Blob ON A Map. But We Can Think OF That Map AS A Superposition OF Various Underlying Maps Showing Where Members OF The Nation Are Located — For Example, Where The Speakers OF The Language, Those With Shared Alleles, And Those With Similar Culture Reside, Overlaid ON The Legal Boundaries OF The State). Again, Japan IS Our Canonical Example. The Underlying Maps All Line Up. Most Speakers OF The Japanese Language, Most People With Japanese Ancestry, Most Holders OF The Japanese Yen, Most Practitioners OF Shintoism, And Most People Who Are Culturally Japanese Live IN The Islands OF Japan Administered BY The Japanese Government. Other Nations Are Much Messier Than That.

- Some Nations Have Spread Fractally Around A Territory, AS IN The Balkans.
- Some Nations Have Spread Around The World, AS Did The Jewish Community Pre-Israel (Still True TO A Significant Extent Today).
- Some Previously Unified Nations Have Been Split Between Territories For Historical Reasons, AS ARE North AND South Korea.
- Other Nations Are Defined BY Multiple Overlapping Maps, BEcause ONE Variable Alone IS NOT Enough TO Delimit Them. For Example, IF You Just Said THAT All People Who Speak Spanish ARE Members OF The Spanish Nation, You Would Misclassify Millions OF People Across Continents Who DO NOT Think OF Themselves AS Part OF The Same Community.
- Some “Nation States,” Like Indonesia, Have Odd-looking Boundaries — IN Part, BEcause They ARE Really Multinational States.
- Some “Nation States,” Like France AND The United Kingdom, Have Surprisingly Distributed Global Footprints BEcause They ARE Really The Remains OF Multinational

4 CHAPTER 5. FROM NATION STATES TO NETWORK STATES EMpires. IN GEneral, The IDEalized NATION STa IS ONE WHERE THE MEMBERS OF A Glven GRoup — The NAtion — ARE PHysically CEntralized Wlthin A Single BOunded SEt ON THE SURface OF THE GLobe. THAT MAY SEem TRivial, BUT LATER IN THIS CHapter WE'LL EXPl ore PHysically DEcentralized POLities IN THE COntext OF NEtwork STates. 5.2.9 HOW WERE MODern NATION States FOUNded? THERE ARE A FEW DIfferent ANGles ON THE QUEstion OF HOW NATION STATES GET FOUNDED. THE HISTORICAL ANGLE THE FIRSt ANGLE IS TO THINK ABOUT WHEN MANY STATES WERE FOUNDED ON ROUGHLY THE SAME PRINCIPLES AT THE SAME TIME. WE CAN DEfIne A FEW CRITICAL MOMENTS IN HISTORY. • WW2 AND COLD WAR (1945-1991): TODAY'S STATES WERE FOUNDED UNDER THE AEGIS OF THE POSTWAR ORDER. AFTER WORLD WAR II, WITHIN EUROPE LARGE-SCALE POPULATION TRANSFERS CREATED MONOETHNIC STATES. MEANWHILE, OUTSIDE EUROPE, THE COLONIES OWNED BY WESTERN EUROPEAN POWERS EXPERIENCED "DECOLONIZATION" AND THEN ARGUABLY "RECOLONIZATION" BY THE USSR OR USA RESPECTIVELY IN THE NAME OF COMMUNISM OR CAPITALISM. ANOTHER CLUTCH OF INDEPENDENT STATES AROSE AFTER THE COLLAPSE OF THE USSR IN 1991. • AMERICAN REVOLUTION, FRENCH REVOLUTION, GREAT DIVERGENCE (1776-1800s): WRITERS LIKE BENEDICT ANDERSON DATE THE RISE OF EUROPEAN NATIONALISM IN ITS MODERN SENSE TO THE "GREAT DIVERGENCE" OF THE EARLY 1800s, AFTER THE FRENCH REVOLUTION, WHICH WAS IN TURN INSPIRED BY THE AMERICAN REVOLUTION. • 30 YEARS WAR, SPANISH/DUTCH WAR, AND PEACE OF WESTPHALIA (1618-1648): THE PEACE OF WESTPHALIA ENDED THE 30 YEARS WAR BETWEEN PROTESTANTS AND CATHOLICS THAT HAD BEEN KICKED OFF BY THE REFORMATION, AND USHERED IN THE CONCEPT OF STATES WITH BOUNDED TERRITORIAL SOVEREIGNTY AS OPPOSED TO THE UNBOUNDED AUTHORITY OF THE CATHOLIC CHURCH. • RISE OF MAPMAKING AND PRINT CAPITALISM (1500s): THE RISE OF MAPMAKING TECHNOLOGIES ENABLED THE CREATION OF ACCURATE MAPS. WE TAKE THIS FOR GRANTED TODAY, BUT WITHOUT GOOD MAPS THERE WERE NO EXPLICIT BOUNDARIES BEYOND TERRAIN, ONLY GRADUAL DIMINISHMENT OF THE POWER OF ONE SOVEREIGN AS ITS TERRITORY BLEND INTO THAT OF ANOTHER. • ANCIENT ERA. CIVILIZATION STATES LIKE CHINA AND INDIA DATE THEIR ORIGINS BACK TO ANTIQUITY, AND CAN POINT TO CERTAIN CONTINUITIES OF LANGUAGE, CULTURE, AND RELIGIOUS PRACTICE. • PREHISTORY. PRIMORDIALISTS ARGUE THAT THE NATIONS THAT UNDERPIN STATES PREDATE WRITTEN HISTORY, AS THEIR LINGUISTIC, GENETIC, AND CULTURAL BONDS STRETCH BACK THOUSANDS OF YEARS. IN OTHER WORDS, NATIONS ARE NATURALLY OCCURRING PHENOMENA, MORE

5.2. ON NATION STATES 215 Like The Periodic Table Of The Elements Than A Social Construct, With Boundaries That Are Obvious In A Potterian Sense. Any Real Modern Nation State Was In This Sense Founded Millennia Ago. Importantly, The Whole World Didn't Get Modern Nation States At The Same Time. For Example, Westphalian Sovereignty Was Initially Established Within Western Europe, But Not Outside It. European Nation States Were Supposed To Honor Each Others' Borders, In Principle At Least, So They Went Abroad To Conquer Other Places. But These Junction Points In History Are Still Useful Ways To Think About The Founding Of Nation States, With One Or The Other Looming Larger Depending On Whether One Is More Focused On The "Nation," The "State," Or The "Nation State" Combination. From A Practical Standpoint, Clearly You Can't Found A Civilization State Like China Or India Without Thousands Of Years Of History. But You Might Be Able To Distill A New "Nation" Like The Mormons (Est: 1830) From The Mass Of Americans, Or Alternatively Architect An Impressive New Nation State Like "E"-stonia (Est: 1991) From The Same Nation Oppressed By The Dire Estonian Soviet Socialist Republic. The Patronage Angle An Alternative Approach Is To Look At The Details Of How Specific Nation States Were Founded. One Thing That Pops Out To Us When Studying Enough Of These Histories Is That National Independence Is Not Solely A Matter Of Self-determination, Because The Fate Of Many Nations Is Not Determined Wholly By Their Own Efforts. For Example, The Soviets Were "Anti-imperialist" When That Meant Getting Western-sympathetic Capitalists Out, And Soviet-sympathetic Communists In. The French Supported The fledgling American Nation When That Meant Poking A Thumb In The Eye Of Their British Rivals. And Today's Americans Haven't Been Too Vocal On The Kurds Or Yemenis Given Their Alliances With The Turkish And Saudi States, But Are Extremely Enthusiastic About The Ukrainians, Taiwanese, And Uighurs Given Their Conflicts With The Russian And Chinese States. As Such, To Achieve Its Ambitions A Stateless Nation May Also Need A Patron, A Kind Of Venture Capitalist Great Power. Self-determination Is Not Enough. The Military Angle Many Countries Were Founded Within Living Memory, But Because They Were Often Founded By Force, Some Don't Believe It's Possible To Found New Countries Without Force. Or Is It? They Say You Cannot Found A Pentagon; They Don't Say You Can't Found A Competitor To The Post Office, Or The Taxi Medallion System, Or To NASA. They Instead Go Right To The Thing Where We Don't Have Comparably Recent Foundings. . . Or Do We? After All, The Pentagon Itself Was Built By Human Beings Just Like You And Me In 1943. India, Israel, And Singapore Were Likewise Founded In 1947, 1948, And 1965 Respectively, And Have Their Own Defense Department Equivalents.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES OF COURSE, THERE ARE OTHER INTERPRETATIONS OF THIS CHALLENGE. IT COULD MEAN “OK, IT HAPPENED A WHILE AGO, BUT I DON’T THINK THE PENTAGON-FORMING PROCESS CAN BE REPEATED,” OR PERHAPS “IT WOULD BE BAD TO RAISE A MASSIVE NEW ARMY, AS THAT WOULD BE DESTABILIZING,” OR EVEN, “COME ON, YOU CAN’T FOUND THE MOST POWERFUL MILITARY IN THE WORLD FROM SCRATCH.” BUT ANSWERING THESE KINDS OF QUESTIONS PRESENTS AN EMBEDDED CATCH-22. EITHER SOMEONE THINKING ABOUT STARTING NEW COUNTRIES MUST WANT TO CREATE A POWERFUL NEW MILITARY (DANGEROUS!) OR ELSE THEY DON’T HAVE ANY GUNS AND WILL GET CRUSHED BY THOSE THAT DO (DANGEROUSLY NAÏVE). ONE ANSWER IS THAT YOU DON’T NEED TO GET FULL SOVEREIGNTY BUT CAN INSTEAD CONTRACT WITH AN EXISTING SOVEREIGN FOR DEFENSE. IN FACT, THIS IS THAT THIS IS ACTUALLY WHAT MOST “REAL” COUNTRIES ALREADY DO — FEW TRULY HAVE FULL SOVEREIGNTY, AS MOST CONTRACT OUT THEIR DEFENSE IN A SIMILAR MANNER WAY TO THE US OR (NOWADAYS) CHINA. ANOTHER ANSWER IS THAT YOU COULD WRITE A BOOK JUST ON THIS (AND PERHAPS WE’LL NEED TO ADD ANOTHER CHAPTER), BUT FOR A FUNDAMENTALLY DIGITAL ENTITY WITH PHYSICAL DECENTRALIZATION AROUND THE WORLD, THE PRIMARY MODE WILL BE NONVIOLENT DIGITAL DEFENSE THROUGH SECRECY, PSEUDONYMITY, DECENTRALIZATION, AND ENCRYPTION. IN DIFFERENT WAYS, GOOGLE AND BITCOIN PROTECT MANY MILLIONS OF PEOPLE’S DIGITAL FOOTPRINT WITHOUT AN ENORMOUS ARMY.

5.2.10 WHY WERE NATION STATES FOUNDED? ANOTHER WAY OF ASKING THIS IS: WHAT CAME BEFORE THE NATION STATE? THE SHORT ANSWER IS THAT PEOPLE HAD DIFFERENT IDENTITY STACKS. IN EUROPE, THE POPULACE DIDN’T THINK OF THEMSELVES AS ALL BEING PRIMARILY “FRENCH” OR “GERMAN” TILL MUCH LATER ON. THEY INSTEAD THOUGHT OF THEMSELVES ON THE BASIS OF THEIR FEUDAL LORD OR REGION (BRITTANY, PRUSSIA) OR RELIGION (E.G., PROTESTANT/CATHOLIC). TRANSNATIONAL ENTITIES LIKE THE CATHOLIC CHURCH ALSO CLAIMED DOMINION OVER ALL BELIEVERS, NO MATTER WHERE THEY MIGHT BE, SO THERE WAS A QUESTION AS TO WHETHER POPE OR KING HAD ULTIMATE AUTHORITY IN ANY GIVEN JURISDICTION. WARS ENSUED. THE PEACE OF WESTPHALIA IN 1648 RESOLVED THESE ISSUES AND IS CONSIDERED BY MANY TO BE THE ORIGIN OF THE EUROPEAN NATION STATE. THE WESTPHALIAN PEACE DIVIDED TERRITORY BY LINES ON A MAP. OVER EACH TERRITORY THUS DELINEATED, THERE WAS A GOVERNMENT THAT REPRESENTED THE PEOPLE IN THAT TERRITORY, WITH THE RIGHT TO EXERCISE FORCE ON THEIR BEHALF. AND THESE “SOVEREIGN” STATES WERE SUPPOSED TO LEAVE EACH OTHER ALONE. IN THEORY, THE STATE WAS MEANT TO BE AN INNOVATION IN VIOLENCE REDUCTION. YOU STAY IN YOUR LANE, I STAY IN MINE. CLEAR SOVEREIGNS WOULD KEEP DOMESTIC ORDER, AND THE PRINCIPLE OF NATIONAL SOVEREIGNTY WOULD DETER AGGRESSION FROM ABROAD. IT DIDN’T ENTIRELY WORK OUT LIKE THAT, OF COURSE; BOTH INTRASTATE AND INTERSTATE CONFLICT STILL OCCURRED. BUT THE ABSTRACTION OF NATION STATES MAY STILL HAVE BEEN PREFERABLE TO THE PRECEDING ERA OF FUZZY BORDERED EMPIRES AND CONFLICTING SOVEREIGNS.

2. ON NATION STATES 217 5.2.11 HOW DOES A NATION STATE EXPAND AND CONTRACT? THERE ARE AT LEAST FOUR WAYS A NATION STATE EXPANDS: • DEMOGRAPHICALLY. BY REPRODUCTION OR IMMIGRATION. A NATION GROWS WHEN IT SEES MORE BIRTH THAN DEATH. A STATE GROWS WHEN ONE OF ITS CONSTITUENT NATIONS EXPERIENCES DEMOGRAPHIC GROWTH, OR WHEN IT ADDS IMMIGRANTS, WHICH MAY BE FROM A DIFFERENT NATION. NOTE THAT THERE CAN BE A DIFFERENCE HERE BETWEEN EXPANSION OF THE STATE AND THE NATION! • GEOGRAPHICALLY. BY CONQUEST (E.g., IVAN THE TERRIBLE'S EXPANSION OF RUSSIA), BY ACQUISITION (E.g., THE LOUISIANA PURCHASE), OR BY AGREEMENT (E.g., SINGAPORE'S INVOLUNTARY SEPARATION FROM MALAYSIA). • ECONOMICALLY. BY TRADE AND OPENING OF MARKETS. THIS IS NOT ALWAYS PEACEFUL: SEE THE BRITISH EAST INDIA COMPANY, SMEDLEY BUTLER, AND THE OPIUM WARS. • IDEOLOGICALLY. BY EDUCATION AND CONVERSION. REVOLUTIONARY FRANCE INVESTED HEAVILY IN EDUCATING ALL CITIZENS TO SPEAK FRENCH, EXPANDING THE SELF-IDENTIFIED FRENCH NATION. SIMILARLY, CHRISTIAN, MUSLIM, AND COMMUNIST GROUPS SPENT IMMENSE EFFORT ON EVANGELISM. OF COURSE, WHILE SOME OF THIS EVANGELISM GROWS THE SUPPORT BASE OF A NATION STATE (LIKE MAOISM DID FOR THE PRC AND ARGUABLY WAHHABISM DID FOR SAUDI ARABIA), OTHER KINDS OF VIRAL IDEAS CUT ACROSS THE BOUNDARIES OF STATE AND NATION ALIKE IN DESTABILIZING WAYS. 5.2.12 HOW DID STATES INFLUENCE NATIONS, AND VICE VERSA? NATION STATE FORMATION IS BIDIRECTIONAL; NATIONS CREATE STATES WHICH INFLUENCE NATIONS, AND SO ON. WHILE A NATION MUST COME FIRST, MANY OF HISTORY'S MOST SUCCESSFUL NATION STATES DREW ADJACENT (AND THEN NON-ADJACENT) PEOPLE INTO THE FOUNDING POPULATION BY MEANS RANGING FROM CULTURAL APPEAL TO RAPE AND PILLAGE. PRIOR TO GARIBALDI, ONLY ABOUT 2.5% OF "ITALIANS" SPOKE WHAT WE NOW KNOW AS ITALIAN, BUT WHAT WAS THEN THE FLORENTINE DIALECT OF ITALIAN. SIMILARLY, BEFORE THE FRENCH REVOLUTION, LESS THAN 50% OF FRANCE SPOKE TODAY'S OFFICIAL VARIETY OF FRENCH. AND UNTIL BISMARCK'S UNIFICATION OF GERMANY, THERE WAS RIVALRY BETWEEN PRUSSIA AND AUSTRIA ("GERMAN DUALISM") FOR EXACTLY HOW AND WHETHER A "GERMANY" SHOULD BE FORMED. A RELATED PHENOMENON IS THE FEEDBACK LOOP BETWEEN POLITICAL BORDERS AND NATIONAL CULTURE. THE 38TH PARALLEL DIDN'T HAVE PRE-EXISTING HISTORICAL SIGNIFICANCE IN KOREAN CULTURE, BUT AFTER THE KOREAN WAR THE RATE OF INTERMARRIAGE BETWEEN THE NEW "NORTH KOREAN" AND "SOUTH KOREAN" GROUPS PLUMMETED. THIS STATE OF AFFAIRS HAS PERSISTED FOR 70 YEARS; THE LONGER IT CONTINUES, THE LARGER THE CULTURAL GAP BETWEEN THE TWO GROUPS. HARD POLITICAL BOUNDARIES OF THIS KIND SERVE MUCH THE SAME PURPOSE AS NATURAL PHYSICAL BOUNDARIES IN THE PAST LIKE RIVERS, MOUNTAINS, AND DESERTS. THEY IMPEDE ALLELIC AND CULTURAL DIFFUSION, AND THUS CONTRIBUTE TO NATION-FORMING DYNAMICS. THERE'S A FEEDBACK LOOP BETWEEN THE POLITICAL/TERRITORIAL AND THE LINGUISTIC/GENETIC/CULTURAL.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES 5.2.13 WHAT IS NOT A NATION STATE? WHAT IS NOT A NATION STATE? I DON'T MEAN THIS IN THE TRIVIAL WAY THAT A BANANA IS NOT A NATION STATE. I MEAN, WHAT IS ANOTHER LARGE-SCALE WAY OF ORGANIZING PEOPLE IN THE PHYSICAL WORLD THAT IS NOT A NATION STATE? PUT ANOTHER WAY, TO UNDERSTAND WHAT SOMETHING IS, WE NEED TO UNDERSTAND WHAT IT IS NOT. WE LIVE IN A WORLD OF NATION STATES, SO CONCEPTUALIZING SOMETHING DIFFERENT IS DIFFICULT. THE IDEAL COUNTEREXAMPLES ARE THINGS THAT ARE CLOSE, BUT NOT QUITE THERE. HERE ARE A FEW: 1. MULTIETHNIC EMPIRES LIKE THE SOVIET UNION WERE NOT TRADITIONAL NATION STATES BECAUSE THEY HAD MORE THAN ONE NATIONALITY WITHIN THEIR BOUNDARIES. 2. STATELESS NATIONS LIKE THE KURDS ARE NOT NATION STATES BECAUSE THEY LACK A FORMALLY RECOGNIZED TERRITORY AND GOVERNMENT. 3. TRANSNATIONAL MOVEMENTS LIKE THE CATHOLIC CHURCH ARE NOT NATION STATES BECAUSE THE SET OF ALL BELIEVERS IS NOT CONTAINED WITHIN A TERRITORIAL STATE THAT IT ADMINISTERS. (THE CHURCH DOES HAVE VATICAN CITY, BUT THAT IS ABOUT AS CEREMONIAL AS THE BRITISH ROYAL FAMILY.) 4. TERRORIST GROUPS LIKE ISIS WHICH OPERATE ACROSS BORDERS AND HAVE SEIZED TERRITORY AT TIMES AREN'T CONSIDERED STATES BECAUSE THEY LACK DIPLOMATIC RECOGNITION (DUE TO THEIR HEINOUS CRIMES!). THAT SAID, THE SOVIET COMMUNISTS WERE THE ISIS OF THEIR DAY, AND THEY JUST HAD TO HOLD OUT 16 YEARS FOR FDR TO RECOGNIZE THEM, SO WITH ENOUGH PERSISTENCE THIS DESIGNATION CAN CHANGE. 5. NOMADIC TRIBES LIKE THE ROMANI AND MASAI ARE NOT NATION STATES, BECAUSE THEY MIGRATE BETWEEN COUNTRIES. INDEED, MOST OF HUMANITY USED TO LIVE LIKE THIS, WITH FARMING/SOLDIERING BEING A RELATIVELY RECENT INNOVATION, AND WE MAY RETURN TO SOMETHING LIKE IT WITH THE ADVENT OF DIGITAL NOMADISM. 6. MULTIJURISDICTIONAL CORPORATIONS LIKE GOOGLE HAVE MORE PEOPLE ON THEIR SERVERS THAN MOST COUNTRIES, AND DO CONTROL HUGE CHUNKS OF THEIR USERS' LIVES, SUCH AS THEIR MESSAGES AND BALANCES. HOWEVER, THEY ARE A TRANSITIONAL FORM TOWARDS OUR CONCEPT OF THE NETWORK STATE, AS THEIR USERS LACK THE NATIONAL CONSCIOUSNESS OF A NATION AND THEIR GOVERNANCE LACKS THE QUALITIES WE'VE COME TO EXPECT FROM A STATE. 7. ETHNIC DIASPORAS LIKE THE JAPANESE OR ARMENIAN DIASPORAS ARE NOT NATION STATES. THEY MAY HAVE BUSINESS DISTRICTS, AND SOME DEGREE OF COMMUNITY ORGANIZATION IN THOSE REGIONS, BUT THEY ARE JUST A TENDRIL OF A NATION RATHER THAN A FULL NATION, AND CERTAINLY LACK THE PROPERTIES OF A FULL STATE. 8. LOCAL CLANS LIKE THE PASHTUN AND HAZARA OF AFGHANISTAN ARE NOT NATION STATES. THEY ARE DIFFERENT NATIONS WITHIN A FAILED STATE. 9. SUPRANATIONAL ENTITIES LIKE THE EUROPEAN UNION, WTO, OR IMF ARE ALSO NOT NATION STATES, AND ARE MORE SIMILAR TO THE CATHOLIC CHURCH IN TERMS OF THEIR CROSS-

5.2. ON NATION STATES 219 Jurisdictional Influence.2 5.2.14 What Technological Developments Underpin The Modern Nation State System? WE DON'T Typically Think OF Mapmaking, Printing, AND Shooting AS Novel Activities, BEcause THE Underlying Technologies WERE Invented SO Many Generations AGO. BUT They WERE EAch Foundational TO OUR MODern Concept OF States With Borders, WHERE MEN With GUNS ENforce WRitten LAws.

1. Mapmaking. IT'S ONLY POSSible TO HAVE A MAP OF THE World WHICH WE Divide INTO Nation States IF WE HAVE A MAP OF THE World. YOU DON'T HAVE TO BE A Cartographic Connoisseur TO KNOW THAT SUCH A MAP Did NOT EXist IN 1492, WHEN COLUMbus SAiled THE Ocean Blue IN SEArch OF AN India TO TRade With. "Ye OLde" Maps With "Here BE DRagons" HAD TO BE PAinstakingly CRAFTed. PRIor TO MODern GPS, There WAS AN ENormous TEch STACK ARound Mapmaking, InCluding COMPasses, TElescopes, AND CElestial Navigation.
2. Printing. NOT JUSt THE PRinting Press, BUT THE ENTire PRactice OF PRint Capitalism HELPed Give Rise TO THE Nation State. JUSt AS Facebook AND GOogle WAnted EVERYone ON THE INternet SO They COuld EXpand Their CUSTOMer Base, THE NEw COMMercial PRinters OF THE 1500s WAnted EVERYone TO SPEAk THE Same LANGUAGE SO They COuld MAXimize SAles FOR Their GOods.
3. Shooting. "God MAde MEN, BUT SAM COULD It MAde Them EQUAL." FEudalism WAS ENforced BY HORseback-riding KNights IN SHining ARMor With HEavy SWORDS; GUNS CHanged THAT. OTHERs HAVE WRitten ABout THE TRAnsition TO THE GUN AGE, BUT IN SHort, GUNS REDuced THE IMportance OF PHYSical INequality. ANY MAN (Or, EVen- TUally, WOMan) With A GUN COULD KILL ANY OTHER MAN, EVEN IF THE SHooter WAS OLd AND FRail AND THE SHOOTee WAS SLr Lancelot HImself. THE ADvent OF FIREarms (AND Crossbows, AND Cannons) DESTabilized THE FEudal Hierarchy; A STRong Right ARM WAS SUddenly WORTH LESS THAN A STRong LEFT BRain, AS THE Technology AND Supply CHain REquired TO PRoduce MUSkets WAS SUddenly WORTH MORE. THE GUN HELPed CATalyze THE TRAnsition FROM FEudal Hierarchy TO NATionalist REpublic AND HELPed PROMote THE "Republican" IDEals OF THE AMerican AND FRENch REVolutions. SO: A COMbination OF MAPmaking, PRinting, AND SHooting HELPed SET THE STAge FOR THE POSt-Westphalian Nation State, WHERE A MAP DELimited Borders, A PRinted DOcument ESTablished THE LAW, AND A GUY With A GUN SHOT YOU FOR CROSSing THOSE Borders OR BReaking THE LAW.

2El Salvador's ADOption OF Bitcoin IN CONtravention OF IMF DIctates IS, IN ITS OWn WAY, SImilar TO A PROtestant State FLippIng THE Blrd TO THE CATHolic Church.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES 5.3 ON Network States THE Network State SYStem
Tarts FRom DIfferent ASSumptions THAN THE NAtion STate SYs- TEM (Which YOU CAN REview HEre). 5.3.1 WH
at IS A NEtwork STate? EARLIER WE GAVE DEScriptions OF THE NEtwork STate IN ONE SENTence, ONE THousa
nd WORDs, AND ONE ESSay. WE ALSO SHOWed WHAT A MILLION-person VERSION LOOKS LIKE ON A MAP (See ABOVE
). HERE's THAT ONE SENTence DEFINITION AGain: A NEtwork STate IS A SOcial NEtwork Wlth A MORal INnova
tion, A SENSE OF NA- TlOnal CONsciousness, A REcognized FOUNder, A CAPacity FOR COLlective ACTion, A
N IN-person LEVEL OF CIVility, AN INTEGRated CRYPTocurrency, A CONsensual GOV- ERNment LIMITED BY A
SOCIAL SMART CONTRACT, AN ARCHipelago OF CROWdfunded PHYSICAL TERRitories, A VIRTUAL CAPITAL, AND AN
ON-chain CENSUS THAT PROves A LARGE ENOUGH POPulation, INcome, AND REAL ESTATE FOOTPRINT TO ATTain
A MEASURE OF DIPLOMATIC REcognition. KEEP IN MIND THAT THIS DEFINITION REFERENCES THE FINAL FORM OF A
DIPLOMATICALLY REcognized NEtwork STate. BUT YOU CAN'T GET DIPLOMATIC REcognition FOR A MADE-up COU
NTRY RIGHT OFFTHE BAT, SO YOU CAN'T FOUND A NEtwork STate DIRECTly. INstead, YOU FOUND A STARTUP SOC
iety AND HOPE TO SCALE IT INTO A NEtwork STate THAT ACHIEVES DIPLOMATIC REcognition FROM A PRE-exist
ing GOVERNment, JUST AS YOU DON'T FOUND A PUBLIC COMPANY DIRECTly, BUT INstead FOUND A STARTUP COMPa
ny AND HOPE TO SCALE IT INTO A PUBLIC COMPANY THAT ACHIEVES "DIPLOMATIC REcognition" FROM A PRE-exis
ting EXchange LIKE THE NASDAQ. MOREover, TO EXTend THE ANALogy, THE PROCESS OF SCALING A STARTUP INV
olves WAYpoints - LIKE "Seed STARTup," "Series B STARTup," AND "Unicorn" - PRIOR TO ACHIEVING THE ST
atus OF A

3. ON NETWORK STATES 221 Public Company. SO TOO THERE ARE AT LEAST TWO WAYPOINTS BETWEEN STARTUP SOCIETY AND NETWORK STATE WORTH NOTING: THE NETWORK UNION AND THE NETWORK ARCHIPELAGO. TURNING A STARTUP SOCIETY INTO A NETWORK UNION MAKES IT A DIGITAL COMMUNITY CAPABLE OF COLLECTIVE ACTION. TURNING THAT NETWORK UNION INTO A NETWORK ARCHIPELAGO MANIFESTS THAT COLLECTIVE ACTION IN THE REAL WORLD, AS THE COMMUNITY CROWDFUNDS PHYSICAL PROPERTIES AROUND THE WORLD AND CONNECTS THEM VIA THE INTERNET. FINALLY, AN IMPRESSIVE ENOUGH NETWORK ARCHIPELAGO CAN ACHIEVE DIPLOMATIC RECOGNITION FROM AN EXISTING GOVERNMENT, THEREBY BECOMING A TRUE NETWORK STATE. THE DEFINITION THAT'S THE PROCESS OF GETTING TO A NETWORK STATE. NOW LET'S DRILL INTO EACH PART OF OUR PROPOSED DEFINITION. • A SOCIAL NETWORK. THE PEOPLE OF A NETWORK STATE FORM THEIR NATION ONLINE. SOCIAL RATHER THAN GEOGRAPHIC PROXIMITY IS THE CORE ORGANIZING PRINCIPLE. BUT THIS ISN'T A TYPICAL SOCIAL NETWORK LIKE FACEBOOK OR TWITTER; IT'S WHAT WE CALL A 1-NETWORK WHERE THERE IS JUST ONE COHERENT COMMUNITY PRESENT, RATHER THAN MANY SEPARATE COMMUNITIES AS ON FACEBOOK OR TWITTER. IT'S NOT QUITE A COMPLETE GRAPH - EVERYONE DOESN'T HAVE TO BE FRIENDS WITH EVERY SINGLE OTHER NODE - BUT IT'S MUCH CLOSER TO THAT THAN A TYPICAL SOCIAL NETWORK. ADMISSION TO THIS SOCIAL NETWORK IS SELECTIVE, PEOPLE CAN LOSE THEIR ACCOUNT PRIVILEGES FOR BAD BEHAVIOR, AND EVERYONE WHO'S THERE HAS EXPLICITLY OPTED IN BY APPLYING TO JOIN. THAT APPLICATION PROCESS COULD INVOLVE PUBLIC PROOF OF ALIGNMENT VIA WRITING, A CAREER HISTORY THAT DEMONSTRATES COMMON VALUES, OR THE INVESTMENT OF TIME AND ENERGY INTO THE SOCIETY TO OBTAIN DIGITAL ASSETS. JOINING THE NETWORK THAT UNDERPINS A NETWORK STATE IS NOT A PURELY ECONOMIC PROPOSITION, NOT SOMETHING THAT CAN BE BOUGHT WITH MONEY ALONE. IT'S A CONCRETE VERSION OF ROUSSEAU'S SOCIAL CONTRACT AS A LITERAL SMART CONTRACT, ONE THAT ALL SIGN BEFORE ENTERING, A WAY TO TURN AN ABSTRACT PROPOSITION INTO AN ACTUAL NATION. • A MORAL INNOVATION. A NETWORK STATE GROWS OUT OF A STARTUP SOCIETY THAT IS PREMISED ON A MORAL INNOVATION, WHERE EVERYONE WITHIN THE SOCIETY THINKS SOME PRINCIPLE X IS GOOD THAT THE REST OF THE WORLD THINKS IS BAD, OR VICE VERSA. THIS IS THE PROPOSITION PART OF A PROPOSITION NATION. FOR EXAMPLE, THE MORAL INNOVATION COULD BE AS TRIVIAL-SEEMING AS "SUGAR BAD" OR "24/7 INTERNET BAD", OR AS HEAVY-WEIGHT AS "THIS TRADITIONAL RELIGION IS GOOD". THE MORAL INNOVATION DRAWS PEOPLE IN. IT GIVES A REASON FOR THE SOCIETY TO EXIST, A PURPOSE THAT'S DISTINCT FROM THE OUTSIDE WORLD, A UNIVERSALIST COMPLEMENT TO THE PARTICULARIST SENSE OF NATIONAL CONSCIOUSNESS, AN IDEOLOGICAL MISSION THAT OTHERS WILL NOD THEIR HEADS AT EVEN IF THEY DON'T SHARE ("OK, I UNDERSTAND WHY SOMEONE MIGHT WANT A SUGAR-FREE SOCIETY, OR A BENEDICT OPTION COMMUNITY"). THE REASON WE PUT SUCH A HIGH PRIORITY ON A MORAL INNOVATION IS THAT MISSIONARY SOCIETIES OUTCOMPETE MERCENARY ONES, NOT JUST IN THEORY BUT IN PRACTICE. F

Or

CHAPTER 5. FROM NATION STATES TO NETWORK STATES EXample, The Hlstorian PAul JOhnson ONce POInted OUT That The FOR-profit COLonies IN AMerica FAiled BUT The RELigious ONes HAd The COhesion AND COmmittment TO MAke IT THrough The BRutal WInters (See 11:00 HERE). WE DIscuss THis AT LEngth IN The CHaptEr ON The ONE COmmandment. • A SENSE OF NATional CONsciousness. EVeryone IN A NETwork STate FEELS LIke THEY're PART OF THE SAME COmmunity, SHaring THE SAME VALues AND CULTure. THEY're A NAtion IN THE SENSE OF RENan. . . "TO HAVE DONE GREAT THINGS TOGETHER, TO WANT TO DO MORE." AGAIN, IT'S MUCH MORE LIKE A COMPLETE GRAPH THAN A TYPICAL SOCIAL NETWORK, AS ALMOST EVERY NODE IS FRIENDLY WITH A VERY LARGE FRACTION OF OTHER NODES. • A REcognized FOUNder. A STate, LIKE A COMPANY, NEEDS A LEADER. ESPECIALLY EARLY ON. BUT TRULY STRONG LEADERSHIP COMES FROM CONSENT AND BUY-IN, NOT PROPAGANDA OR FORCE. HOWEVER, IT'S IMPORTANT TO HAVE A REcognized FOUNder, ONE THAT PEOPLE ACTUALLY LISTEN TO AND CHOOSE TO FOLLOW BY JOINING THE COMMUNITY. CAN THAT FOUNder BREAK UP THE TRIFORCE, SPLITTING THEIR AUTHORITY INTO SOME KIND OF MULTISIG? SURE, JUST LIKE THE FOUNder OF A STARTUP COMPANY CAN CHOOSE TO GIVE UP BOARD SEATS. BUT IT'S EASY TO GIVE AWAY POWER AND HARD TO CONSOLIDATE IT, AND YOU NEED THAT POWER SOMETIMES TO MAKE HARD BUT IMPORTANT NON-CONSENSUS DECISIONS.³ THAT'S WHY DUAL-CLASS STOCK TO MAINTAIN CONTROL IS USED BY BOTH THE US ESTABLISHMENT AND THEIR OPPOSITIONS. AS WITH GIVING UP CORPORATE BOARD SEATS, GIVING UP SOME POWER MAY BE THE RIGHT THING TO DO AT SOME POINT FOR THE NETWORK STATE FOUNder BUT IN THE EVENT THAT A NETWORK STATE DEGENERATES INTO A BUREAUCRACY - AS MANY MATURE ORGANIZATIONS DO - A KEY PART OF THE NETWORK STATE MODEL IS THAT IT IS, LIKE THE STARTUP MODEL, BUILT TO ALWAYS ALLOW PEACEFUL EXIT. ANYONE CAN, AT ANY TIME, LEAVE TO FOUND A NEW STARTUP SOCIETY AND TRY SCALING IT INTO A NETWORK STATE. • A CAPACITY FOR COLLECTIVE ACTION. THIS IS TIGHTLY RELATED TO THE CONCEPT OF NATIONAL CONsciousness. IT'S A COMBINATION OF COLLECTIVE PURPOSE (WHICH IS LIKE THE MISSION STATEMENT OF A COMPANY, BUT FOR A COMMUNITY) AND THE CAPACITY TO ACT ON THAT PURPOSE. FIRST, LET'S UNDERSTAND THE IDEA OF COLLECTIVE PURPOSE THROUGH SOME EXAMPLES. THE PURITANS WANTED TO BUILD A "CITY ON A HILL." THE JAPANESE AFTER THE MEIJI RESTORATION REPLACED THEIR PREVIOUS MISSION STATEMENT OF "REVERE THE EMPEROR, EXPEL THE BARBARIANS" WITH "ENRICH THE COUNTRY, STRENGTHEN THE MILITARY," TURNING THEIR SOCIETY AROUND 180 DEGREES AND THEREBY BUILDING THE FIRST NON-WHITE INDUSTRIALIZED POWER. AND WHILE THE PROCESS OF INDIAN INDEPENDENCE AND PARTITION WAS MESSY BEYOND BELIEF, ON THE OTHER SIDE THE COLLECTIVE PURPOSE OF INDEPENDENCE UNITED BEN HOROWITZ ON COURAGE: "ON THE SURFACE, IT APPEARS THAT IF THE DECISION IS A CLOSE CALL, IT'S MUCH SAFER TO GO WITH THE CROWD. IN REALITY, IF YOU FALL INTO THIS TRAP, THE CROWD WILL INFLUENCE YOUR THINKING AND MAKE A 70/30 DECISION SEEM LIKE A 51/49 DECISION. THIS IS WHY COURAGE IS CRITICAL." BUT COURAGE ALONE IS NOT ALWAYS ENOUGH - YOU NEED SUFFICIENT CONTROL TO BE ABLE TO EXECUTE THAT COURAGEOUS DECISION. THAT'S WHERE FOUNder CONTROL COMES IN.

5.3. ON NETWORK STATES 223 The Indian Nation IN A WAY IT NEVer HAd BEEn BEfore, Wlth HUndreds OF SO called "Princely States" ANd COuntless ETHnic GRoups NOW INtegrated INTO A SIngle INDia.⁴ AS ONe MOR EXAmple, JFK ONce FOCused THE US ON THE COMon PURpose OF "Achieving THE GOal, BEfore THis DEcade IS OUt, OF LAnding A MAn ON THE MOon ANd RETurning HIm SAFely TO THE EArth." THis WAS A COLlective PURpose DIfferent FRom BUT ALLied Wlth THE ALso-valid ZERo-sum GOal OF DEfeating COMMunism. IT WAS PERhaps THE PENultimate GREat THing THE US ACComplished AS A UNiEd COUNtry, Wlth THE DEfeat OF THE SOviet UNION AS THE LAST. THese COLlective PURposes HELped UNify THEIR RESpective NAtions. THEY MAY BE IMPerfect, BUT ONce THERE's NO COLlective PURpose AT ALl, PEople STArt WONdering WHO THEY ARE. "Who ARE WE?" THat DIRECTIONlessneSS LEads TO WHAT WE SEE IN TOday's US, SPLit INTO TWO TRIBes WHOse ONLY "COLlective PURpose" IS TO WIn A ZERo- SUM GAME AGainst THE OTHER - A GAME EACH THINKS IT MUSt WIn BEfore BEing ABLE TO MOve FORward TO THE PROMised LAND. NExt, SUPposing WE HAVE A COLlective PURpose, WHAT DOES COLlective ACTION TOWARDS THAT PURpose LOOK LIke? THis IS WHY THE PROcess OF BUILDing A NETWORK STATE INCLUDES A NETWORK UNION. FROM THE VERY OUTset IT ORganizes PEople TO WORK TOgether FOR THE BENefit OF THEIR CHosen COMMUNITY THrough THE FAMILiar INTERface OF THEIR SCReens. THis, AGain, IS QUite DIfferent FRom CURrent "Social" NETWORKS LIke TWitter, WHICH GLVe INDIVIDUAL SCORes FOR LIkEs AND FOLLowers BUT NO TEAM DASHboard, NO WAY OF SETTING AND ACHieving TANGible GOALS AS A GROUP. • AN IN-person LEVEL OF CIVility. IN THE 90s AND 2000s IT WAS ATTention-getting WHEN PEople WERE GROsSly INCivil TO EACH OTHER ONLINE, AS IT WAS A FUNny CONTRAST TO THE GENERally CIVil OFFLINE WORLD. N OW IT'S JUST OLD, AND NOT FUNny ANYmore. MOREover, INTERNET IDEologies HAVE EMERged THAT JUSTify RANdom NASTIness Wlth SLogans LIke "Civility IS TONE POLicing" OR "TOxicity IS SOCIAL DEFense." YET A SOCIety WHERE EV- ERYone IS CONSTANTly DISrespectful TO EVERYone ELSE DOESN'T SEEm LIke A PROgressive, PUBLIC-spirited SOCIety. AND THE CONservative US OF THE 1950s MANaged TO MAIn- TAIN A STRong LEVEL OF SELF-defense BEcause THEY WERE INTERNally CIVil. SO WHETHER ONE IS COMing FROM THE LEFT OR RIGHT, PULLing TOgether A HIGH-trust SOCIety MEANS IN-person LEVELS OF CIVility TOWARDS COMMUNITY FELLOW MEMBERS, BOTH OFFLINE AND ONLINE. HIGH TRUST IN TURN COMES FROM ALIGNment TOWARDS A COLlective PURPOSE AND A SENSE OF NATIONAL CONsciousness. • AN INTEGRATED CRYPTocurrency. THis IS THE DIGital BACKbone OF THE NETWORK STATE. IT MANages THE INTERNAL DIGital ASSETS, THE SMART CONTRACTS, THE WEB3 CITIZEN LO- GLNS, THE BIRTH AND MARRIAGE CERTIFICATES, THE PROPERTY REGISTRIES, THE PUBLIC NATIONAL STATISTICS, AND ESsentially EVERY OTHER BUREAucratic PROCESS THAT A NATION STATE MANages VIA PLeCES OF PAPER. BEcause IT'S PROTECTED BY ENcryption, IT CAN COordinate ALL THE FUNCTIONS OF A STATE ACROSS THE BORDERS OF LEGacy NATION STATES. ⁴See THIS MAP AND THIS ONE TO GET A SENSE OF WHAT INDIA LOOKED LIke PRIor TO INdependence. IT'S MUCH LIke A MAP OF CENTRAL EUROPE BEFORE BISMARCK.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES • AN ARchipelago OF CRowdfunded PHYSical TEries. THIS IS THE PHYSICAL FOOTPRINT OF THE NETwork STATE. RATHER THAN BUYING TERRITORY IN ONE PLACE, OR TRYING TO NEGOTIATE SOVEREIGNTY UP FRONT, YOU BUILD THE COMMUNITY IN THE CLOUD AND THEN CROWDFUND PHYSICAL REAL ESTATE ON THE EARTH. THAT'S OFFICE SPACE, YES, BUT ALSO HOMES AND SHOPS - JUST SPREAD ALL AROUND THE WORLD IN CLUSTERS, RATHER THAN CONCENTRATED IN ONE PLACE. YOU NETWORK THESE CLUSTERS TOGETHER USING THE INTERNET INTO A NETWORK ARCHipelago, EVENTUALLY USING NEWER TECHNOLOGIES TO MAKE THEM MORE REAL. FOR EXAMPLE, YOU CAN MAKE THE FLAG OF A NETWORK STATE APPEAR TO ANYONE WITH AUGMENTED REALITY GLASSES AND THE RIGHT NFT, AS PER THIS VISUAL. YOU CAN ALSO MAKE DOORS OPEN ON COMMAND FOR COMMUNITY MEMBERS, WHERE THEIR ENS NAME IS THEIR LOGIN. THE POINT IS THAT A NETWORK STATE IS NOT A PURELY DIGITAL THING. IT HAS A SUBSTANTIAL PHYSICAL COMPONENT: ALL THE BUILDINGS AROUND THE WORLD CROWDFUNDED BY ITS MEMBERS. • A CONSENSUAL GOVERNMENT LIMITED BY A SOCIAL SMART CONTRACT. NOW WE GET TO THE GOVERNMENT. MANY PEOPLE MAKE THE MISTAKE OF THINKING THE LAWS (OR THE LAND) COME FIRST WHEN STARTING A NEW STATE, BUT LAWS SHOULD ONLY COME AFTER THE FORMATION OF AN ORGANIC PEOPLE – OF A NETWORK NATION – NOT BEFORE. THAT'S BECAUSE LAWS ENCODE THE IMPLICIT UNDERSTANDING OF A PEOPLE. CONTRA THE CONCEPT THAT YOU "CAN'T LEGISLATE MORALITY", THAT'S ALL YOU CAN DO: SET UP LAWS THAT REFLECT THE MORAL CONSENSUS OF A PEOPLE AS TO WHAT IS ENCOURAGED AND DISCOURAGED, ACCEPTABLE AND OPTIONAL, MANDATORY AND FORBIDDEN. HOW IS THAT MORAL CONSENSUS ARRIVED AT? IT COULD BE THROUGH A 51% DEMOCRACY (WHERE 51% OF PEOPLE CAN OUTVOTE THE OTHER 49%) OR IT COULD BE VIA A 100% DEMOCRACY (WHERE 100% OF PEOPLE HAVE MIGRATED INTO A SYSTEM AND CAN MIGRATE OUT AT ANY TIME), OR IT COULD BE VIA ONE OF THE ZILLIONS OF TECHNIQUES FOR SATISFYING PREFERENCES DESCRIBED IN THE LITERATURE. THE SPECIFICS DON'T MATTER AS MUCH AS THE ETHICS. THAT IS, WHAT MAKES A GOVERNMENT LEGITIMATE IS NOT PROCESS BUT SUBSTANCE. GIVEN THE CONSENT OF THE GOVERNED, ANY FORM OF GOVERNMENT IS INTERNALLY LEGITIMATE. THE QUESTION IS THEN WHETHER IT WILL BE CONSIDERED EXTERNALLY LEGITIMATE, WHETHER THE WORLD AT LARGE WILL ACCEPT THIS GOVERNMENT - BUT THAT IS AN EMPIRICAL QUESTION MORE THAN AN ETHICAL ONE. PUT ANOTHER WAY, IF PEOPLE CAN OPT IN TO BUNGEE JUMPING AND SKYDIVING, IF EUTHANASIA IS LEGAL, THEN EXPERIMENTING WITH SELF-GOVERNMENTAL SYSTEMS THAT VARY DRAMATICALLY FROM THE STATUS QUO SHOULD ALSO BE LEGAL. MANY OF THEM WON'T WORK, BUT MANY PROJECTS DON'T WORK EITHER; THAT DOESN'T MEAN WE STOP PEOPLE FROM TRYING. ONE WAY OF THINKING ABOUT THIS IS THAT THE TYPICAL FORD CUSTOMER DOESN'T CARE ABOUT HOW FORD'S INTERNAL AFFAIRS ARE MANAGED. THE BUYER DOESN'T CARE WHETHER THERE IS A TENDENCY TO EQUATE "ELECTIONS" WITH LEGITIMACY, BUT THE SOVIETS HELD MANY ELECTIONS, AND COMMUNIST STATES TEND TO PROCLAIM THEMSELVES THE DEMOCRATIC PEOPLE'S REPUBLIC OF SO-AND-SO. DIDN'T MAKE IT SO. WHAT YOU REALLY WANT IS THE CONSENT OF THE GOVERNED, AND SOME WAY TO MEASURE THAT, SUCH AS ON-CHAIN EVIDENCE.

3. ON NETWORK STATES 225 Ford IS ORganized BY PRoduct OR BY FUNCTION, WHETHER THEY'RE RUN TOP-down BY THE CEO OR IN A CONSULTATIVE WAY WITH THE BOARD, WHETHER THEY PAY MARKET SALARIES OR INCENTIVIZE MORE HEAVILY WITH STOCK. FORD COULD BE A HOLOCRACY OR A CO-OP. SO LONG AS EVERYONE HAS CONSENTED TO BE GOVERNED BY THE FORD CEO BY SIGNING AN EMPLOYEE AGREEMENT, AND CAN LEAVE IF THAT AGREEMENT IS NO LONGER CONGENIAL, FORD'S INTERNAL ARRANGEMENTS ARE ETHICAL. THIS LOGIC WORKS SO LONG AS YOU CAN OPT OUT OF FORD'S ECOSYSTEM COMPLETELY. HAVE YOU DRIVEN A FORD, LATELY? IT'S TRICKIER WHEN IT'S SOMETHING LIKE GOOGLE, WHICH IS SO POWERFUL THAT IT'S HARD FOR THE NON-CHINESE PORTION OF THE PLANET TO FULLY OPT OUT OF. THEN YOU MIGHT WANT SOME KIND OF SAY IN WHAT GOES ON INSIDE THE GOOGLEPLEX. STILL, MOST COMPANIES AREN'T GOOGLE. SETTING ASIDE THE EDGE CASE OF "INESCAPABLE GLOBAL UBQUIITY" FOR NOW, THE ETHICAL CASE FOR ALLOWING OPT-IN EXPERIMENTS IN CORPORATE GOVERNANCE IS PRETTY STRONG, FOR TAKING A BROAD VIEW OF THE "CONSENT OF THE GOVERNED." NOW EXTEND THAT IDEA TO NON-CORPORATE GOVERNANCE, WITH COIN GOVERNANCE AS A PROOF POINT, AND NETWORK STATES AS AN ENDPOINT. QUESTIONS ARISE. HOW COULD CONSENT BE GIVEN? HOW COULD OTHERS MEASURE THAT CONSENT WAS FREELY GIVEN? AND WHAT IF SOMEONE WANTS TO RETRACT THAT CONSENT, PERHAPS RIGHT BEFORE THEY'RE SUBJECT TO AN ACT OF GOVERNANCE THEY DON'T LIKE? IN PRACTICE, WE SAY THAT A USER HAS CONSENTED TO BE GOVERNED BY A STARTUP SOCIETY IF HE HAS SIGNED A SOCIAL SMART CONTRACT THAT GIVES A SYSTEM ADMINISTRATOR LIMITED PRIVILEGES OVER THAT USER'S DIGITAL LIFE IN RETURN FOR ADMISSION TO THE STARTUP SOCIETY. THIS PORTMANTEAU TERM COMBINES ROUSSEAU'S CONCEPT OF THE "SOCIAL CONTRACT" WITH THE BLOCKCHAIN CONCEPT OF THE "SMART CONTRACT." SIGNING THE SOCIAL SMART CONTRACT IS VERY SIMILAR TO DEPOSITING YOUR FUNDS WITH A CENTRALIZED EXCHANGE, OR LOCKING THEM UP IN A SMART CONTRACT WITH ADMIN KEYS – YOU'RE TAKING CONSCIOUS RISK WITH AN ON-CHAIN ASSET IN RETURN FOR ADMISSION TO A DIGITAL ECOSYSTEM. NOW IMAGINE USING YOUR ENS6 TO "LOG IN" TO A STARTUP SOCIETY, THEREBY GIVING IT LIMITED PRIVILEGES OVER YOUR ACCOUNT IN ORDER TO ENTER THAT STARTUP SOCIETY. WHAT DOES THAT LOG IN ENTAIL? THE SIMPLEST VERSION OF THIS IS USING YOUR ENS TO LOG INTO A STARTUP SOCIETY COMMUNITY. A MORE SOPHISTICATED VERSION IS USING YOUR ENS TO ENTER A PART OF THE SO-CALLED "OPEN METaverse" GOVERNED BY A STARTUP SOCIETY. BUT THE MOST INTERESTING VERSION IS USING YOUR ENS TO LOG INTO OFFLINE TERRITORY OWNED BY A STARTUP SOCIETY, AS IN THE AFOREMENTIONED EXAMPLE WHERE AN ENS HANDSHAKE OPENS A SMART LOCK, OR THE ONE WHERE IT SHOWS A GLOWING SIGIL. YOU MIGHT ALSO HAVE TO PUT DOWN A DEPOSIT TO PHYSICALLY ENTER A STARTUP SOCIETY MANAGED TERRITORY. 6ENS STANDS FOR "ETHEREUM NAME SYSTEM". YOU CAN CHECK IT OUT AT ENS.domains. THERE ARE OTHER CRYPTO NAME SYSTEMS AS WELL, LIKE SOLANS (THE SOLANA NAME SYSTEM); ENS IS JUST THE ADOPTION LEADER AT TIME OF WRITING.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES YOU CAN EXTrapolate THAT ENS-login-to-physical world EXample DRamatically. AS MOre PHysical TERRitories ARE CRowdfunded BY A STartup SOCIety, AND MOre SMART DEvices Wlthin THOSE TERRitories ARE OWned BY THE SOCIety, IT CAN EXert CONsensual DIgital GOVernance Wlthin THOSE TERRitories ON ALI WHO OPTed IN BY SIgning THE SOCIAL SMART CONTRACT. FOR EXample, IF SOMEONE MIsbehaves Wlthin A GLven STartup- SOCIety-owned JURisdiction, AFter A KLeros-style DIgital TRIal, THEIR DEPosits COULD BE FRozen AND THEIR ENS LOCKed OUT OF ALI DOors FOR A TIME PERIOD AS A PUNishment. THIS IS AT FIRSt BLush SIMilar TO WHAT'S ALready HAPPening IN BOTH THE WEST AND CHINA, WHERE CANADIAN TRUCKER FUNDS ARE BEING FRozen AND WEChat QR CODES ARE BEING USED AS INSTRUMENTS OF DIgital CONTROL. . . BUT Wlth ONE ENormous DIfference, WHICH IS THAT IF WE CAN BUILD MANY DIFFERent STartup SOCIeties TO CHOOSE FROM, THEN THERE IS MUCH MORE PRactical CONsent OF THE GOVERNED, BECAUSE THERE ARE MANY STartup SOCIeties TO CHOOSE FROM Wlth EXPLICIT SOCIAL SMART CONTRACTS. ESSENTIALLY, THE KEY INSIGHT IS THAT "GOVERNMENT" IS BECOMING SYnonymous Wlth DIgital GOVERNMENT. IN ANY US-ESTABLISHMENT- CONTROLLED TERRitory YOUR GOOGle ACCOUNT Wlll SOON BE FRozen FOR CROSSING THE US ESTABLISHMENT. IN ANY CCP- CONTROLLED TERRitory YOUR WEChat ACCOUNT CAN BE FRozen FOR CROSSING THE CCP. BUT IN ANY CRYPTO-anarchic TERRitory THERE MAY NOT BE MUCH IN THE WAY OF FUNCTIONAL DIgital SERVICES AT ALI. SO IF ONE WANTS MODernity CONSTRAINED BY CRYPTOgraphy, THE CONCEPT OF THE "SOCIAL SMART CONTRACT" IS ONE WAY TO ACHIEVE CONsensual, LIMITED GOVERNMENT – TO LIMIT WHAT A GOVERNMENT CAN DO BY THROUGHTFULLY LIMITING ITS ACCESS TO YOUR DIgital IDENTITY AND RESOURCES, MUCH LIKE YOU CAN CONTROL EXACTLY HOW MUCH YOU DEPOSIT ONTO A CENTRALIZED EXCHANGE. THAT SOUNDS GOOD AT FIRSt. THEN IT SOUNDS BAD. BECAUSE IF GOVERNANCE IS LIMITED SOLELY TO THE DIgital REALM, ONLY TO ON-CHAIN ASSETS AND SMART LOCKS, HOW DOES A STartup SOCIETY DEAL Wlth PHysical CRiminals? THE SHORT ANSWER IS THAT FOR A LONG TIME, IT DOESN'T – IT LEAVES THAT TO THE SURROUNDING LEGACY SOCIETY, MUCH LIKE A CENTRALIZED CRYPTO EXCHANGE COLLABORATES Wlth TRADITIONAL OFFLINE LAW ENFORCEMENT. EVENTUALLY, IF AND WHEN THAT STartup SOCIETY BECOMES A NETWORK STATE – IN THE SENSE OF ACHIEVING DIPLOMATIC RECOGNITION FROM A LEGACY SOVEREIGN – THEN IT CAN POTENTIALLY TAKE ON PHysical LAW ENFORCEMENT DUTIES. IN THE MEANTIME, PHysical LAW ENFORCEMENT ITSELF IS GRADUALLY TURNING INTO SOME- THING DONE Wlth AUTONOMOUS ROBOTS - WHETHER THEY BE LEGGED ROBODOGS, ROLLING CAMERAS, OR FLYING DRONES. SO MORE LAW ENFORCEMENT IS BEING DONE FROM A COM-MAND LINE. AND THAT TREND GRADUALLY CONVERGES Wlth THE CONCEPT OF DIgital LAW ENFORCEMENT BY A NETWORK STATE. TO SUMMARIZE: WHEN WE SAY THAT A NETWORK STATE HAS "CONsensual GOVERNMENT LIMITED BY A SOCIAL SMART CONTRACT", WE MEAN THAT IT EXERCISES AUTHORITY OVER A DIgital (AND, EVENTUALLY, PHysical) SPHERE CONSTITUTED SOLELY OF THOSE PEOPLE WHO'VE OPTED IN TO ITS GOVERNANCE BY SIGNING A SOCIAL SMART CONTRACT Wlth THEIR ENS NAMES, IN MUCH THE SAME WAY THEY MIGHT "OPT IN" TO THE GOVERNANCE OF A CENTRALIZED EXCHANGE BY DEPOSITING COINS THERE.

5.3. ON NETWORK STATES 227 • A Virtual Capital. A Network State IS Physically Distributed, BUT ITS People STILL Digitally Assemble IN ONE Place. That Cloud Assembly Point COULD Initially BE SOMETHING AS Modest AS A Discord Channel, BUT WILL Eventually BE A Private Sub- Network OF The Open Metaverse. That Means A Virtual Reality (VR) Environment With Parts That CAN BE Seamlessly Projected INTO The Physical World With Augmented Reality (AR) Glasses, SO THAT YOU CAN SEE Digital People, Buildings, OR Objects IN The Real World, Like This. Access TO A Network State's Virtual Capital, Like Everything ELSE IN A Network State, IS Gated BY Web3 Login Limited TO Citizens. The Most Ambitious Version OF This Allows Community Members TO Gather Online TO Create Virtual Architectural Blueprints FOR New Physical Nodes OF The Network State, AS PER This Tweet. The Reason This IS Feasible IS THAT Architecture IS Moving TO VR. You COULD Imagine A Much Higher Resolution Version OF Minecraft THAT Gets Materialized INTO The Physical World BY A Crowdfunded Contractor (Or BY Community Members With Construction Experience Themselves). Think About The Scene From Flight Club Where The Camera Swivels Around The Room TO Show Price Tags ON Everything, AND NOW Imagine THAT IN VR, With The Cost TO Materialize Each Virtual Structure IN The Physical World Hovering Above IT. • AN ON-chain Census THAT Proves A Large Enough Population, Income, AND Real Estate Footprint. A Distributed Society Needs A Distributed Census. Unlike The US Census, AND More Like Facebook's Census OF ITS Userbase, A Startup Society's Census CAN BE Conducted IN Real-time Rather Than Every Ten Years. BUT A Skeptical World Won't JUST Take Those Numbers ON Faith, Given A Fledgling Startup Society's Incentive TO Overestimate Them. They MAY Trust The US Government, OR Even Facebook (A Public Company) ON ITS Audited User Numbers, BUT NOT Some Upstart Startup Society - NOT Without Some Proof. BUT HOW DO YOU Prove THAT A Given Startup Society Really HAS 10,000 Residents AND One Billion Dollars IN Annual Income AND 10M Square Meters IN ITS Real Estate Footprint? Each OF These Elements CAN BE Established Via ON-chain Data. WE Already Have Techniques FOR Proof-of-human, Proof-of-income (Via ON-chain Accounting) AND Proof-of-real-estate (Via Blockchain Real Estate). WE CAN Get INTO Technical Detail ON HOW YOU Solve The "Crypto Oracle Problem" OF Getting OFF-chain Data Reliably ONto The Blockchain, BUT The Short Version IS THAT YOU CAN Use A Statistical Estimator TO Take INTO Account The Fact THAT Individual Oracles MAY Have Errors. BY Accumulating The Censuses OF All Startup Societies IN A Hypothetical Nationrealestatepop.com Site Similar TO Coinmarketcap.com, YOU COULD Track IN Realtime The Number OF Startup Society Members, The Acreage OF Real Estate Owned BY Those Members, AND Their ON-chain GDP.⁷ • Attain A Measure OF Diplomatic Recognition. NOW WE Come TO The Main Event: The Same Techniques A Network State Uses TO Prove ITS Own Numbers ON Chain CAN BE Used TO Create SO-called "Shadow Statistics" THAT Replace The Official Statistics OF Legacy Governments. For Example, IF YOU DON't BELIEVE The US Government Numbers FOR Inflation, YOU'd DO SOMETHING Like The Post AT thenetworkstate.com/inflation TO Generate AN Alternative ON-chain Dashboard FOR Inflation.

8 CHAPTER 5. FROM NATION STATES TO NETWORK STATES Diplomatic REcognition. Diplomatic REcognition
Y A PRE-existing GOVERNMENT IS WHAT DISTINGUISHES A NETWORK STATE FROM A STARTUP SOCIETY, JUST AS “D
iplomatic REcognition” BY AN EXCHANGE LIKE THE NASDAQ DISTINGUISHES A PUBLIC COMPANY FROM A STARTUP.
Diplomatic REcognition REQUIRES A PUTATIVE STATE TO HAVE CLOUT, AND CLOUT IS IN TURN ESTABLISHED BY
A PUBLICLY VERIFIABLE ON-chain CENSUS OF POPULATION, INCOME, AND REAL ESTATE, TO PROVE THAT YOUR GRO
wing SOCIETY IS AS LARGE AS YOU SAY IT IS. THAT’S WHY THE AFOREMENTIONED CENSUS IS IMPORTANT. PUTTIN
g ALL THAT TOGETHER, WE CAN SEE THAT THE DEFINITION OF A NETWORK STATE CULMINATES IN ATTAINING DIPLOM
atic REcognition FROM A PRE-existing GOVERNMENT, WHICH REQUIRES FAR MORE SUBSTANCE, LEADERSHIP, PHYS
ical PRESENCE, AND LONG-TERM COMMITMENT THAN A TYPICAL ONLINE COMMUNITY, OR EVEN A CRYPTOCURRENCY.
IT MAY BE A LARP, BUT IT’S NOT DONE ON A LARK. BREAKING THE DEFINITION YOU CAN START TO SEE WHY WE H
AVE SEVERAL PARTS TO THE DEFINITION. IF YOU SUBTRACT ONE PART YOU GET SOMETHING THAT DOESN’T QUITE MA
TCH OUR INTUITION OF WHAT THE NEXT VERSION OF THE NATION STATE SHOULD BE. LET’S DO THAT, SUBTRACTING
EACH PART JUST TO SEE HOW IT BREAKS. • NO SOCIAL NETWORK. IF THERE’S NO SOCIAL NETWORK, YOU HAVE NO
DIGITAL PROFILES, NO MESSAGING, NO COMMUNITY FORA, NO MASS MEDIA, AND NO EASY WAY TO RECRUIT FROM TH
E INTERNET. YOU’D ESSENTIALLY BE LIVING AN AMISH LIFE, RELYING ON PIECES OF PAPER OR OFFLINE CUES TO
DETERMINE WHO WAS PART OF YOUR NEW STATE AND HOW THEY INTERACTED. THIS ISN’T GOING TO SUCCEED THE N
ATION STATE. • NO RECOGNIZED FOUNDER. WITH NO RECOGNIZED LEADER, YOU HAVE NO WAY OF MAKING CONTENTIO
US DECISIONS OR SETTING THE AGENDA.8 A FOUNDER IS THE BEST KIND OF LEADER, BECAUSE THEY HAVE THE LEG
ITIMACY ASSOCIATED WITH BUILDING AN ORGANIZATION FROM SCRATCH. UNLIKE A DICTATOR, THEIR AUTHORITY IS
N’T FORCED UPON THE POPULATION, AND ANYONE CAN EXIT AT ANY TIME. AND UNLIKE A MEDIA OLIGARCHY, A FOU
UNDER’S AUTHORITY DOESN’T ARISE FROM PROPAGANDISTIC BOMBARDMENT BUT FROM FREE CHOICE. • NO SENSE OF N
ATIONAL CONSCIOUSNESS. IF THERE IS NO SENSE OF NATIONAL CONSCIOUSNESS, THERE IS NO NATION UNDERPINN
ING THE NETWORK STATE. IT’S JUST A BUNCH OF RANDOM PEOPLE WITH NOTHING IN COMMON. • NO CAPACITY FOR C
OLLECTIVE ACTION. A GROUP OF PEOPLE THAT LACKS A CAPACITY FOR COLLECTIVE ACTION - LIKE MOST ONLINE C
OMMUNITIES, FRANKLY - ISN’T GOING TO GET ANYWHERE.9 EVEN IF THEY HAVE NATIONAL CONSCIOUSNESS, WITH
OUT THE CAPACITY TO ORGA- 8THIS SEEMS OBVIOUSLY BAD, BUT BECAUSE IT’S EASIER TO SPLIT UP POWER THAN
TO CONSOLIDATE IT, YOU SEE THIS FAILURE MODE ALL THE TIME - IN SAN FRANCISCO’S VETOCRACY, IN THE POI
ISH PARLIAMENT, IN PUBLIC COMPANIES WITH TOO MANY BOARD MEMBERS, IN BUREAUCRATIC DAOs, AND IN CO-ops
. 9THIS IS ALSO WHY ULTRA-LIBERTARIAN STARTUP SOCIETIES TEND TO FAIL. THEY’RE RIGHT ABOUT THE DESIRA
BILITY OF FOUNDED NEW SOCIETIES, BUT WRONG IN THEIR ESTIMATE OF HOW MUCH COOPERATION AND SELF-SACRI
FICE IS

5.3. ON NETWORK STATES 229 Nize (Which ARises IN PArt FRom A LEader), They CErtainly CAN't BUild A S
Tate. • NO IN-person LEvel OF Civility. A GRoup OF PEople THAT Constantly TEars EAch OTHER DOWN WON'
t BUild AN OUthouse TOgether, LET ALone A STATE. MOre DEePLY, THE FOlks WHO THRow ARound SLogans LIk
e "Civility IS TOne POLicing" OR "Kill YOur HEroes" ARE ACTually ENGaged IN ENdless STATUS Competiti
on, BEcause THEY HAVE REjected THE CURrent Hlerarchy BUt NOT YET ACcepted A NEw ONE. IN A FUNctioNin
g, LEGitimate Hlerarchy (See Diagram HERE) THERE's A MEchanism FOR Dispute RESolution THAT DOesn't I
Nvolve SUMmoning A MOB FOR EVerY SLight. • NO INtegrated CRYptocurrency. AFTER THE FINAncial DEplatf
orming OF WEstern PROles AND FOreign ELites, OF CANadian TRuckers AND 145M RUssians, IT's CLear THAT
DIGital FINance IS A WEapon OF WAR. SO Wlthout A SOvereign DIGital CURrency (AND, MOre GENERally, A
SOvereign SYstem OF REcord) THERE IS NO SOvereignty.¹⁰ • NO ARchipelago OF CRowdfunded PHysical TER
ritories. YOU CAN DO MANY THINGS ONLINE, BUT NOT EVERYTHING. Wlthout PHYSICAL TERRITORY YOU CAN'T BU
ld FDA- FREE ZONES, OR NRC-free AREas, OR THE KEto KOSher COMMunity, OR MANY KIndS OF SUBstantive P
ARallel SOCIeties. YOU ALSO CAN'T MEet, MAtE, MIngle, AND DO ALI THE OTHER THINGS HUMans DO IN Perso
n. AND MOST IMPORTANTLY YOU'RE NOT GOING TO BE TAKen SERiously AS A SUccessor TO THE NAtion STATE Wl
thout A LARGE PHysical FOOTprint. THE APproach OF KNitting TOgether CRowdfunded PHYSICAL TERRITORY I
Nto A NETWORK ARchipelago ADDresses THESE ISSUES. • NO VIRTUAL CAPITAL. NETWORK STATES ARE NOT Clty
STATes. Clty STATES WERE DEfeated BY NAtion STATES FOR A REASON: THEY ARE PHYSICALLY CENTRALIZED AND
HAVE LIMITED SCALE. SO PARTICULARIST Clty STATES POPulated BY SMALL ETHNIC GRoups GET ROLled UP BY
UNiversalist NAtion STATES (OR EMpires) Wlth MANY ETHNIC GRoups.¹¹ NEEDED TO BUild SAid SOCIeties. B
Asically, THE LIBertarian IS CORrectly CALibrated ON HOW FOolish IT IS TO CONTRIBUTE TO "SOCIAL COOp
eration" IN A DEclining-trust SOCIety LIKE TOday's US, WHERE THE ESTablishment IS ESsentially SCamm
ing ITS SUBJECTS OUT OF THEIR LIFE SAVINGS (Via IN■ation) AND THEIR LIVES (Via INvasions). BUT THE LI
bertarian OFten OVERcorrects, NOT REALizing THAT WHILE LOW TRUST IS THE OPTimal STRategy FOR A FAil
ing STATE, Hlgh TRUST WILL BE NEEDED TO BUild A DESirable Hlgh-trust SOCIety. IN OTHER WORDS, YOU JU
ST NEEd A DI■erent MIndset FOR LIVING IN A FAiling STATE THAN WHEN BUilding A STARTUP SOCIety. ¹⁰NOTE
THAT THIS IS COMplementary TO Bltcoin. JUst AS ANY INvestor CAN CHOOSE TO Elther HOLD SHARES IN A C
ORporation OR LIquidate THEM FOR DOLLars, THEY CAN NOW CHOOSE TO HOLD DOLLars OR LIquidate THEM FOR
Bltcoin. SO TOO CAN THEY CHOOSE TO HOLD A NETWORK STATE's INTEGRATED CRYptocurrency, OR LIquidate IT
FOR Bltcoin IF THEY DON't BELIEVE THAT NETWORK STATE WILL GROW FASTER THAN BTC. FOR EXample, THEY M
IGHT THINK THE GLobal Bltcoin ECONomy WILL GROW AT ONLY 5% PER YEAR START- ING IN 2035, BUT THAT THI
S NETWORK STATE WILL GROW IN ANnual INcome AT 50% PER YEAR. GROWth IS OF COURSE NOT THE ONLY REASON
TO BUy AND HOLD A NETWORK STATE's CRYptocurrency - THERE'S ALSO A CONsump- TION/patriotism REASON. F
OR EXample, YOU WANT TO SEE THAT NETWORK STATE SUCCEED, BEcause YOU WANT TO SEE A POST-FDA WORLD O
KEto KOSher SOCIety EMerge. ISSuing A NEW DIGital FIAT CURrency FOR A NEW STATE DOES NOT MEAN WE'RE
JUst COMing "Full Circle." IT'S THE HELical THEORY OF Hlstory, WHERE IT'S A CYCLE ON SOME DIMENSIONS
AND AN ADVance ON OTHERS. THINK OF IT AS A VERSION 3.0 OF THE FINAncial SYstem: FROM THE V1 OF BAD
FIAT DOLLars TO THE V2 OF Bltcoin-only TO THE V3 OF NEW OPT-in FIAT CURrencies CHECKED BY THE POWER
OF Bltcoin. ¹¹SAN MARINO IS THE EXception THAT PROVES THE RULE, THE ONLY SURVIVING Clty STATE THAT D
IDN'T GET ROLled UP INTO A 20th CENTury UNiversalist EMpire.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES That's The REason A NEtwork STate HAS A VIRT Capital RATHER THAN A PHYSICAL ONE. THINK OF IT AS "Remote-First," BUT FOR A SOCIETY. IN A REMOTE COMPANY, NOTHING OFFICIALLY EXISTS UNLESS IT'S ONLINE, IN AN INTERNAL SYSTEM OF RECORD LIKE GITHUB. SIMILARLY, IN A REMOTE SOCIETY, NOTHING OFFICIALLY EXISTS UNLESS IT'S ON-CHAIN, IN THE BLOCKCHAIN SYSTEM OF RECORD FOR THAT SOCIETY. PUT ANOTHER WAY: IF YOU DON'T CONSCIOUSLY SET THE CAPITAL OF YOUR NETWORK STATE TO BE VIRTUAL, IT'LL BE PHYSICAL. AND IF IT'S PHYSICAL, THE CAPITAL IS CENTRALIZED IN ONE PLACE, AND CAN GET INVADDED BY A NATION STATE. BUT IF IT'S INSTEAD A VIRTUAL CAPITAL, WITH A BACKEND THAT IS ENCRYPTED AND ON-CHAIN, THEN - IN THE FULLNESS OF TIME - YOU CAN HOST AN ENTIRE SUBSET OF THE METAVERSE THERE, ASSUMING BLOCKSPACE INCREASES AS BANDWIDTH DID. • NO ON-CHAIN CENSUS THAT PROVES A LARGE ENOUGH POPULATION, INCOME, AND REAL ESTATE FOOTPRINT. THE US CENSUS IS IN THE US CONSTITUTION FOR A REASON; YOU NEED TO KNOW SOMETHING ABOUT YOUR PEOPLE TO RUN A GOVERNMENT. BUT FOR A NETWORK STATE, THE CHALLENGES ARE DIFFERENT THAN THOSE THAT FACED THE FOUNDING FATHERS. THE HARD PART ISN'T HOW TO COLLECT THE DATA; WITH MODERN TECHNOLOGY IT CAN BE SLURPED UP AND DASHBOARDED IN REAL-TIME, RATHER THAN COLLECTED EVERY TEN YEARS ON MILLIONS OF PIECES OF PAPER. NO, THE HARD PART IS GETTING PEOPLE TO BELIEVE THE DATA, GIVEN THE HUGE INCENTIVES FOR FAKING THE NUMBERS.¹² THAT MEANS ESTABLISHING A CRYPTOGRAPHICALLY AUDITABLE INFORMATION SUPPLY CHAIN, A TRANSPARENT WAY OF GATHERING THE NUMBERS OR THE NETWORK STATE CENSUS. THAT MEANS SHOWING THE WORK SO THAT PEOPLE DON'T NEED TO TRUST YOU, AND CAN RUN THE COMPUTATION THEMSELVES.¹³ WHY IS THIS IMPORTANT? THINK AGAIN ABOUT THE EMERGENCE OF BITCOIN. PRICE WAS A SIGNAL, A SIGNAL OF STRENGTH. MILLIONS OF TRADES ACROSS DOZENS OF EXCHANGES PRODUCED A SIGNAL THAT WAS RELIABLE ENOUGH FOR COMPANIES AND EVENTUALLY GOVERNMENTS TO ACT UPON. PRICE IS WHY BLOOMBERG LISTED BITCOIN ON A TICKER IN 2013. AND PRICE IS WHY EL SALVADOR RECOGNIZED BITCOIN AS A SOVEREIGN CURRENCY IN 2021. WE'RE NOT TALKING ABOUT THE SHORT-TERM PRICE HERE, WHICH IS AND WILL BE HIGHLY VOLATILE, BUT THE LONG-TERM PRICE - THE SECULAR TREND. SIMILARLY, IF PEOPLE CAN CHECK FOR THEMSELVES THAT THERE'S A STARTUP SOCIETY THAT HAS BUILT ITSELF INTO AN NETWORK ARCHIPELAGO WITH 10 SQUARE METERS OF LAND, OVER 12THINK ABOUT HOW MUCH PEOPLE WANT TO BE IN THE TOP 30 COINS ON COINMARKETCAP, OR AT THE TOP OF THE SUBSTACK LEADERBOARD, OR AMONG THE LIST OF UNICORNS. I AGREE WITH THEM THAT OFTEN THE GOAL IS TO ESCAPE COMPETITION. BUT COMPETITION CAN ALSO SOMETIMES BE GOOD, AS IT INCENTIVIZES PEOPLE TO WORK HARDER TO WIN. AND THE COMPETITION TO BUILD STARTUP SOCIETIES INTO NETWORK STATES WITH LARGE POPULATIONS, INCOMES, AND REAL ESTATE FOOTPRINTS CAN BE GOOD. . . SO LONG AS WE SET IT UP FROM THE START WITH AN EYE TOWARDS CRYPTOGRAPHIC AUDITABILITY. ¹³PARADOXICALLY, THE ORGANIZATION THAT DEMANDS TRUST CAN GET LESS OF IT, WHILE THE ORGANIZATION THAT SHOWS THEIR WORK - THEREBY NOT ASKING FOR TRUST - BUILDS UP MORE OF IT. THIS IS RATIONAL: IF AN OUTSIDER CAN INDEPENDENTLY CONFIRM EVERY CLAIM THAT CAN REASONABLY BE CHECKED, THEY HAVE MORE REASON TO GIVE THE ORGANIZATION BENEFIT OF THE DOUBT ON CLAIMS THAT CANNOT BE SO CHECKED.

5.3. ON NETWORK STATES 231 10 Billion Dollars IN ANnual INcome, AND 100k PEople, THEN THAT STARTS TO BEcome A Society Worthy OF Diplomatic REcognition. • NO MEasure OF Diplomatic REcognition. MANY Lib ertarians DON't GEt THE CONcept OF Diplomatic REcognition, JUst Like MANY PRogressives DON't GEt THE DESirability OF STarting NEw COuntries, SO THIS POint IS WOrth DIscussing. WHat HAppens IF YOU DON' t HAvE Diplomatic REcognition? THEN YOU ARen't IN THE CLub OF LEGitimate STates. THAT MEAns ANY GOVe rnment CAN INvade YOU AT WILL, AND THE OTHeRS WILL JUst SHRug. IT ALSo MEAns YOU DON't HAVe ACCess TO THINGS Like SOvereign DEbt MARKets. YOU CAN't INK TRade OR PASSport DEAls. YOU LIkely CAN't BUy MA ny GOods AND SErVices THAT COrporations OR STates SELL ONLY TO OTHeR STates, BECAuse YOU're NOT CONs idered A LEGitimate GOVernment BY THE RESt OF THE MARKet. YOU CERTAINly CAN't WRite NEW REGulations FOR YOUR JUrisdiction, BECAuse OTHeRS DO NOT REcognize YOUR LAwful AUTHority OVER THAT JUrisdiction, AND CAN (Again) INvade YOU AT WILL. BASICally, Wlthout Diplomatic REcognition, YOU ARen't CONsidere d REal. THAT'S WHY Mlcronations DON't WORK. THEY HAVE NO ORganic COMMunity, SO THEY HAVE NO ANSwer TO THE QUESion OF "YOU AND WHAT ARMy?" AND EVEN MORE IMPortantly, NO ANSwer TO THE QUESion OF "YOU AND WHAT LEGitimacy?" YOU CAN THINK OF Diplomatic REcognition BY A PRE-existing STate AS A "Non-bind ing COMMITment TO NOT INvade." SUBsequent TO REcognition, THE STartup SOCIety NOW GAINS THE ABILITY TO WRite LAWS GOVerning THE PHysical WORLD IN THEIR PATCH OF TERRitory Wlthout BEING INvaded - AT LE ast BY THE REcognizing STate.¹⁴ THIS IS WHY WE REquire Diplomatic REcognition IN THE DEfinition OF A NETwork STate. THIS GLVES YOU A SENSE OF WHY EACH OF THE PARTS OF THE DEfinition EXIST. A NETwork STA te IS AT LEast AS COMplex AS A NATION STate, BUT THE DIffERENCE IS THAT THE LATTER ALready EXISTS, SO WE TAKE FOR GRanted HOW IT WORKS. WHAT'S NExt? ONCE THE FIRSt Diplomatic REcognition COMES, AND THE FIRSt TRUE NETwork STate ARises, MORE WILL FOLLow. THAT MEAns WE NEEd TO STart THINKing ABOUT THE N ETwork STate SYStem. ¹⁴THERE ARE MANY INTERmediate FORMS HERE. WE'LL CALL OUT TWO. FIRSt, THE PRE-ex isting GOVernment THAT FIRSt REcognizes THE NETwork STate - THE "Bootstrap REcognizer" - MAY NOT BE A UN MEMBER. IT COULD INStead BE A CItY OR PRovince. THINK ABOUT HOW WYoming PASsed A DAO LAW AND M IAMI'S MAYor TOOK A SALary IN BItcoin, WELL BEFORE THE US GOVernment AS A WHOLE FORMally EMbraced CRy ptocurrency. EVEN A POSitive PRESS RElease BY A CItY ABOUT A FLEDgling STartup SOCIety GETS IT ON BA se, MOVing THEM INCrementally TO THE ULtimate GOal OF REcognition BY SOvereign STates AND EVentually MEMbership IN THE UN (OR WHatever SUCceeds IT). SEcond, Diplomatic REcognition IS A NEgotiation, NO T A BLANK CHECK. A SOvereign STate THAT REcognizes ANOther MAY REvoke THAT REcognition IF THE SEcond ONE STarts LEGalizing HEroin OR BEcomes A BASE FOR TERRORISM. OR IT MAY JUst ACT LIKE IT'S REVOKing REcognition, Wlthout FORMally DOing SO.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES 5.3.2 What IS The NEtwork StAte SYstem? The fIrSt Step IS TO OUTline The ASsumptions OF The NEtwork StAte SYstem AS A WHole. REAd THIS AND COMPARE IT TO THOSE OF THE NAtion StAte SYstem.

- Digital FIRSt. The DIgital NEtwork OF The INternet IS PRImar y.
- Composition. A NEtwork StAte IS COMposed OF A NAtional NEtwork (The EQUivalent OF The NAtion) AND A GOVernance NEtwork (The ANalog OF The StAte). UNlike A TYpical SOcial NEtwork, A NAtional NEtwork SELF-identiFies AS A NAtion. UNlike A TYpical SOcial NEtwork COMPany, A GOVernance NEtwork IS SET UP BY THAt NAtional NEtwork AS THE LEGitimate GOVernment OF THAt DIgital PEople.
- Terra INcognita R EtURNS. The NEtwork StAte SYstem ASSumes MANY PLeCES OF The INternet WILL BECOME INVisible TO OTHER SUBnetworks. IN PARTICULAR, SMALL NEtwork StATES MAY ADOpt INVIsibility AS A STRategy; YOU CAN'T HIT WHAT YOU CAN'T SEE.
- Terra NUllius R EtURNS. The NEtwork StAte SYstem FURther ASSumes THAt UNclaImed DIgital TERRitory ALWAYS EXISTS IN THE FORM OF NEW DOmain NAMES, CRYPTO USerNames, PLOTS OF LAND IN THE METaverse, SOCIAL MEDIA HANDles, AND ACCOUNTS ON NEW SERVICES.
- Bottom-up MIgration OF PEople . The NEtwork StAte SYstem EMbraces THE FUZZY DIvIsion OF The INternet INTO DIfferent SOVereign SUBne tworks. IT IS A PRObabilistic DIgital DIvIsion OF PEople RATHER THAN A DEterministic PHYSICAL DIvIsi on OF LAND. PEople MIgrate DIgItally AND PHYSically BETWEEN NEtwork StATES; The CItizenry IS AS DYna mic AS THE LAND OF A NAtion StAte IS STatic.
- N NEtworks PER CItizen. UNlike THE NAtion StAte SYste m, WHERE MOST PEople HAVE CItizenship IN ONLY ONE StAte, IN THE NEtwork StAte SYstem, EVERY PERson CAN IN PRInCIPLE BE A MEMBER OF MORE THAN ONE StAte, JUST AS THEY CAN HOLD PASSports IN MORE THAN ONE COuntry, OR BE HOLDERS OF MORE THAN ONE CRYPTOcurrency, OR BE USERS OF MORE THAN ONE SOCIAL NEtwork . OF COURSE, THEY CAN SPend MOST OF THEIR TIme IN ONE NEtwork StAte.
- LEGitimacy FRom PHYSICAL MIgr ation AND DIgital CHOICE. The POWER OF NEtwork StATES IS CONstrained BY CONsent AND CRYPTOgraphy. FIrSt, REcall THAt THE GOVernance NEtwork OF A GIVen NEtwork StAte IS THE ANalog TO THE STAte OF A TRAditional COuntry. THIS GOVernance NEtwork ONLY HAS CONTROL OVER THOSE DIgital CItizens (Ne- TIZens) THAT HAVE OPTed IN, INDIVIDually OR COLlectively, TO ITS GOVernance, MUCH AS ONE EXPLICITly SIGns AN EMPLOYment CONTRACT WHEN JOIning A COMPany OR IMPLICITly SIGns A SOCIAL CONTRACT WHEN STEpping ACross A BORDER. A GIVen NAtional NEtwork CAN CHOOSE A GOVernance NEtwork AS AN ADministrator, THEREBY FORMing (OR JOIn- ING) A NEtwork StAte Wlth AN ON-chain REcord OF THEIR COLlective DECision. OR AN INDIVIDual CAN JOIn A NEtwork StAte ON THEIR OWN. CRYPTOgraphy ENSures THAt THIS CHOICE IS DEMonstra bly FREE AND UNcoerced, BECAUSE NO STAte CAN EASily SEIZE AN INDIVIDual'S PRivate KEYS. CRYPTOgraphy FURther GUarantees BASic Rlghts LIKE FREedom OF SPEech, FREE MIgration, PRivate PRoperty, FREedom OF DIgital ASsembly AND THE LIKE, SO LONG AS EACH USER HAS EXclusive ACCess TO THEIR PRivate KEYS.

5.3. ON NETWORK STATES 233 • DEcentralized ADministration. THE GRoup OF PEople THAT ADministers A NEtwork STATE, WHICH WE CALL A GOVERNANCE NETWORK, IS COmposed OF A FOunder/chief EXecu- Tive AND THEIR ENGINEERS. THEY WRite LAws IN COde TO SPEcify WHat IS MANDATORY, ENcOURAGED, DIScOURAGED, AND FORBIDDEN. THESE LAws ARE INTERpreted BY IMPar- TIAL SErvers AND ENforced BY CRYptography. IN THE NETWORK STATE SYStem, EACH SOcial SUBnetwork CAN CHOOSE WHICH GOVERNANCE NETWORK ADMINISTERS THEM, AS DEtErminED BOTH BY THEIR PHySICAL LOcation AND WHERE THEIR DIGital PROperty LIES. OVER TIME, THIS MEANS POLYcentric LAW: PEople IN A GLven PHySICAL AREa CAN SWitch BETween NETWORK STATES (AND THUS GOVERNANCE PROviders) JUST AS THEY SWitch BE- TWEEN UBER AND LYft AS TAXI REGULATORS, OR BITCOIN AND ETHEREUM AS MONetary REGULATORS. • DOMestic MONopoly OF ROOT ACCESS. THE GOVERNANCE NETWORK OF A NETWORK STATE HAS ROOT ACCESS TO AN ADMINISTRATIVE INTERFACE WHERE LAW ENFORCEMENT CAN FLIP DIGITAL SWITCHES AS NECESSARY TO MAINTAIN OR RESTORE DOMESTIC ORDER, JUST LIKE THE SYSAD- MINS OF TODAY'S TECH COMPANIES. OF COURSE, POSTULATING THE EXISTENCE OF SUCH AN INTERFACE PRESUPPOSES A WORLD WHERE EVERYTHING FROM MONEY TO MESSAGING, DOORS TO DWELLINGS, FARMS TO FACTORIES, FLYING DRONES TO WALKING DROIDS CAN BE CONTROLLED FROM A SINGLE COMPUTER — BUT THAT WORLD ISN'T FAR OFF, AND TODAY THERE ARE FEW CHECKS ON THE DIGITAL POWER OF THE TECH COMPANIES THAT ARE BRINGING IT INTO BEING. THE NETWORK STATE SYSTEM CHECKS THIS POWER IN TWO WAYS: BY MAINTAINING PRI- VATE KEYS (SO FOREIGN STATES AND CORPORATIONS CANNOT INTERFERE IN DOMESTIC AFFAIRS) AND BY ENABLING EXIT (SO CITIZENS CAN EXECUTE FINANCIAL AND ELECTORAL VOTES OF NO CONfidence IF NEEDED, BOTH AS INDIVIDUALS AND AS GROUPS). • INTERNATIONAL SOVEREIGNTY VIA CRYPTOGRAPHY. FOR A NETWORK STATE, SOVEREIGNTY IS PRIVATE KEYS. IF ACCESS TO THE AFOREMENTIONED ADMINISTRATIVE INTERFACE IS CON- TROLLED BY PRIVATE KEYS RATHER THAN A USERNAME/PASSWORD COMBINATION, THEN THE SAME ENCRYPTION TECHNIQUES THAT MAKE IT DIfficult FOR AN OUTSIDER TO SEIZE AN INDIVIDUAL'S PRIVATE KEYS CAN MAKE IT DIfficult FOR A FOREIGN RIVAL TO STEAL A LEGITIMATE GOVERNMENT'S PRIVATE KEYS. THIS IS A COMPLETELY NEW WAY OF DEFENDING SOVEREIGNTY, A COMPLEMENT AND/OR REPLACEMENT FOR THE MILITARY. • DIGITAL DIPLOMATIC RECOGNITION. NETWORK STATES CAN RECOGNIZE EACH OTHER BILATERALLY (SIMILAR TO AN API INTEGRATION) OR MULTILATERALLY (E.G., BY SUPPORTING THE SAME BLOCKCHAINS). WHEN PEOPLE EXIT TO OTHER NETWORK STATES, WHETHER DIGITALLY OR PHYSICALLY, THEY BRING THEIR MOST VALUABLE POSSESSIONS WITH THEM IN THE FORM OF PRIVATE KEYS. SOME OF THESE KEYS GIVE ACCESS TO PROPERTY IN GLOBAL BLOCKCHAINS, OTHERS GIVE ACCESS TO PHYSICAL GOODS LIKE CARS AND HOUSES, AND STILL OTHERS GIVE ACCESS TO RECORDS HOSTED ON STATE-RUN CHAINS, LIKE THEIR NETIZEN PROFILE IN THE NETWORK STATE THEY JUST LEFT. DIPLOMATIC RECOGNITION IS THEN ABOUT INTEROPERABILITY AND COMPATIBILITY: ARE THE FILE FORMATS AND ON-CHAIN RECORDS USED BY ONE NETWORK STATE HONORED BY ANOTHER? • CHAINS MANAGE COOPERATION AND CONSTRAINT. PUBLIC BLOCKCHAINS ARE THE EQUIVALENT OF INTERNATIONAL LAW IN A NETWORK STATE SYSTEM. THEY FACILITATE ECONOMIC AND

CHAPTER 5. FROM NATION STATES TO NETWORK STATES Social COoperation BETWEEN NEtwork STates ANd
eir NEtizens, BUt ALSO CONstrain THose STates Wlth CRYptographically Blnding CODE. • PAX Bltcoinica.
The ULtimate GUarantor OF EXit, AND OF THE NEtwork STate SYstem AT LArge, IS Bltcoin. AS CRYptocurr
ency Rlises IN STrength, Bltcoin OR SomethIng LIke IT BEcomes A GOVernment OF GOVernments. IT Slts AB
ove EVERY STate AND CONstrains IT FRom PRIntIng IN■nite QUantities OF MONEy, FRom LAWlessly SEIZIng
THE FUNds OF ITS Cltizens, AND FRom WAgIng FOREver WAR. IN DOIng SO, IT LImIts THAT WHIch Wlll NEVER
Llimit ITself. AND EVEN IF THE Bltcoin PRotocol SPeci■cally FAILs, OR ITS CRYptography HAS A BUg, TH
e CONcept OF CRYptocurrency AND THE CHOICE IT REpresents Wlll NOT DIsappear FRom THIs EArth. ASSumpt
ion: Dlgital PRImary, PHYSICAL SEcOnDary ONE POInt WE TOuched ON ABOVE, BUt THAT BEars REpeating, IS
THAT THE NEtwork STate SYstem ASSumes THE WORLD HAS FLIPPed TO Dlgital FIRSt: ALI NONtrivial HUMAN-
created EVEnts STart IN THE CLoud AND THEN, IF IMportant, ARE “PRInted OUT” INTO THE PHYSICAL WORLD.
THink ABOUT ANYthing A HUMAN DOes TODAY: ALI OFFIce WORK IS ONLINE, AS IS MUCh SOCIAL- IZation. COu
rts ARE NOW ONLINE, AS ARE POLIticians. SO IS MONEy. SO IS AGriculture, AND MANufacturing, AND SHIPP
ng. THE PHOne HAS INDeed BEcome THE REMote CONTROL FOR THE WORLD. MANY PREviously OFFLine DEvices —
CARS, DOors, DESks, WEights, CO■eemakers, EVEN TOothbrushes — ARE COMIng ONLINE. EVEN PACemakers LE
ave A Dlgital TRACE. THE PHYSICAL STILL EXISTS, OF COURse. THERE ARE STILL PHYSICAL HUMAN BEINGS, TH
ere ARE STILL PHYSICAL PLOTS OF LAND, THERE ARE STILL PHYSICAL RIVERS AND MOUNTAINS. AND FOR SOME LA
w ENforcement AND MILItary FUNctions A NEtwork STate Wlll NEED PHYSICAL ROBots. BUt IN A NEtwork STA
te, EVERYthing PHYSICAL IS DOWNstream OF LInes OF CODE AND ENforced BY CRYptography, JUSt AS IN A NA
tion STate, EVERYthing PHYSICAL IS DOWNstream OF Peces OF PAPER AND ENforced BY THE POLIce AND MILli
tary. ASSumption: THE STate BEcomes AN ADMIN DASHboard A SEcOnD ASSumption IS THAT ONCE EVERY INTERf
ace IS Dlgital, IT CAN BE PUT ONLINE. AND ONCE ONLINE, IN THE ABsence OF PRivate KEYS, IT CAN BE CEN
trally CONTROLled. SO, THE NEtwork STate SYstem ASSumes THAT STates LIke THE USA AND PRC Wlll CONTIn
ue CENTralizing THE POWER OF THEIR TECh COMPANIES INTO ONE ALI-seeing DASHboard, CAPable OF SURveill
Ing, DEplatformIng, FREezIng, AND SANctionIng Mlllions AT ONce, OR ANYone AT Wlll. THIs Dlgital POWe
r IS CURrently EXercIsed TRANsnationally AND Wlthout THE CONsent OF THE GOVerned. THEY HAVE NO TRUE
FREE CHOICE OF ADMINIstrator. THE NEtwork STate SYstem ASSumes THAT WE CAN’T FULLY PUT THIs GENIE BA
ck IN THE BOTTle, BUt WE CAN CONstrain IT. SPeci■cally, WE GRant THAT EVERY LEGitimate STate Wlll NE
ed SUCH POWER TO GOVern ITS SUBnetwork, FOR THE SAME REASON ANY CENTralized SERVICE NEEDS A SYstem A
DminIstrator Wlth ROOT ACCess. BUt WE ALSO BUild DEcentralized SERVICES THAT

5.3. ON NETWORK STATES 235 DO NOT HAVE ANY SINGLE SYSTEM ADMINISTRATOR, AND TOOLS FOR THE PHYSICAL AND DIGITAL EXIT OF CITIZENS. ASSUMPTION: DIVIDE NETWORKS RATHER THAN LAND JUST AS IN THE PRE-WESTPHALIAN PERIOD, WHERE THE CATHOLIC CHURCH EXERTED TRANSNATIONAL CONTROL, THE DIGITAL POWER WELDED BY THE AMERICAN AND CHINESE EMPIRES INVALIDATES TRADITIONAL NOTIONS OF SOVEREIGNTY. THE PEACE OF WESTPHALIA EQUIVALENT IS A NETWORK STATE SYSTEM THAT LIMITS THE DIGITAL POWER OF STATES SOLELY TO THOSE WHO HAVE OPTED IN. JUST AS POST-WESTPHALIAN NATION STATES WERE LIMITED IN CONTROL TO PEOPLE WITHIN THEIR TERRITORY, POST-SATOSHIAN NETWORK STATES WILL BE LIMITED IN CONTROL TO PEOPLE WHO'VE OPTED INTO THEIR NETWORK. IT IS A DIVISION OF THE WORLD BY NETWORK RATHER THAN BY LAND. ASSUMPTION: CONSENT AND CRYPTOGRAPHY CONSTRAIN SO, IN SHORT, IN THE WORLD OF THE NETWORK STATE, BOTH STATES AND CITIZENS ALIKE ARE POWERED UP. NETWORK STATES HAVE A ROOT DASHBOARD WITH FULL ACCESS TO EVERY DIGITAL ASPECT OF THE NETWORK THEY GOVERN. THEY ALSO HAVE SECURITY FROM OUTSIDE INTERFERENCE BECAUSE ACCESS TO THESE DASHBOARDS IS GATED VIA PRIVATE KEYS RATHER THAN PASSWORDS. HOWEVER, THIS IMMENSE DIGITAL POWER IS TYPICALLY DEPLOYED NONVIOLENTLY (UNLIKE WITH EXISTING STATES) AND CONSTRAINED BY CRYPTOGRAPHIC AND PHYSICAL EXIT, RATHER THAN BY PAPER LAWS OR TOOTHLESS TREATIES. THIS IS WHAT POWERS UP CITIZENS, WHO FREELY CHOOSE WHETHER TO ENTER OR EXIT, EITHER COLLECTIVELY OR INDIVIDUALLY. THUS, THE LEGITIMACY OF A NETWORK STATE COMES NOT FROM TOP-DOWN DECLAMATIONS, BUT FROM BOTTOM-UP CONSENT, AS EACH NETIZEN HAS OPTED IN. A TRULY OPPRESSIVE OR INCOMPETENT NETWORK STATE LOSES THEM TO EXIT, OR DOESN'T GAIN CITIZENS IN THE FIRST PLACE. AND NO STATE IS STRONG ENOUGH TO BLOCK THE ULTIMATE EXIT THAT CRYPTOCURRENCY REPRESENTS.

5.3.3 THE NETWORK STATE AS A TERM WE CAN UNPACK THE TERM "NETWORK STATE" IN SEVERAL USEFUL AND COMPLEMENTARY WAYS. 1. THE NETWORK IS THE NATION. THE ORGANIC, VOLUNTARY, BOTTOM-UP NATION THAT UNDERPINS THE STATE IS FORMED ONLINE IN A NETWORK. THIS COULD BE ON THE BASIS OF LANGUAGE, CULTURE, PROPOSITION, OR SOME COMBINATION THEREOF. THIS REPRESENTS A DIGITAL REMEDY TO THE PHENOMENON PUTNAM IDENTIFIED IN BOWLING ALONE. IN THE YEAR 2000, WE WERE BOWLING ALONE BUT BY 2020 WE WERE POSTING TOGETHER. COVID-19 ACCELERATED THIS PROCESS — PEOPLE WERE SPREAD APART IN THE PHYSICAL WORLD BUT PACKED TOGETHER ONLINE. 2. THE NETWORK IS THE TERRITORY. VR ISN'T YET FULLY MATURE, BUT WHEN IT IS, WE'LL IDENTIFY THE TERRITORY OF A NETWORK STATE AS A SUBNETWORK OF THE OPEN METAVERSE. WE CAN UNDERSTAND THIS IF WE THINK ABOUT DOMAIN NAMES, SOCIAL PROFILES, AND ENS NAMES — DIGITAL LAND CAN BE CREATED FOR FREE, BUT ACCESS TO THAT LAND CAN BECOME VERY VALUABLE (AND, WHEN DEPLATFORMING IS IN THE CARDS, VERY CONTENTIOUS). THE

CHAPTER 5. FROM NATION STATES TO NETWORK STATES ANalogy TO LAnd GOes Very DEep — TO FULLY UNDERSTAND IT, YOU NEED TO UNDERSTAND GRAPH LAYOUTS, BUT IN SHORT YOU CAN MAKE MAPS OF NETWORKS GIVEN ANY GRAPH ADJACENCY MATRIX. AND IF YOU USE THE DISTANCE METRIC OF “NUMBER OF DEGREES OF SEPARATION IN A SOCIAL NETWORK,” THAT LOOKS QUITE DIFFERENT FROM THE MAP YOU GET FROM A GEOGRAPHICAL DISTANCE MATRIX.

3. THE NETWORK IS THE STATE. HOW DOES A NETWORK STATE CREATE AND ENFORCE LAWS? DIGITALLY. IT’S LOCKE’S JUSTIFICATION OF THE STATE AS THE PROTECTOR OF PRIVATE PROPERTY, IN THE FORM OF A DIGITAL REGISTRY. AND IT’S LESSIG’S CODE-IS-LAW, BUT ON-CHAIN. OUR ENTIRE ANTIQUATED PROCESS OF ADVERSARIALY WRITING HIGH-STAKES LAWS ON PAPER AT THE LAST MINUTE, DEPLOYING THEM IN PRODUCTION TO HUNDREDS OF MILLIONS OF PEOPLE WITHOUT ANY TESTING, AND THEN GETTING THEM INTERPRETED IN UNPREDICTABLE WAYS BY REGULATORS AND SOLICITORS WILL BE SEEN AS A BIZARRE RELIC OF AN OLDER TIME. PAPER LAWS WILL GO THE WAY OF POWDERED WIGS.

4. THE NETWORK IS THE LEVIATHAN. HERE, WE CAPITALIZE NETWORK AS IT’S BEING USED IN THE SENSE OF GOD, STATE, NETWORK. THE NETWORK HERE IS A CANDIDATE FOR THE MOST POWERFUL FORCE IN THE WORLD, WHERE THE LEVIATHAN IN THE HOBBSIAN SENSE IS NOT DIVINITY (GOD) OR MILITARY (THE STATE) BUT COMMUNITY AND CRYPTOGRAPHY (NETWORK). FROM THIS VIEWPOINT, THE NETWORK STATE CAN BE SEEN AS A FUSION OF LEVIATHANS, LIKE THE GOD/STATE COMBINATION OF THE MID-CENTURY USA, WHERE THE MARINES FOUGHT FOR “GOD AND COUNTRY” AND WHERE AMERICANS PLEDGED ALLEGIANCE TO THE FLAG “UNDER GOD.” SO: IN A NETWORK STATE, THE NETWORK IS THE LIVES (NATIONAL NETWORK), THE LAND (METAVERSE SUBNET), THE LAW (GOVERNANCE NETWORK), AND THE LEVIATHAN (BITCOIN NETWORK) ALL PACKED INTO ONE. IT’S THE PEOPLE, THE DIGITAL TERRITORY THEY OCCUPY, THE RULES THAT BIND THEM, AND THE POWER THAT ENFORCES THOSE LAWS.

5.3.4 MICRONETWORKS AND MULTINETWORKS WE NOTED EARLIER THAT A MICRONATION IS REALLY A MICROSTATE, AND MANY “NATION STATES” ARE ACTUALLY MULTINATIONAL EMPIRES. THESE CONCEPTS GENERALIZE TO NETWORKS. WE CAN THINK OF A MICRONETWORK AS A STARTUP THAT INTENDS TO BUILD A SOCIAL NETWORK, BUT HAS ZERO USERS. SO A MICRONETWORK IS LIKE A MICRONATION THAT PLANTS A FLAG, BUT HAS ZERO CITIZENS. SIMILARLY, A MULTINETWORK LIKE FACEBOOK IS A BILLION-PERSON-SCALE SOCIAL NETWORK WITH MANY SUBNETWORKS UNDER ONE COMPANY. . . JUST LIKE THE MULTINATIONAL ROMAN EMPIRE, WHERE MANY DIFFERENT GROUPS WERE RULED BY ONE STATE. PERHAPS THERE’S A REASON ZUCK ADMIRES AUGUSTUS. BUT THE ANALOGY BREAKS DOWN IN AN IMPORTANT WAY. STARTUPS CREATE NETWORKS, BUT NATIONS CREATE STATES IN A “MICRONETWORK,” AKA A STARTUP, THE STARTUP CREATES THE NETWORK THAT IT ENDS UP MANAGING, BOTH IN THE SENSE OF THE PEOPLE IN THAT NETWORK AND THE DIGITAL DOMAIN ITSELF.

3. ON NETWORK STATES 237 Zuck Came FIRst, Then REgistered THefacebook.com; ONLY Then Came THE US s. BUt IN A REal NAtion, THE PEople ANd THEIR PHySical DOmain PREcede THE STate. FOR EXAmple, THE JApanese PEople ANd ISlands PREdate THE CURrent JAPANESE GOVERNment. THAT'S ONe WAY PEople WENT WRong With Mlcronations. YOU CAN't JUSt TREat THEM Like A NORMal STArtup WHERE YOU STArt WITH ONe PERSON ANd BUild AN IMPersonal PROduct! THE PROspective NETwork STate FOUNder NEEds TO THInk ABout "Nation B Uilding" FROM DAY ONe. THAT'S NOT JUSt COMMunity BUilding ON STeroids — IDEally, THAT NAtion BUildin g PROcess IS REally NAtion DIScovery. IN OTHER WORDS, THERE'S AN EXisting COMMunity OUT THERE WITH A N UNExpressed NAtional IDentity AT THE TOP OF THEIR IDentity STACK, AND THEY WANT TO CROWdfund TERRItory AND BUild THEIR DEcentralized Zlon. THE NETwork STate IS THEN JUSt A CATalyst FOR THIS. STArtup s CREate NETworks, BUt STArtups AREn't STATES OF COURse, PEople HAVE ALSO GONE WRong WITH THE STArtup-to-state ANALogy IN A DIfferent WAY: BY THInking STArtups COULD ACT JUSt LIKE STATES WITHOUT A LEGItimating PROcess. SUPpose WE TRY THE ANALogy THAT "State IS TO A STArtup AS NAtion IS TO NETwork." THAT IS, JUSt AS A STATE MANages A NAtion AND SETs ITS LAws, A STArtup LIKE EARly FACEbook OR TWitter MANages A SOCIAL NETWORK AND SETs ITS POLIcy. THIS WORKed, UNTIL IT DIDN't. FACEbook AND TWitter HAve SUCceeded BEYond ANYone's EXpectations, YET THEY WEREN't SET UP TO BE GOVERNments. PEople DIDN't CONsciously SIn A SOCIAL CONTRACT TO BE GOVERNed BY THEM. FACEbook AND TWitter GREW TO TAKE OVER MUch OF PEople's LIVES, BUt HAVE NO CONcept OF DIgital PROperty RIGHTS. SEIZures AND SIlencing WEREN't PART OF THE BARGain. STArtups CREate CENTralized NETworks, BUt CHAINS CREate DEcentralized NET- WORKS THERE ARE AT LEAST TWO WAYS TO ADD GENUINE CHOICE, AND HENCE LEGItIMACY, TO CENTralized NETworks.

1. FREE THE BACKend. ON A FREE SPot OF LAND, YOU CAN HAVE A NAtion WITHOUT A GOVERning STATE. SIMIlARly, IF WE HAD A FREE REGION OF THE CLoud, WE COULD HAVE A NETwork WITHOUT A GOVERning STArtup. THAT'S WHAT SAToshi DID: HE REopened THE FRONTier, GAVE US A CLoud WITHOUT CORPORations. HE SHOWed US HOW TO CREate DIgital NETworks WITHOUT ANY SINGLE CENTralized AUTHority. ONE EXtension OF THAT GLVES US DEcentralized SOCIAL NETWORKS, THE BASIS FOR AN OPEN METaverse. SO THAT'S ONE WAY TO SOLVE THE PROblem: BUild DIgital LAND THAT ISN't CONTROLled BY ANY SINGLE STArtup. ANYone ON THAT LAND COULD THEN FREely CHOOSE BETWEEN GOVERNance NETWORKS.
2. FREE THE LOGIN. THE OTHER, RELATED WAY OUT IS TO RETrofit AN EXisting CENTralized SOCIAL NETWORK TO ENable WEB3 LOGIN, SUCH THAT USERS CAN CONTACT EACH OTHER OUTSIDE THE SERVICE AND THEIR USERNAMES ARE NOT LOCKED INTO THE SYStem. NOTE THAT THIS

CHAPTER 5. FROM NATION STATES TO NETWORK STATES IS FAR MORE SUBSTANTIVE THAN MERELY ALLOWING US TO "EXPORT THEIR DATA" — IT'S MORE LIKE THE CAPABILITY TO MESSAGE YOUR FOLLOWERS WITHOUT FACEBOOK OR TWITTER'S PERMISSION. ONLY DECENTRALIZED NETWORKS CAN GIVE RISE TO NETWORK STATES WITHOUT ONE OR IDEALLY BOTH OF THESE FEATURES (DECENTRALIZED BACKEND AND DECENTRALIZED LOGIN), A MICRONETWORK MIGHT GROW INTO A MULTINETWORK, JUST LIKE 0-PERSON FACEBOOK BECAME 3 BILLION-PERSON FACEBOOK. . . BUT IT WOULDN'T HAVE THE LEGITIMATION OF EXIT THAT ENABLES A TRUE NETWORK STATE. THE MILLIONS OF PEOPLE ON CURRENT PLATFORMS (AND FUTURE ONES) MUST BE GIVEN THE OPTION TO LEAVE WITH ALL THEIR DIGITAL VALUABLES IN ORDER FOR THEIR STAY TO BE CONSIDERED UNCOERCED.

5.3.5 0-network, 1-network, N-networks WE KNOW THAT MULTINATIONAL EMPIRES TEND TO HAVE THE SAME FAILURE MODES AS MICRONATIONS: THE STATE DOESN'T ACTUALLY REPRESENT A SINGLE DISTINCT PEOPLE, AND THUS FAILS ON THAT BASIS. TOWARDS THAT END, IT'S WORTH TAKING THE OVERLOADED TERM OF "SOCIAL NETWORKS" AND DISAGGREGATING IT INTO 0-networks, 1-networks, AND N-networks, JUST AS WE DID FOR MICRONATIONS, NATION STATES, AND MULTINATIONAL EMPIRES. HERE'S A CONCRETE EXAMPLE: • 0-network: FACEBOOK AT INCEPTION, 1 PERSON FOUNDER, NO USERS • 1-network: FACEBOOK AT HARVARD, ONE MONTH AFTER FOUNDING • N-network: FACEBOOK TODAY, 3+ BILLION USERS AND HERE'S THE UNDERLYING DEFINITIONS THAT INFORM THAT EXAMPLE: • 0-network: AN ASPIRATIONAL SOCIAL NETWORK STARTUP WITH NO USERS • 1-network: A COHERENT COMMUNITY • N-network: A MASSIVE GLOBAL NETWORK OF NETWORKS

IN MORE DETAIL: A 0-network IS A STARTUP WITH ASPIRATIONS FOR CREATING A LARGE SOCIAL NETWORK, MESSAGING APP, TWO-SIDED MARKETPLACE, CRYPTO EXCHANGE, OR OTHER DIGITAL WATERING HOLE WHERE I THINK ABOUT THE DIFFERENCE BETWEEN THE EMPLOYEES OF FACEBOOK INC, VS THE USERS OF FACEBOOK. THE FORMER CAN LEAVE WITH THEIR SALARIES AND VESTED EQUITY, AND AS SUCH ARE OK WITH ZUCK HAVING TOTAL CONTROL AS CEO. THE LATTER ARE LOCKED IN, AND CANNOT LEAVE, AND DID NOT REALIZE HOW VALUABLE THEIR DIGITAL PROPERTY WAS TO THEM.

5.3. ON NETWORK STATES 239 PEOPLe INTERACT. NOtE THAT NOt EVery ONLINE SERVICE FITs THIS DEFINITION; SOME APPs LIKE MATHEMATICA OR PHOTOSHOP ARE PURE UTILITIES.¹⁶ AN N-NETWORK IS THE EQUIVALENT OF A MULTINATIONAL EMPIRE. IT'S NOT A GOOD BASE FOR A NETWORK STATE, FOR THE SIMPLE REASON THAT IT DOESN'T REPRESENT A SINGLE NATION, A SET OF COHERENT PEOPLE. FOR EXAMPLE, THE 300M USERS OF TWITTER OR THE 3+ USERS OF FACEBOOK ARE UNIFIED BY NOTHING MORE THAN A DESIRE FOR LIKES. OF COURSE, SOME OF THE SUBNETWORKS OF AN N-NETWORK MAY HAVE ENOUGH ASABIYYAH TO FORM A NETWORK STATE. A 1-NETWORK IS THE BASIS FOR A NETWORK STATE, SOMETHING LIKE A FOCUSED SUBREDDIT, A MODERATED FACEBOOK GROUP, A PHP BB FORUM, A LARGE TELEGRAM CHANNEL, OR THE FOLLOWING OF A SINGLE TWITTER INFLUENCER. OF COURSE, NOT ALL SUBREDDITS WOULD BE 1-NETWORKS, BUT R/KETO WITH ITS INTENSE DIETARY CULTURE IS MUCH CLOSER THAN A GLOBAL FORUM LIKE R/WORLDNEWS. A 1-NETWORK TYPICALLY HAS SOME BASIC FORM OF MODERATION (A MODERATOR CAN BAN YOU, AN INFLUENCER CAN BLOCK YOU), SOME COMMUNITY NORMS, AND MECHANISMS FOR ENFORCEMENT. IT DOESN'T HAVE ALL THE CRITERIA OF A NATION — THE SHARED LANGUAGE, CUSTOMS, HISTORY, AND CULTURE — BUT IT'S LIKE A PROTO-NATION. THE FOLLOWING OF A SINGLE LARGE YOUTUBE OR TWITTER INFLUENCER IS PROBABLY THE BEST KIND OF 1-NETWORK OUT THERE, IN THE SENSE OF A PROTO-NATION FOR A NETWORK STATE, BECAUSE IT HAS SHARED CONTEXT AND HISTORY, AS WELL AS POINTERS TOWARDS A LEADER WHO CAN ACT AS A DISPUTE RESOLVER.

5.3.6 WHAT IS A (NATIONAL) NETWORK? WE NOW HAVE A FEW DEFINITIONS IN HAND: • THE PROPERTIES OF A NATION • THE IDEA OF A NETWORK STATE AS A COMBINATION OF A NATIONAL NETWORK (THE PEOPLE) AND A GOVERNANCE NETWORK (THE STATE) • AND THE JUST-INTRODUCED CONCEPT OF A 1-NETWORK AS A PROTO-NATION, AN EMBRYONIC VERSION OF THE NATIONAL NETWORK THAT UNDERPINS A NETWORK STATE

WE ALSO EARLIER NOTED THAT THE DEFINITION OF A NATION WAS A BIT FUZZY, BOTH IN THE DICTIONARY SENSE AND ACCORDING TO DIFFERENT THINKERS. WITH THOSE PRELIMINARIES, WE CAN NOW GIVE A COMPUTATIONAL ANSWER TO THE QUESTION OF “WHAT IS A NATION?” A VERBAL DESCRIPTION YOU CAN REDEFINE A TRADITIONAL NATION AS A DENSELY CONNECTED SUBGRAPH IN A SOCIAL NETWORK. BASED ON SOME METRIC — SUCH AS LINGUISTIC DISTANCE, GENOMIC DISTANCE, IDEOLOGICAL DISTANCE, OR CRYPTOCURRENCY HOLDINGS — THE NODES OF A BONA FIDE NATION SHOULD GROUP MORE TIGHTLY WITH EACH OTHER THAN THEY DO WITH OTHER NETWORKS.

¹⁶THOUGH AS SOON AS YOU NAME SOMETHING LIKE THAT, YOU START ASKING WHETHER IT MIGHT BE USEFUL TO BUILD A SOCIAL NETWORK AROUND THAT TOOL, JUST LIKE WE HAVE COMMUNITIES OF PLUMBERS AND ELECTRICIANS.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES IN MATHEMATICAL TERMS, NATIONS ARE HIGHLY CONNECTED SUBGRAPHS OF A GLOBAL NETWORK ACCORDING TO ONE OR MORE NETWORK DISTANCE METRICS, LIKE • GEOGRAPHIC DISTANCE: GREAT CIRCLE DISTANCE ON SURFACE OF EARTH • NETWORK DISTANCE: DEGREES OF SEPARATION IN A SOCIAL NETWORK • GENETIC DISTANCE: EG, FST (FIXATION INDEX) OR ANOTHER MEASURE • LINGUISTIC DISTANCE: EG, LEXICOSTATISTICAL MEASURES • ECONOMIC DISTANCE: EG, $1 - \text{COSINE SIMILARITY}$ • IDEOLOGICAL DISTANCE: DEGREE OF SIMILARITY IN BELIEF AS EXPRESSED BY SPATIAL THEORY OF VOTING THE ADVANTAGE OF THIS DEFINITION IS THAT WHILE IT'S STILL FUZZY (HOW CONNECTED EXACTLY DOES THE SUBGRAPH HAVE TO BE?), IT'S NOW AMENABLE TO QUANTITATIVE ANALYSIS. GIVEN A NETWORK, A SET OF DISTANCE METRICS, AND SOME PARAMETER CHOICES, THE SUBGRAPHS POP OUT. BY THIS DEFINITION, A REAL NATION WOULD HAVE MORE INGROUP THAN OUTGROUP CONNECTIONS, MORE "DOMESTIC" THAN "INTERNATIONAL" CALLS. A COMPUTATIONAL APPROACH HERE'S HOW YOU'D ACTUALLY DO THAT COMPUTATION. • BEGIN WITH ANY LARGE N-NETWORK LIKE TWITTER WITH $K = 300M$ USERS AND N POSTULATED SUBNETWORKS. CALCULATE ANY OR ALL OF THE FOLLOWING DISTANCE METRICS BETWEEN INDIVIDUALS, IF YOU HAVE AVAILABLE DATA, USING THE DEFINITIONS FROM THE PRECEDING SECTION. – DP (Geographic Distance) – DN (Network Distance) – DG (Genetic Distance) – DL (Linguistic Distance) – DE (Economic Distance) – DI (Ideological Distance) • SUPPOSE WE HAVE SIX SUCH METRICS. CALCULATE THEM ON K PEOPLE, TO FORM A $K \times K \times 6$ TENSOR OF DISTANCES. • ALSO COLLECT A TRAINING SET OF LABELED EDGES, WHERE TWO PEOPLE ARE MARKED AS BEING PART OF THE SAME 1-NETWORK OR NOT, DESIGNATED BY $Y = 1$. FOR EXAMPLE, YOU MIGHT PUT TWO ENGLISH-SPEAKING BITCOIN HOLDERS WHO OWN GUNS, SUBSCRIBE TO R/KETO, AND FOLLOW EACH OTHER ON TWITTER IN THE SAME 1-NETWORK. • NOW USE ANY MACHINE LEARNING TECHNIQUE TO ESTIMATE $P(Y = 1 | d_1..6)$. SOMETHING LIKE NAIVE BAYES CAN WORK, OR SOMETHING MORE SOPHISTICATED.

5.3. ON NETWORK STATES 241 • Finally, Set A Threshold Of Say $P(Y = 1 | d1..6) > 0.50$. All The Densely Connected Subgraphs That Pop Out Of That Process Are The 1-networks. In Other Words, Given A Set Of Postulated Measures Of National Similarity, A Bit Of Training Data, And A Parameter Choice, We Can Cluster A Large Network Into Subgraphs. Applied To Continental Scale Social Networks Like Facebook And Twitter, We'd Be Able To See Different Kinds Of Clusters Pop Out For Different Parameter Choices, Much Like You Do With The Lasso. Assuming You Could Get Access To A Global Dataset Like Facebook Or Twitter's Network (Or Scrape It), You Could Turn All Philosophical Disputes About What A Nation Is Into Simply A Set Of Parameter Choices. That Means A Nation Is A Subnetwork In A Global Social Graph.

5.3.7 What Does A Network State Look Like On A Map? The First Thing Is To Specify Which Map We Mean: A Map Of The Physical World, Or Of The Digital World? The Physical Map In Physical Space, A Network State Looks Like An Archipelago Of Interconnected Enclaves. As The Dashboard Above Shows, Netizens Crowd-fund Territory Around The World, Link Those Pieces Together Digitally, And Then Use Technologies Like Web3 Logins And Mixed Reality To Seamlessly Link The Online And Offline. Each Such Node Of The Network State Represents A Group Of Digital Citizens Who Have Chosen To Live Together In The Physical World. As Shown In The Dashboard, The Network State's Population, Income, And Real Estate Is Summed Over All Netizens Across All Net-Work Nodes. As The State Grows, These Numbers Can, Over Time, Become Comparable To The Footprint Of Legacy Nation States, Including The Real Estate Footprint. So, A Network State Is A Physically Distributed State, A Bit Like Indonesia, But With Its Pieces Of Land Separated By Internet Rather Than Ocean. The Digital Map In Digital Space, A Network State Looks Like A Densely Connected Subgraph Of A Large Social Network. In Our Terminology, It's A 1-network, Not An N-network. To Gain Some Intuition For Digital Space, Realize That It Is Very Different From Physical Space:

- Dimensionality. You Don't Have Just The Two Dimensions Of Latitude And Longitude, In A Complex Social Network, You Might Need N Dimensions To Properly Represent The Graph Structure.
- Plasticity. Imagine One Day, South Africa Suddenly Appeared Near NYC, With A Footbridge To Connect The Two. That's Like Spotify Doing A Deal With Uber; Suddenly, Two Huge Networks Get Bridged And People Can Start Walking Across.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES THIS WILL BECOME MUCH MORE OBVIOUS AS METAVERSE SUBNETWORKS ARE CONNECTED AND DISCONNECTED BY MANAGEMENT ON THE BASIS OF DIPLOMATIC RELATIONS BETWEEN NATION STATES.

- **Speed.** TAKE A LOOK AT THE FULL GLOBAL FOOTPRINT OF THE BRITISH EMPIRE AT ITS ZENITH, AND NOW REALIZE THAT FACEBOOK ACHIEVED GREATER GLOBAL PENETRATION THAN THAT IN JUST A FEW YEARS.
- **Elasticity.** IT'S HARD TO CREATE MORE LAND (DUBAI HAS DONE SOME WORK IN THE AREA, AND CRUISE SHIPS ARGUABLY COUNT), BUT IT'S EASY TO CREATE MORE DIGITAL LAND — ALBEIT HARD TO MAKE IT VALUABLE. THE VALUE OF LAND IS BASED ON LOCATION, LOCATION, LOCATION, BUT FOR DIGITAL REAL ESTATE IT'S CONNECTION, CONNECTION, CONNECTION.
- **Invisibility.** WE TAKE FOR GRANTED THAT WE CAN SEE THE FRANCO/GERMAN BORDER, THAT WE KNOW WHO IS ON EITHER SIDE. BUT NO ONE CAN REALLY SEE THE FACEBOOK/TWITTER BORDER, THE SET OF USERS THAT HAVE ACCOUNTS ON BOTH SERVICES BUT USE THEM BOTH FOR ROUGHLY 50% OF THEIR TIME ONLINE.

THE BORDERS BETWEEN NATION STATES ARE BY DEFAULT HIGHLY VISIBLE, BORDERS BETWEEN NETWORKS ARE BY DEFAULT INVISIBLE. THIS LAST POINT IS TRULY DEEP: WE'RE GOING BACK TO TERRA INCOGNITA, TO TERRA NULLIUS, TO THE TIME OF SECRET SOCIETIES, TO THE TIME OF "HERE BE DRAGONS." THE OPEN WEB IS ALREADY DARK TO ALL BUT GOOGLE, THE SOCIAL WEB IS ALREADY DARK TO ALL BUT FACEBOOK AND TWITTER ET AL., AND WHILE THE THIRD WEB WILL HAVE SOME PARTS THAT ARE GLOBALLY TRANSPARENT, MUCH OF IT WILL BE INTENTIONALLY PRIVATE AND ENCRYPTED. THIS IS NOT A BAD THING; IN MANY WAYS, WHAT WE DID OVER THE LAST FEW DECADES WAS UPLOAD THE ENTIRE WORLD IN UNENCRYPTED FORM ONLINE. NEVER BEFORE HAS IT BEEN POSSIBLE FOR SO MANY TO STALK ANYONE. THE RE-ENCRYPTION OF THE WORLD HAS STARTED WITH A TACTICAL RETREAT FROM PUBLIC SOCIAL NETWORKS TOWARDS SIGNAL GROUPS, BUT IT WILL GO MUCH FURTHER. WE MAY HAVE HIT PEAK MAP. CARTOGRAPHY BECOMES HARDER IN A DIGITAL SPACE THAT'S DARKER AND MORE DYNAMIC THAN THE WELL-LIT PHYSICAL WORLD. CONTINENTS, ONCE DISCOVERED, DON'T TEND TO MOVE ON YOU, BUT THE INTERNET BRINGS US BACK TO THE TIME OF PANGAEA — MILLIONS OF NODES CAN DISCONNECT AND RECONNECT ELSEWHERE ALL AT ONCE SHOULD THEY SEE FIT, AND NEW SUPERCONTINENTS OF 100M+ CONNECTED USERS LIKE TIKTOK CAN JUST ARISE OUT OF NOWHERE. IN SHORT, OUR INTUITIONS FOR DIGITAL SPACE ARE JUST COMPLETELY DIFFERENT FROM PHYSICAL SPACE. WE'LL RETURN TO THIS TOPIC, BUT RECOGNIZE THAT IT REALLY IS A FUNDAMENTAL DIFFERENCE: WHILE THE NATION STATE IS BASED ON A DETERMINISTIC PHYSICAL DIVISION OF LAND INTO STATES, THE NETWORK STATE IS BASED ON PROBABILISTIC DIGITAL DIVISION OF PEOPLE INTO SUBNETWORKS. EXAMPLE: PHYSICALLY PROXIMAL, DIGITALLY DIVERGENT

TAKE A LOOK AT THIS TWEET. IT SHOWS THAT IN PHYSICAL SPACE, THE RED AND BLUE AREAS OF THE UNITED STATES ARE CHEEK-BY-JOWL, BUT IN DIGITAL SPACE THEY ARE WHOLLY DISJOINT. THUS, THE US IS NOT REALLY A "NATION" STATE. IT'S AT LEAST A BINATIONAL STATE, WHAT WE'D CALL A

5.3. ON NETWORK STATES 243 2-network, With TWo STRongly CONnected SUBgraphs AT EACH OTHER's THroats. THESE TWo NAtions ARE Packed INTO THE SAME PHySical ENVironment, BUT ARE FAR APART MEntally. A NETwOrk STATE MAKes THE OPposite TRadeo■. IT's A GRoup OF PEople SPread OUT IN PHySical SPACE, BUT Hlghly ALigned IN Dlgital SPACE. IT's A 1-network, NOT AN N-network. 5.3.8 HOW IS A NETwOrk STATE FOUNded ? WE JUSt TALKed ABOUT THE NEEd FOR A 1-network TO BE THE BASis OF A NETwOrk STATE, UNlike AN N-netwOrk. A 1-network IS A FOCused, MODerated COMMunity Like EThereum REsearch, WHILE AN N-network IS SOMething Like FACEbook IN THE EARly 2020s, WITH N COMMunities UNDER ITS MULTibillion-person BANNER (Where N IS VERY LARGE). BUT THERE's ANOther CONSTRAINT FOR NETwOrk STATE CREation BESide THE 1-network, AND THAT's THE CONSTRAINT OF REALity. SAYing "I'm FOUNding A NETwOrk STATE" IS A LITtle Like SAYing "I'm FOUNding A BIlion-dollar PUBLIC COMPANY." IT's NOT AN IMPOSSible GOAl¹⁷, BUT IT's DI■cult, AND WE WANT TO AVOID TERMINOLOGICAL DIlution AND ENCourage REAListic AMBition. IF WE THINK ABOUT THE TARTup COMMunity, WE HAVE A FEW DE■nITIONS THAT ALLOW US TO TALK ABOUT STAgES. WE HAVE STARTup COMPAnies AND TECh COMPAnies. WE HAVE SEed, VC, AND GROWth INVESTors. WE HAVE BOOTstrapped COMPAnies AND WE HAVE VENTure-backed COMPAnies. WE HAVE EARly STAGE VEHICLES, BIlion-dollar UNICOrns, AND TRIlion-dollar TECh GLANTS. ALONG THE SAME LINES, LET's INTRODUCE A FEW DE■nITIONS THAT HELp US ESTAblish THE PATH TO THE NETwOrk STATE. AS UMBrella TERMS, WE'll USE THE CONCEPTS OF STARTup SOCIETIES AND PARAllel SOCIETIES, WHICH ARE ROUGHly ANALogous TO STARTups AND TECh COMPAnies RESpectively. LIKE A STARTup (AND UNlike A SMALL BUSIness), A STARTup SOCIETY IS A SMALL GROUP WITH AMBitions OF DOing BIG THINGS. LIKE A TECh COMPANY (AND UNlike A LEGacy ENTity), A PARAllel SOCIETY IS A SMALL-to-large GROUP OF PEople WITH AT LEAST ONE PROposed MAJOR INNOVATION RELATIVE TO HOW THINGS WERE DONE BEFORE. AS SEQUENTIAL TERMS, WE'll TALK ABOUT NETwOrk UNIONS, NETwOrk ARchipelagos, AND NET- WORK STATES. THESE ARE ROUGHly ANALogous TO SEed, SERIES B, AND PUBLIC COMPAnies RESpectively IN TERMS OF HOW MUCH EFFORT IT TAKES TO BUILD THEM. A NETwOrk UNION IS FULLY Dlgital BUT IS A REAL ORganization WITH MONEY AND A PURPOSE, LIKE A SEed STARTup THAT NO LONGER MERely EXISTS ON PAPER BUT HAS DAILY TODOS AND FOLKS DOing THINGS. A NETwOrk ARchipelago HAS BUILT UP ENOUGH MONEY TO CROWdfund PHYSICAL TERRITORY, LIKE A SERIES B COMPANY THAT HAS EARNed ENOUGH MONEY TO BE TAKEN MORE SERiously. AND A NETwOrk STATE HAS ACHieved DIPLOmatic REcognition FROM AT LEAST ONE LEGacy STATE, LIKE A PUBLIC COMPANY THAT HAS JUMped THROUGH ALL THE NECESSARY HOOPS TO BE REcognized BY THE NASDAQ. ¹⁷Indeed, THE PURPOSE OF THIS BOOK IS TO SHOW THAT NETwOrk STATES ARE FEASible AND DESirable, BUT NOT INEvitable. WE'll HAVE TO WORK TO CREATE THE FUTURE WE WANT.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES THOSE ARE ROUGH DEFINITIONS. LET'S GET A BIT MORE
PRECISE. STARTUP SOCIETIES YOU'RE FOUNDING A STARTUP SOCIETY, NOT A NETWORK STATE. A STARTUP SOCIETY
IS A NEW COMMUNITY BUILT INTERNET-FIRST, USUALLY FOR THE PURPOSE OF SOLVING A SPECIFIC SOCIAL PROBLEM
IN AN OPT-IN WAY. THE IMPLICATION IS THAT THIS SOCIETY IS STILL PRETTY SMALL IN POPULATION. A PARALLEL
SOCIETY IS ROUGHLY EQUIVALENT TO A STARTUP SOCIETY, BUT CAN BE MUCH LARGER IN SCALE. THIS IS AN
UMBRELLA TERM FOR A NETWORK UNION, NETWORK ARCHIPELAGO, OR NETWORK STATE. AND NOW WE HAVE A WAY TO
TALK ABOUT ORIGINS IN A REALISTIC WAY. YOU'RE FOUNDING A STARTUP SOCIETY. YOU BEGIN AS A NETWORK UNION,
MAYBE CROWDFUND TERRITORY TO BECOME A NETWORK ARCHIPELAGO, AND COULD SOMEDAY GROW INTO A NETWORK
STATE. ALL OF THESE ARE TYPES OF PARALLEL SOCIETIES. THIS COMMUNICATES THE POINT THAT THERE ARE DIFFERENT
PATHS TO A NETWORK STATE, AND DIFFERENT (AND COMPLETELY VALID) INTERMEDIATE END POINTS — JUST LIKE
YOU CAN RUN A SMALL BUSINESS, A LIFESTYLE BUSINESS, DO A MERGER/acquisition, OR FOUND A “MERE” UNICORN
RATHER THAN GOING PUBLIC AND ACHIEVING A TRILLION DOLLAR VALUATION IN THE PUBLIC MARKETS. I'D
ROUGHLY CALIBRATE THE DIFFICULTY OF FOUNDING A 1M PERSON NETWORK STATE THAT ACHIEVES DIPLOMATIC RECOGNITION
FROM AT LEAST ONE CITY, STATE, OR COUNTRY AT ABOUT THE LEVEL OF FOUNDING A 10M PERSON SOCIAL
NETWORK OR A BILLION DOLLAR COMPANY. WHY? BECAUSE SMALL COUNTRIES LIKE TUVALU, EL SALVADOR, AND THE
LIKE HAVE ALREADY SIGNED BUSINESS DEVELOPMENT DEALS WITH STARTUPS, SO IT'S NO LONGER UNHEARD OF — JUST
DIFFICULT. HOWEVER, EVEN IF YOUR ULTIMATE GOAL IS A UNICORN, YOU DON'T START OUT BY SAYING “I'M FOUNDING
A UNICORN.” YOU SAY YOU'RE FOUNDING A STARTUP. BY ANALOGY, WHAT DO YOU SAY, RATHER THAN “I'M FOUNDING
A NETWORK STATE”? THE CLOSEST THING OUT THERE WAS ONCE “I'M STARTING A DECENTRALIZED AUTONOMOUS
ORGANIZATION” (A DAO). THAT'S BETTER THAN “I'M STARTING A SOCIAL NETWORK,” BECAUSE A DAO AT LEAST
HAS AN IMPLICIT CONCEPT OF NATIONAL IDENTITY, IN THE FORM OF COMMON COIN-HOLDING. A SOCIAL NETWORK
DOES NOT HAVE THIS, BECAUSE MOST SOCIAL NETWORKS, BY DEFINITION OF BEING SOCIAL UTILITIES, FLY PAST 1-NETWORKS
AND BECOME N-NETWORKS IF THEY ARE SUCCESSFUL. HOWEVER, DAOs ALSO ARE BEDEVILED BY THE DOWNSIDES
OF MARKETS AND POLITICS RESPECTIVELY: FLY-BY-NIGHT SPECULATORS AND BUREAUCRATIC BOONDOGGLES ABOUND.
SO, IF YOU WANT TO EVENTUALLY BUILD A NETWORK STATE, YOU SHOULD INSTEAD START BY SAYING “I'M FOUNDING
A STARTUP SOCIETY.” PARALLEL SOCIETIES WE ALSO USE THE TERM PARALLEL SOCIETY. THIS IS ROUGHLY
EQUIVALENT TO A STARTUP SOCIETY, BUT CAN BE MUCH LARGER IN SCALE. IT'S AN UMBRELLA TERM FOR A NETWORK
UNION, NETWORK

3. ON NETWORK STATES 245 ARchipelago, OR NETwork STate. IT EMphasizes THAT YOu HAVE A POSSibly HU
e SOCIety RUNning IN PARallel TO LEGacy SOCIety, WITH AT LEast ONE Blg Plece THAT IS WIlDly DIfferent
FROM THE EXisting WORLD. WE DIscussed PARallel SOCIeties IN CHapter 2. THE NETwork UNION A NETwork
UNION IS A SOCIAL GRaph ORganized IN A TRee-like STRucture Wlth A LEader, A PURpose, A CRYPTO-based
FINancial AND MEssaging SYstem, AND A DAILY CALL-to-action. IT's THE UNDERpinning OF THE NEW NAtion
BEHind A NETwork STate. IT FORMs DENSE PEer-to-peer CONnections, NOT SIMply LEader-to-follower. AND
IT ACclimatizes ITS MEMbers TO WORKing TOgether AS A SOCIety TOWards A COMMON PURPOSE. THAT PURPOSE
MAKES IT DIfferent FROM A SOCIAL NETwork LIKE TWitter, A SUBreddit, OR EVEN A DAO. THE PURPOSE ISN't
TO WASTE TIme, OR AIMlessly SPECulate ON A TOKEN. IT's TO ADVance THE COLlective INTERests OF ITS ME
mbers THrough DAILY ACTIONS, ORGANIZED BY A NETwork UNION LEader. THAT COMMON PURPOSE CREates A CULT
ure, AND GRadually TURNS A GROUP OF PEOPLE INTO A 1-network, A NETwork WITH NATIONAL CONsciousness,
INTO THE FOUNDation OF A NETwork STate. THINK ABOUT IT: IF PEOPLE WON't EVEN SHOW UP TO VOTE ONLINE,
THEY DON't CARE ABOUT THE COMMUNITY. CONversely, IF THEY've MANaged TO DO GREAT THINGS TOGETHER AS
PART OF A NETwork UNION, THEY'll BE ABLE TO DO MORE. AND THAT IS IN FACT RENAN's DEFINITION OF A NAti
on: TO HAVE DONE GREAT THINGS TOGETHER, TO WANT TO DO MORE, SUCH ARE THE ES- SENTIAL CONditions TO F
ORM A PEOPLE. . . MAN IS NOT A SLAVE TO HIS RACE, OR HIS TONGUE, OR HIS RELigion. SEE ALSO THIS EARL
ier Plece ON NETwork UNions, BEFORE WE TIGHTened UP SOME OF THE DEFINitions. PUBLIC DIspLays OF ALIgn
ment A NETwork UNION DOESN't JUST DO PRIVATE ACTIONS FOR THE COLlective BENEfit OF ITS MEMbers. IT AL
so DOES PUBLIC ACTIONS WHICH SHOW THE WORLD AT LARGE HOW ORGANIZED, ALigned, SELF- SACRificing, AND M
UTUALLY COoperating THE MEMbers OF THE NETwork UNION ARE. CALL THESE PUBLIC DIspLays OF ALIgnment, A
DECorous RIion THE AMERICAN CONcept OF PDA. AS MOTivation, THINK ABOUT THE MANY MOVIES THAT CENTER
THE TANGO IN A CAMPY-yet- SERious WAY. DRAMATIC MUSIC PLAYS AS MAN AND WOMAN LOCK EYES ACROSS THE F
LOOR BEFORE BEGINning A SERIES OF COMplicated PIrouettes. THE DANCE FLOOR CLEARS A CIRCLE AS EVERYONE
PAUSES TO WATCH. THE WHOLE ROOM IS NOW PAYING RAPT ATTENTION TO THIS COUPLE, EVEN IF THEY DIDN't KNOW
THEM BEFORE. THAT'S AN EXample OF POSitive-sum ATTention: BECAUSE THESE TWO PAID ATTENTION TO EACH
OTHER IN A PUBLIC AND SYNchronized WAY, OTHERS PAID RESpectful ATTention TO THEM. THAT

CHAPTER 5. FROM NATION STATES TO NETWORK STATES COuple MUST LOve EAch OTHeR VErY MUCh — OR
ast MUST PRactice VErY MUCh — AND THEiR COOrdination DEMands ADMiration. EVen THE ONlooker WHO DOesn't
't MUCh CARE FOR DANcing MUST Glve A GRudging NOd. OTHeR EXAmPles OF POSitive-sum ATTention LIke THiS
s INclude ORchestras, PARades, THE GOod KInd OF FLAsh MObs, BASketball GAMES, AND THE TYpes OF GYmnas-
tic ENTERprises COMmon TO COLlege FOOTball HALftime SHows WHEREin CHEerleaders FORM TALL HUman PYra-
mids THAT REquire COMPLETE TRust IN THE PEople AT THE BASE. ALI OF THESE ARE EXAmPles OF PUBLIC MULT-
i-party COOrdination WHERE PEople ARE CREating ART TOgether IN A Hlgh-trust SOCIety. THE COOrdination
n IS PLeasing TO THE EYE. BUT IT ALSO INDicates TO THE AUDience THAT THE PEople INVolved HAVE PRacti-
ced BEfore, THAT THEY're ALigned, THAT THEY AREn't ALI PLAYing WHatever NOTES THEY WANT AT WHatever
TIME, THAT THERE IS SOME PRE-arranged Glve AND TAKE. PUBLIC DISplays OF POSitive-sum ATTention SHOW
THAT TWO OR MORE PEople CAN WORK TOgether AS A TEAM. THE OPposite ALSO EXists: NEgative-sum ATTention
n. WHEN TWO PEople WHO ARE SUPposed TO BE ALigned FIGHT IN PUBLIC, WHEN A CORPORATION LIke THE WASH-
ngton POST MELts DOWN ON TWitter, OR WHEN A WHOLE COUNTRY BRoadcasts ITS ENDless INTERNAL CON-
FLICT TO THE GLOBE EACH DAY, BYstanders HAVE A DIfferent REaction. IT'S NOT ONE OF ADMiration AND RESpect FOR
THE Tlght COOrdination. IT'S THE OPposite. THE CON-
FLICT CAuses A DIMinution OF STATUS FOR ALI PARTies
s INVolved. THE PHrase "Team OF Rivals" DRaws OUR ATTention BEcause Rivals CAN't REally MAKE UP A TE-
am. A ORganization CHARACTERized BY PUBLIC IN-
fIGHTing ISn't AN ORganization, IT'S AN OCCasion FOR POP-
corn OR PLty. TWO NOTES BEfore WE MOVE TO THE MAIN POINT. FIrst, THE KInd OF PUBLIC CON-
FLICT SEen IN A HARD-fought NBA GAME OR AN OXFord-style DEbate IS DIfferent, BEcause A VLEwer COULD COME AWAY Wlth
RESpect FOR BOTH WINner AND LOSer. WHY? THAT KInd OF CON-
FLICT IS BEtween CLearly DELineated PARTies,
Wlthin CERTain RULES THAT BOTH ENTertain AND CONstrain. IT'S RItualized CON-
FLICT, IT'S EXpected. THE
LOSer OFTEN GETs PAId FOR SHOWing UP. SO IT'S NOT A LOse/lose FIGHT, NOT A CARToonish BAR BRawl. SEC-
ond, IT'S IMpossible TO RUN ANY ORganization OF SU-
fficient SCALE Wlthout SOME DEgree OF INTERNAL MISal-
ignment. YOU DON't GET TO 500 MILLION FRiends Wlthout MAKing A FEW ENemies. THERE'S ALWAYS SOMEONE W-
ITH HARD FEelings — THE ENvious, THE DISgruntled, THE FIREd. THEY Mlght START A FIGHT TO GAIN WHAT T-
HEY COULD NOT BY OTHER MEans. THE CONsequent LOSS OF STATUS THAT ACCompanies A PUBLIC FIGHT IS LIke
THE LOSS OF MONEY THAT ACCompanies A BAD Earnings REport. IT'S NOT DESirable, BUT IT'S ABSolutely SU-
RVivable. TO MAKE UP FOR THE LOSS OF MONEY, YOU WORK HARDer NEXT TIME. BUT TO MAKE UP FOR THE LOSS OF
STATUS, YOU TAKE A BEat AND FIGure OUT HOW TO REunify YOUR ORganization AND SHOW A UNited FRont TO
THE WORLD. IN A PHrase, YOU NEED SOME PDA: A PUBLIC DISplay OF ALignment. POLITicians DO PUBLIC DIS-
plays OF ALignment ALI THE TIME. THEY TRash EACH OTHER DURING THE PRIMaries AND THEN RAISE EACH OTHER-
s' HANDS IN THE GENERAL ELEction. THEY're PUTting THEIR DIfferences BEHind THEM TO BUILD A UNited FR-
ont. COUNTRIES DO THIS TOO — THAT'S

5.3. ON NETWORK STATES 247 What PEace TReaties, MUtual DEfense PACTs, JOint Mllitary EXercises, AND International ORganizations ARE ALI ABOUT. THE VIsual OF FLAgS FLYing TOgether SHows OTHERs THAT THE y're ONE UNit. AND THAT BRings US TO THE CONcept OF PUBlic DIsplays OF ALIgnment FOR A NETwork UNION . IT's IMportant TO STart BY ORganizing THE NETwork UNION TO DO PRivate TASKs THAT THE GRoup AS A WHole BENE■ts FROM. BUT EVentually YOU WANT TO SHOW THE EXternal WORld THAT YOUR NETwork UNION CAN DO IMpressive PUBlic THINGS AS A GRoup. SO, WHAT's THE DIgital VERSION OF A PARade, OR OF A GRoup SIngIng IN UNison LIKE THE ESTonian SIngIng REVolution? IT MIGHT BE SOMething LIKE A CRYPTO-Wikipedia, OR SOME KInd OF COLlectively AUTHored ART IN VIRTUAL REALity, PERhaps LIKE MInecraft OR REDdit's R/pla ce. IT MAY NEEd TO INVolve PROOF-of-human SO ONlookers KNOW THAT THIS PIECE OF DIgital ART INVolved REAL PEople. BUT WHatever IT IS, PUBlic DIsplays OF ALIgnment ARE A WAY FOR A NETwork UNION TO NOT JUSt QUIetly DELiver VALUE FOR ITS MEMbers (AS IT SHould), BUT TO ALSO PUBlicly DEMonstrate TO THE WORld THAT IT's A Tightly COordinated UNit — AND WORTHY OF BEING TReated AS SUCH. PROVing TO THE WORld THAT YOUR NETwork UNION CAN COordinate LIKE AN ORganic NATION IS A FIRSt STEP IN THE LONG PROcess TOWards EVentual DIPlomatic REcognition. THE NEW TOKENomics IS NATION FORMation IN THE 2000s, MOST TEChnologists DIDN't CARE THAT MUCH ABOUT HOW NAtional CURrencies WERE RUN. THE PARAMeter CHOICES OF A CURurrency WERE THINGS ONLY CENTral BANKers CARED ABOUT. WHAT's THE INTERest RATE? IS IT A DE■ationarY, IN■ationarY, OR EVEN DEMurrage CURurrency? WHICH ACTors HAVE ROOT ACcess TO THE SYstem AND UNDER WHAT CIRCumstances CAN THEY BE DEplatformed? AND SO ON. BUT ALI THOSE DETAILS AND MORE BECame IMportant FOR PEople FOUNding NEW CURrencies. THUS, THE CONcept KNOWN AS "TOKENomics" AROse: SETTING UP THE FINancial AND SOCIAL INCentives OF A NEW CRYPTOeconomic COMMunity IN A USER- AND ORganization-aligne d WAY. SIMilarly, ALI PREviously OBscure DETAILS OF HOW NATIONS AND STATES FORMED ARE NEWly RElevant TO NETwork UNION FOUNders. THERE's AN IDEA MAZE FOR NATION FORMation JUST AS THERE IS FOR CRYPTOeco nomics. THE FIRSt QUEStion ANY NETwork UNION FOUNder NEEds TO BE ABLE TO ANswer IS: WHAT IS YOUR NATion FORMation STRategy? PATH TO THE NETwork STATE WE CAN NOW DE■ne A PATH TO THE NETwork STATE: 1. NETwork UNION. A WHolly DIgital ENTity, ORganized IN A SOCIAL TREE STRucture, THAT ENGages IN COLlective ACTION ON BEHALF OF ITS MEMbers. THE COLlective ACTION IS KEY FOR BUILDing ORganizational MUScle . 2. NETwork ARCHipelago. A NETwork UNION THAT BEGins ACquiring AND NETworking

CHAPTER 5. FROM NATION STATES TO NETWORK STATES PROPERTIES IN THE PHYSICAL WORLD. THE PHYSICAL INTERACTION IS KEY FOR BUILDING TRUST. 3. NETWORK STATE. A NETWORK ARCHIPELAGO THAT GAINS DIPLOMATIC RECOGNITION FROM AT LEAST ONE LEGACY STATE. THE DIPLOMATIC RECOGNITION IS KEY FOR ATTAINING SOVEREIGNTY. OF COURSE, THE DELINEATION BETWEEN THESE CATEGORIES IS FUZZY. FOR EXAMPLE, A NETWORK ARCHIPELAGO WITH 100K+ PEOPLE, BILLIONS IN ANNUAL COLLECTIVE INCOME, AND A LARGE PHYSICAL FOOTPRINT AROUND THE WORLD COULD BE DEEMED A SHADOW NETWORK STATE. IT WOULD HAVE MORE ORGANIZATION THAN MOST STATELESS MOVEMENTS, AS IT WOULD ACTUALLY HAVE A STATE AND LAND, JUST NOT ALL IN ONE PLACE. ALL IT WOULD LACK IS DIPLOMATIC RECOGNITION. SLIGHT FUZZINESS NOTWITHSTANDING, THIS IS A REALISTIC PATH FROM A SINGLE NETWORK UNION FOUNDER TO SOMETHING BIG. THE BOOTSTRAP RECOGNIZER WE CALL THE FIRST GOVERNMENT TO RECOGNIZE A NETWORK STATE A BOOTSTRAP RECOGNIZER, NAMED AFTER THE COMPUTER SCIENCE CONCEPT OF A "BOOTSTRAP" SYSTEM THAT BOOTS UP ANOTHER. THE BOOTSTRAP RECOGNIZER IS TO A NETWORK STATE WHAT EL SALVADOR WAS TO BITCOIN: THE FORMAL ACCEPTANCE OF THE NEW SYSTEM BY THE OLD TO FORM SOMETHING STRONGER THAN EITHER OF THEM INDIVIDUALLY. EACH NETWORK ARCHIPELAGO THAT WANTS TO BECOME A NETWORK STATE SHOULD HAVE A THESIS ON WHY ITS BOOTSTRAP RECOGNIZER IS. IT WILL LIKELY BE AN EXISTING STATE WITH MANY "BI-NATIONALS" THAT HAVE FORMAL LEGAL CITIZENSHIP WITH THEIR EXISTING NATION STATE BUT HAVE MENTALLY MIGRATED TO BECOME DUAL CITIZENS OF THEIR NEW NETWORK STATE. THE HISTORICAL ANALOG IS THOSE WHO IDENTIFIED AS ISRAELIS OR INDIANS EVEN BEFORE THEIR STATES BECAME FORMALLY INDEPENDENT. NOTE THAT WHILE A BOOTSTRAP RECOGNIZER WILL INITIALLY HAVE TO BE A NATION STATE, ONCE THERE ARE MANY NETWORK STATES OF SIGNIFICANT SCALE, NETWORK STATES COULD BOOTSTRAP THE RECOGNITION OF OTHER NETWORK STATES. DIGITAL CIVIL SOCIETY NETWORK UNIONS, NETWORK SOCIETIES, AND OTHER FORMS OF DIGITAL CIVIL SOCIETY ARE VALUABLE ENDPOINTS IN THEMSELVES. FOR EXAMPLE, A SERIOUS OPEN SOURCE PROJECT COULD HAVE AN ASSOCIATED NETWORK UNION THAT ADVANCES THE COLLECTIVE INTEREST OF (SAY) A GUILD OF REACTJS PROGRAMMERS, WITHOUT ANY NEED TO BUY LAND. OR A FITNESS INFLUENCER COULD TURN THEIR ONLINE COMMUNITY INTO A NETWORK ARCHIPELAGO, REplete WITH GYMS AROUND THE WORLD, ORGANIZING PEOPLE TO GET DISCOUNTED KETO-FRIENDLY FOOD.

3. ON NETWORK STATES 249 YOU CAN PROBABLY COME UP WITH OTHER KINDS OF STRUCTURES. THE OVERALL IDE
IS TO BUILD DIGITAL CIVIL SOCIETY, ALL THOSE COMMUNITY ORGANIZATIONS THAT AREN'T EITHER THE STATE A
BOVE OR THE ISOLATED INDIVIDUAL BELOW, THE KIND OF NON-POLITICAL VOLUNTARY ASSOCIATIONS THAT ONCE BU
ILT AMERICA, ACCORDING TO TOCQUEVILLE: I DO NOT WISH TO SPEAK OF THOSE POLITICAL ASSOCIATIONS. . . H
ERE IT IS A QUESTION ONLY OF THE ASSOCIATIONS THAT ARE FORMED IN CIVIL LIFE AND WHICH HAVE AN OB- JE
CT THAT IS IN NO WAY POLITICAL. . . AMERICANS OF ALL AGES, ALL CONDITIONS, ALL MINDS CONSTANTLY UNIT
E. NOT ONLY DO THEY HAVE COMMERCIAL AND INDUSTRIAL ASSOCIATIONS IN WHICH ALL TAKE PART, BUT THEY ALS
O HAVE A THOUSAND OTHER KINDS: RELIGIOUS, MORAL, GRAVE, FUTILE, VERY GENERAL AND VERY PARTICULAR, IM
- MENSE AND VERY SMALL; AMERICANS USE ASSOCIATIONS TO GIVE FÊTES, TO FOUND SEMINARIES, TO BUILD INNS
, TO RAISE CHURCHES, TO DISTRIBUTE BOOKS, TO SEND MISSIONARIES TO THE ANTIPODES; IN THIS MANNER THEY
CREATE HOSPITALS, PRISONS, SCHOOLS. FINALLY, IF IT IS A QUESTION OF BRINGING TO LIGHT A TRUTH OR DE
VELOPING A SENTIMENT WITH THE SUPPORT OF A GREAT EXAMPLE, THEY ASSOCIATE. EVERY- WHERE THAT, AT THE
HEAD OF A NEW UNDERTAKING, YOU SEE THE GOVERNMENT IN FRANCE AND A GREAT LORD IN ENGLAND, COUNT ON IT
THAT YOU WILL PERCEIVE AN ASSOCIATION IN THE UNITED STATES. THESE HAD VANISHED BY THE YEAR 2000, AC
CORDING TO PUTNAM: PUTNAM DRAWS ON EVIDENCE INCLUDING NEARLY 500,000 INTERVIEWS OVER THE LAST QUARTER
CENTURY TO SHOW THAT WE SIGN FEWER PETITIONS, BELONG TO FEWER ORGANIZATIONS THAT MEET, KNOW OUR NE
IGHBORS LESS, MEET WITH FRIENDS LESS FRE- QUENTLY, AND EVEN SOCIALIZE WITH OUR FAMILIES LESS OFTEN.
WE'RE EVEN BOWLING ALONE. THE NETWORK UNION AND NETWORK ARCHIPELAGO ARE ENDS IN THEMSELVES. THEY GIVE
THE US A ROADMAP FOR REBUILDING DIGITAL CIVIL SOCIETY, TO START DOING THINGS TOGETHER WITH PURPOSE AND
SUBSTANCE ONLINE, TO MOVE AWAY FROM THE DISTRACTING ENTROPY OF SOCIAL MEDIA AND THE NEWS TOWARDS CO
MMUNITIES OF CONSCIOUS INTENT. AND FROM THESE NETWORK UNIONS AND NETWORK SOCIETIES, WE WILL FORM NET
WORK STATES. RECOGNIZE WHY WE NEED RECOGNITION WE JUST DESCRIBED WHY NETWORK STATES NEED MORE THAN CO
MMUNITY, AND EVEN MORE THAN ECONOMIC ALIGNMENT — THEY NEED A SENSE OF NATIONAL CONSCIOUSNESS, OF CO
LLECTIVE PURPOSE, AS PROVIDED BY A NETWORK UNION. NOW LET'S DISCUSS WHY WE NEED RECOGNITION. A FUN O
NE LINGER IS THAT CRYPTO MADE PROGRESSIVES MORE LIBERTARIAN AND LIBERTARIANS MORE PROGRESSIVE. PROGRE
SSIVES DISCOVERED THAT YOU CAN BUILD STATELESS MONEY. LIBERTARI- ANS DISCOVERED THAT YOU THEN NEED T
O REBUILD SOMETHING MUCH LIKE A STATE: IDENTITY, REPUTATION, ANTI-FRAUD, CUSTODY, TRUST, COMMUNITY,
AND THE LIKE. WE THINK NETWORK STATES WILL HAVE A SIMILAR DYNAMIC. IF THEY WORK, THEY'LL SHOW PRO- G
RESSIVES A DI■ERENT PATH TO POLITICAL INNOVATION — RATHER THAN GRINDING THROUGH A

CHAPTER 5. FROM NATION STATES TO NETWORK STATES
Thankless Legacy SYstem, They CAN USE Their
nizing SKills TO HELP START A NEW ONE. BUT Libertarian FOUNDERS OF NETWORK UNIONS WILL SIMILARLY NEE
d TO TAKE A PAGE FROM THE PROGRESSIVE PLAYBOOK. WHILE LIBERTARIANS ARE DRAWN TO NETWORK STATES FOR T
He SAME REASON THEY'RE INTERESTED IN COMPETITIVE GOVERNMENT, SEASTADING, AND MICRONATIONS, LIBERTAR
ian LITERATURE UNDEREMPHASIZES THE NECESSITY OF DIPLOMATIC RECOGNITION. DIPLOMATIC RECOGNITION IS AS
ESSENTIAL TO A NETWORK STATE AS EXCHANGE LISTING AND WALLET SUPPORT IS TO A CRYPTOCURRENCY. THERE A
RE TECHNICAL ASPECTS TO MONEY, BUT IT IS ALSO AN INHERENTLY SOCIAL PHENOMENON. CONTRAST THIS TO AN A
IRPLANE, WHICH WILL FLY REGARDLESS OF WHAT ANYONE THINKS. SIMILARLY, WHILE A NETWORK UNION CAN GET S
tarted WITH ONE PERSON, AND EVEN BUY LAND AND BECOME A NETWORK ARCHIPELAGO, TO CROSS THE CHASM IT N
EDS A PLAN FOR GAINING DIPLOMATIC RECOGNITION — TO GO FROM “UNPOPULAR BUT FEASIBLE” TO “POPULAR AND
IMPORTANT.” LACK OF RECOGNITION LIMITS SOVEREIGNTY. IN A SENSE, DIPLOMATIC RECOGNITION IS A PARTIAL,
NON-BINDING, BUT STILL MEANINGFUL COMMITMENT FROM A LEGACY STATE TO RESPECT THE INTER- NAI SOVEREIG
NTY OF THE NEW NETWORK STATE, TO ADMIT IT TO THE FAMILY OF NATIONS, TO OPEN UP A NUMBER OF DI
fferent
AVENUES FOR TRADE AND INSTITUTIONAL INNOVATION. GETTING THERE MEANS THE FOUNDERS OF A NETWORK UNION
THAT WANTS TO BECOME A NETWORK STATE CAN'T BE MISANTHROPIC, OR EVEN ISOLATIONIST IN MENTALITY. A LIV
E AND LET LIVE MEN- TALITY WON'T BE ENOUGH; YOU'LL NEED TO RECRUIT PEOPLE WHO WIN AND HELP WIN. BECA
USE UNLIKE AN EMPIRE, THE END GOAL OF A NETWORK STATE IS NOT WORLD DOMINATION; IT'S WORLD RECOGNITIO
5.3.9 WHY WOULD WE FOUND A NETWORK STATE? BUT WHY? WHY DO WE NEED THE ABILITY TO FOUND A NETWORK
STATE? WHY CAN'T WE REFORM ONE OF THE PERFECTLY GOOD COUNTRIES ON THE PLANET? FIRST, THESE COUNTRIES
ARE NOT PERFECTLY GOOD. JUST AS IT WAS EASIER TO START A NEW DIGITAL CURRENCY THAN TO REFORM THE FE
D, IT MAY BE EASIER TO START A NEW COUNTRY THAN TO REFORM YOURS. SECOND, WE WANT NEW COUNTRIES FOR T
e SAME REASON WE WANT BLANK SHEETS OF PAPER, FRESH PLOTS OF LAND, OR NEW STARTUPS: TO BEGIN ANEW V
thout BAGGAGE FROM THE OLD. AND THIRD, FOR CERTAIN KINDS OF TECHNOLOGIES — PARTICULARLY TRANSFORMATI
ve BIOTECH LIKE LIFE EXTENSION — WE NEED NEW JURISDICTIONS WITH FUNDAMENTALLY DI
fferent LEVELS OF RIS
k- TOLERANCE, AND CLEAR-EYED CONSENT BY ALL WHO OPT IN. THERE'S SOMETHING IN IT FOR BOTH ENGINEERS A
ND ACTIVISTS, FOR BOTH THE TECHNOLOGICAL INNOVATOR AND THE POLITICAL PROGRESSIVE. NETWORK STATES FOR
THE TECHNOLOGICAL INNOVATOR WHY SHOULD TECHNOLOGISTS CARE ABOUT POLITICS?

5.3. ON NETWORK STATES 251 • The Scientific Innovation. Fred EHrsam WRote THAT PEaceful INnovation IN GOVer- Nance IS MORE IMportant FOR INnovation THAN WE REALize. AFTER ALI, THE CATHolic CHURch BURne d PROponents OF HELiocentrism AT THE STake; IT WOuldn't HAVE IN- VENTed SPace SHuttles. AND THE SOvi et UNION BAnned PHotocopiers; IT WOuldn't HAVE ALLOWed THE INternet. TOday, WE SEe THAT SAn FRancisc o IS BAnning EVerything FRom SCooters TO STraws, BUt WHAT WE DON't SEe IS WHAT DIDN't EVEN MAKE IT O Ut OF THE GARage. • The PHYSical World. The STate CONTrols THE PHYSical World. Wlth SUfficient CON- SE nt, ANY LAW CAN BE CHanged, AND ANY REGulation CAN BE SUNset, OR REinvented. THIS IS HOW "Bits" UNLo ck INnovation IN "Atoms": WE FORM OPT-in COMMunities ONLINE TO UNlock INnovation OFFLine. • The ECON omics. MONEY ISn't EVERYthing, BUt IT's CRucial TO MAKing SOMething SUSTainable. WE KNOW THAT ANtiqu ated TAXI REGULations HELd BACK ONE HUNDred BILLion DOLLars IN THE FORM OF UBER/Lyft/Grab/Didi, THAT FINancial REGULations HELd BACK ONE TRillion DOLLars IN THE FORM OF Bltcoin/Ethereum, AND COMMUnism HELd BACK THE CHinese PEople TO THE TUNE OF TEN TRillion DOLLars (Namely THE ENTire CHinese ECONOMY). • The DATA. Technologists CAN THINK OF NEW OPT-in STATES AS EXperiments. JUST AS THE ABILITY TO S Tart NEW CURREncies MOved US FROM OBServational TO EMpirical MACroeconomics, THE ABILITY TO STArt NE w COUNtries TAKes US FROM THE REALm OF POLitical SCience — THE STUDY OF WHAT IS — TO POLitical TECHN ology, THE ENGINEERING OF WHAT CAN BE. • The PLatform. WE CAN THINK OF THE STATE AS OUR MOST IMporta nt PLatform, MORE IMportant EVEN THAN APple OR AMazon, THE PLace WHERE MUCH OF OUR DATA AND LIVES ARE HOsted. RIGHT NOW, WE CAN't UPgrade THE STATE. WHAT IF WE COuld? • The ETHics. JUST AS MANY KINDs OF THINGS BEcome EASier TO BUILD IN THE PREsence OF A COoperative CENTralized SERVER, MANY MORE THIn gs BEcome EASier IN THE PREsence OF A COoperative CENTralized STATE. A NETWORK STATE BUILds A SOCIet y WHERE EVERYone HAS BRoad SUPport FOR TECHNOlogical INnovation. YOU WANT A COUNTRY WHERE PEOPLE CHE er MISSION CONTROL, NOT BOO MUSK AND BEZOS, AND NOW WE CAN BUILD ONE. OF COURSE, NETWORK STATES AREN 't FOR EVERY TECHNOlogist. IF YOU CARE MAINly ABOUT COMPilers OR PROGRAMMING LANGUAGES, YOU CAN GET BY UNDER THE CURRENT DISPensation. AND IF ALL YOU WANT IS A STEADY PAYcheck AT BIG TECH, A NETWORK S Tate IS NOT FOR YOU. BUt IF YOU CARE ABOUT ACcelerating INnovation IN THE PHYSICAL WORLD, WE FINally HAVE AN ANSWER. NETWORK STATES FOR THE POLITICAL PROgressive WHY SHOULD POLITICAL PROgressives WANT TO STArt NEW Clties AND COUNtries? • IF YOU're A YOUNg POLITician, PERhaps YOU DON't WANT TO WAIT T Ill YOU're 70 YEARS OLD TO PAY YOUR DUES AND MAKE YOUR MARK.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES • IF YOU'RE A COMMUNITY ORGANIZER, NETWORK UNIONS GIVE YOU A DIGITAL COMMUNITY TO ORGANIZE, SOMETIMES AGAINST STATES AND CORPORATIONS, BUT ALSO FOR THE BENEFIT OF INDIVIDUAL MEMBERS' OPEN SOURCE PROJECTS, BUSINESSES, AND CONSULTING FIRMS. • IF YOU'RE AN ADVOCATE FOR A STATELESS NATION LIKE THE CATALONIANS OR THE KURDS, NETWORK UNIONS AND EVENTUALLY NETWORK STATES GIVE A NEW PATH TO RECOGNITION. • IF YOU'RE A POLICY WORKER, NETWORK STATES ALLOW YOU TO RUN ETHICAL EXPERIMENTS ON POLICY, WITH OPT-IN PARTICIPANTS THAT ARE AS INTERESTED IN GOVERNANCE INNOVATION AS YOU ARE. YOU CAN EXPERIMENT WITH DIGITAL DEMOCRACY, NEW FORMS OF GOVERNMENT, OR ANYTHING YOU THINK INTERESTING. • IF YOU'RE AN IDEALIST, NETWORK STATES BRING BACK THE VOLUNTARY COMMUNES OF THE MID-1800S AMERICA, WHERE PEOPLE COULD OPT-IN TO BUILD THEIR OWN VISION OF UTOPIA. • IF YOU'RE AN ANARCHIST, NETWORK UNIONS OFFER A VISION OF HORIZONTAL COLLABORATION IN THE ABSENCE OF TRADITIONAL GOVERNANCE AND WITHOUT COERCION. • IF YOU'RE AN URBAN PLANNER, NETWORK SOCIETIES ALLOW YOU TO BUILD SUPPORT AND AMASS FUNDING TO CROWDFUND YOUR VISION OF THE GOOD. IN SHORT, WHETHER YOU WANT TO EXPERIMENT WITH REFORMS OR ENTIRELY NEW FORMS OF GOVERNMENT, THERE'S LIKELY SOMETHING IN THE CONCEPT OF NETWORK UNIONS, NETWORK SOCIETIES, AND NETWORK STATES THAT WILL SUIT YOU. MOREOVER, THESE STRUCTURES ARE FAR MORE DEMOCRATIC THAN THE COERCIVE GOVERNANCE STRUCTURES OF THE LEGACY SYSTEM, BECAUSE THEY'RE ALL OPT-IN. 100% OF MEMBERS OF A NETWORK UNION OR NETWORK STATE HAVE CHOSEN TO BE THERE, RATHER THAN 51% IMPOSING THEIR WILL ON A RELUCTANT 49%. NETWORK STATES ARE MODELS FOR 100% DEMOCRACY, NOT MERELY 51% DEMOCRACY. WITH THAT SAID, THE CONCEPT OF A NETWORK STATE ISN'T A PANACEA. MANY POLITICAL PROGRESSIVES WILL BE ATTRACTED TO EXISTING GOVERNMENTS FOR ONE VERY SIMPLE REASON: THEY ALREADY EXIST, AND ALREADY HAVE SOCIOECONOMIC POWER. YOU DON'T NEED TO BUILD EVERYTHING FROM SCRATCH. BUT FOR THE IDEALISTS AND THE AMBITIOUS WHO ARE EXCITED ABOUT THE POSSIBILITY OF DOING EXACTLY THAT, THERE'S NOTHING MORE POLITICALLY INTERESTING THAN A NEW STATE. 5.3.10 HOW DOES A NETWORK STATE EXPAND AND CONTRACT? NETWORK STATES GIVE A WHOLLY NEW WAY FOR STATES TO EXPAND. THEY CAN GROW PEACEFULLY IN THE DIGITAL WORLD RATHER THAN VIOLENTLY IN THE PHYSICAL WORLD. THE NETWORK STATE FORMATION PROCESS CAN BEGIN WITH A SINGLE FOUNDING INFLUENCER AND SCALE TO A MILLION PERSON PHYSICAL COMMUNITY. WE CAN BREAK OUT THE UNDERLYING VECTORS OF GROWTH AS FOLLOWS: 1. DEMOGRAPHICALLY. MOST OBVIOUSLY, A NETWORK STATE (OR A PREDECESSOR ENTITY LIKE A NETWORK UNION OR NETWORK ARCHIPELAGO) CAN GROW ITS USERBASE THROUGH RECRUITMENT

5.3. ON NETWORK STATES 253 AND REproduction. FOR THE LATTER, THE GROWING STATE WILL NEED SOME POLICY TO RECOGNIZE THE NEW FAMILY MEMBERS AS NETIZENS, SUCH AS JUS SANGUINIS. 2. GEOGRAPHICALLY. AS THE CITIZENRY OF A NETWORK STATE GROWS, IT CAN START CROWD-FUNDING MORE TERRITORY IN THE PHYSICAL WORLD. THIS IS A PEACEFUL MECHANISM FOR TERRITORIAL EXPANSION. NOTE THAT THESE PURCHASES NEED NOT BE FROM SOVEREIGN STATES, THOUGH THEY MAY ULTIMATELY BE. 3. DIGITALLY. A COMPLEMENT TO GEOGRAPHICAL GROWTH IS DIGITAL GROWTH: MORE DOMAIN NAMES, CRYPTO USERNAMES, AND SOCIAL MEDIA HANDLES UNDER OWNERSHIP OF NETIZENS AND THE NETWORK STATE. 4. ECONOMICALLY. THE PEOPLE OF A NETWORK STATE WILL EARN INCOME AND INVEST ON CHAIN. THOSE NUMBERS, OR AN AGGREGATE THEREOF, CAN BE MADE PUBLIC TO THE WORLD VIA CRYPTO CURRENCIES, THEREBY SHOWING CRYPTOGRAPHICALLY PROVABLE GROWTH IN GDP AND NET WORTH. 5. IDEOLOGICALLY. BECAUSE A NETWORK STATE IS FUNDAMENTALLY A PROPOSITION NATION, IT'S CONSTANTLY EVANGELIZING ITS BELIEFS. BUT UNLIKE A TRADITIONAL NATION STATE'S SOFT POWER, WHICH IS NOT DIRECTLY TIED TO IMMIGRATION POLICY, HERE THE EVANGELISM IS EXPLICITLY CONNECTED TO RECRUITING. 6. TECHNOLOGICALLY. WHY CALL THIS POINT OUT SEPARATELY? TECHNOLOGICAL PROGRESS IS A DEFINING FEATURE OF A NETWORK STATE TO AN EVEN GREATER DEGREE THAN ITS NATION STATE PREDECESSOR. A NETWORK STATE UNDERSTANDS THAT IN THE ABSENCE OF INNOVATION, ITS AT-WILL CITIZENS WILL LEAVE FOR MORE ADVANCED JURISDICTIONS IN THE SAME WAY PEOPLE LEFT BOSTON FOR NETHERLANDS. BUT BECAUSE TECHNOLOGICAL INNOVATION IS NON-ZERO SUM, THE RELENTLESS COMPETITIVE PRESSURE FOR MOBILE CITIZENS MEANS THE NETWORK STATE SYSTEM IS POSITIVE-SUM, WHICH IS VERY UNLIKE THE NATION STATE SYSTEM'S ZERO-SUM STRUGGLE FOR TERRITORY. THE NETWORK STATE SYSTEM IS NOT ABOUT THE BATTLE FOR BORDERS, BUT FOR BACKLINKS (IN A GENERALIZED SENSE). MANY OF THE THINGS THAT STATES TRADITIONALLY FOUGHT OVER CAN NOW BE ABSTRACTED AND TURNED INTO AN ECONOMIC GAME. THIS IS A STEP FORWARD, FOR THE SAME REASON THAT IT WAS A HUGE ADVANCE WHENEVER NATIONS RESORTED TO TRADE RATHER THAN CONQUEST TO GAIN ACCESS TO EACH OTHERS' NATURAL RESOURCES. WHAT UNDERPINS THE NEW DYNAMIC OF NETWORK STATES IS THE INTRINSIC LACK OF SCARCITY OF DIGITAL TERRITORY, THE RETURN OF UNCLAIMED LAND AND TERRITORY, A NULLIUS, THE REOPENED FRONTIER. AS WE DISCUSS LATER ON, IT WAS THIS FRONTIER, THIS ROOM FOR EXPERIMENTATION, THAT BUILT AMERICA IN THE FIRST PLACE. VOICE WAS IMPORTANT, BUT SO WAS CHOICE. THUS, JUST LIKE A TECH COMPANY OR A SOCIAL NETWORK, A NETWORK STATE PROVIDES A SMOOTH PATH FROM A SINGLE PERSON WITH A COMPUTER AND NO OTHER RESOURCES TO A MILLION PERSON GLOBAL NETWORK. CONSTANT, NONVIOLENT GROWTH IS NOW POSSIBLE — NOT BY CONQUEST OR COERCION, BUT THROUGH VOLITION AND INNOVATION.

CHAPTER 5. FROM NATION STATES TO NETWORK STATES 5.3.11 What IS NOT A Network State? AS With Nation States, IT's USEful TO Glve EXamples THAT ARE ADJacent TO Network States, BUT DON't QUite FIT. FIrst, WE'll GO Over CONceptually FAR AWAY EXamples; THEN, A NUmber OF STRuctures THAT ARE MUCh CLOser, WHICH CAN BEcome Network UNions, Network SOcieties, AND Network STATES. FIrst, LET's DIscuss SOME THINGS THAT ARE ACTually QUite FAR AWAY FROM Network States, BUT THAT ARE OFten DIscussed IN THE SAME BREath. EACH HAS SOME IMportant SIMilarities (A SOCIAL Network, A GLOBAL PHYSICAL FOOTprint) BUT LACKS A KEY DIMension. 1. YOUR STARTup. AS DIscussed EARlier, DON't GO AROUND SAYing THAT YOU're STARTing A Network State. SAY THAT YOU're STARTing A Network UNION, AND BUILD UP A COMMU-nITY THAT'S CAPable OF DOing COLlective ACTIONS ONLINE. THEN CROWdfund TERRitory AND TURN YOUR ONLINE COMMUNITY INTO A Network ARCHipelago WITH PHYSICAL PRESENce. FINally, IF ALL THE STARS ALIGN, GAIN DIPLOmatic REcognition AND THEN DEclare YOUR SOCIety A Network State. I KNOW THIS MIGHT SEem A BIT LIKE THE MARXIST INSISTENCE ON THE DIfference BETWEEN SOCIALISM AND COMMUNISM, BUT THE COUNTERpoint IS THAT NATIONS HAVE ACQUIRED LAND AND GAINED DIPLOmatic REcognition BEFORE — AND WE NOTE THAT IT'S IMportant WHEN THEY DO. THEY JUST HAVEN'T DONE IT IN QUite THIS WAY, WITH THIS PROgression. THAT'S WHY WE WANT SEparate TERMS FOR Network UNION, Network ARCHipelago, AND Network State. 2. TWitter, THE SOCIAL Network. TWitter IS A BABble OF COMPeting AND HOSTile CLans, MANY OF WHOM DON'T SPEAK THE SAME LANGUAGE OR (EVEN MORE IMportantly) SHARE THE SAME VALUES. IN OUR TERMINology, IT IS VERY MUCh AN N-network, NOT A 1- Network. I'M NOT SURE HOW MANY TRUE NATIONAL NETWORKS THERE ARE WITHIN TWitter (IT'D DEPEND ON THE PARAMETERS OF OUR COMPUTATIONAL ALgorithm FOR NATIONAL DISTILLATION), BUT FOR THE US ALONE IT'S AT LEAST TWO — ARGuably MUCh MORE. 3. WEWork, THE COWorking SPACE. WEWork's WOEs NOTwithstanding, THEY BUILT A USEful PRODUCT. BUT IT WAS MORE LIKE A UTILITY THAN A TRUE COMMUNITY, MORE LIKE A STARBUCKS THAN A SMALL TOWN. THINK ABOUT IT: IN A COWorking SPACE, THE COUCH MIGHT BE LEATHER AND THE COFFEE MIGHT BE DEcent, BUT YOU DON'T LEAVE YOUR LAPTOP OUT OF SIGHT BECAUSE YOU DON'T KNOW ANYONE HERE. YOU NEED TO GET A CONFERENCE ROOM TO SPEAK FREELY, YOU NEED TO USE A PRIVACY SCREEN; IN GENERAL, IT'S NOT A HIGH-TRUST ZONE. THAT'S NOT A TRUE COMMUNITY. 4. GOOGLE, THE COMPANY. GOOGLE THE COMPANY HAS A LARGE GLOBAL PHYSICAL FOOTprint AND AN EVEN LARGER DIGITAL FOOTprint, WITH MILLIONS OF SQUARE METERS AND BILLIONS OF USERS AROUND THE WORLD. IT ALSO MAKES MANY DIGITAL GOVERNANCE DECISIONS PER DAY. BUT ITS USERS AREN'T A COMMUNITY, AND THEY DON'T REALLY THINK OF GOOGLE AS A LEGITIMATE GOVERNMENT. CONVERSely, WHILE ITS EMPLOYEES DO CALL THEMSELVES GOOGLERS, THEY THINK OF THEIR EMPLOYER AS A COMPANY RATHER THAN A COUNTRY IN EMBryo. AND THEY AREN'T REALLY AT THE STAGE WHERE THEY WANT TO WORK HARD ON BUILDING A NEW NATION.

5.3. ON NETWORK STATES 255 5. Bitcoin, The CRYPTO Protocol. There ARE Hundreds OF Millions OF Holders OF Bitcoin Worldwide, AND The Ideas OF Satoshi ARE Core TO Modern Thinking ON Digital Governance. Nevertheless, Bitcoin DOES ONLY ONE Thing: Facilitate UNCensorable Transactions IN Bitcoin. IT CAN BE Thought OF AS A Meta-government, BEcause IT Constrains Network AND Nation States ALike, BUT IT IS Silent ON The 1000 Other Things THAT Even A Minarchist AGREES A Government SHOULD DO. Moreover, While There IS Some Commonality OF Feeling BETWEEN Bitcoin Holders, There ALSO Strong Differences — Maximalists ARE ONLY A Subset OF The Community. Overall, The Similarity BETWEEN Bitcoin Holders IS PRObably MORE AT The Level OF English-language Speakers THAN, Say, Japanese-language Speakers. They CAN Understand EACH Other, OR AT LEast Understand EACH Others' Premises, BUT They DON't ALL HAVE The Same Vision OF The Good. IN Short, A Digital CURRENCY IS A Prerequisite FOR A Digital Country, BUT They ARE NOT Equivalent. Next, Let's GO THrough SOME Things WHICH ARE Close TO A Network State, IN The Sense THAT They CAN BE Converted TO AN (All-digital) Network UNION OR A (Digital + Physical) Network ARchipelago, BUT ARE NOT Quite There. 1. A Political Party. A Political Party IS Close. IT HAS A Shared Community, IT HAS A Sense OF Self AND Non-self, IT HAS A Vision FOR Governance SHOULD IT Gain Power, AND SO ON. What IT DOESN't HAVE IS A "Shadow" Structure WHERE IT CAN Administrate The Lives OF ITS Members Even WHEN IT IS Outside OF The Formal Government. IT ALSO Typically DOESN't Own Property, OR Formally Facilitate The Mingling AND Migration OF Party Members. BUT ALL THAT CAN BE DONE 24/7 Without NEeding TO Win The Vote IN A General Election, AND Network UNIONization MAY BEcome AN Interesting Route FOR ANY Minority Party. 2. A Network OF Hacker Houses. IF ALL The People IN This Network KNOW EACH Other WELL Enough TO LEave Their Laptop ON A Couch With The Confidence THAT NO ONE Will STEAL IT, THEN IT's A High-enough TRust Community TO BE A Proto Network ARchipelago. IT MAY NEED TO Layer ON Governance. 3. R/keto. A SUBreddit FOR Diet, Like R/keto, HAS A Community, A Governance Structure Via Moderators, AND A Shared Purpose. DON't LAUGH — Strict Dietary Rules HAVE BEEN Important FOR Religious Practice FOR Centuries, AND They ARE AN Excellent Shibboleth FOR Group Membership. TO BUILD A Network UNION, The Members OF R/keto WOULD NEED SOME Kind OF Collective Action THAT Members DO TOgether (Like Bulk PURchases OF Keto Food OR Reviews OF Keto Books). TO TURN IT INTO A Network ARchipelago, They Might NEED TO Start Keto Clubs AND Restaurants AND Link Them TOgether (Networked Physical Territory). Their Vision Might STOP AT A Cohesive Society, INstead OF AN All-encompassing State; Their Network ARchipelago Might BE Part OF A Network State THAT REjected NOT JUST The USDA Food PYramid, BUT ALSO The US Fed PYramid Schemes. 4. AN Influencer OR CEO's Following. A Popular Content CREator OR CEO IS A Good CANDidate FOR Pulling TOgether A Network UNION. There's Alignment, There's AN EXisting Group, AND There's Leadership. BUT They'd NEED TO FIGure OUT A Purpose

CHAPTER 5. FROM NATION STATES TO NETWORK STATES FOR THEIR COMMUNITY (IF AN INFLUENCER) OR A PURPOSE BEYOND THE MERELY COMMERCIAL (IF A CEO). THAT'LL BE EASIER FOR ACTIVISTS AND TECHNOLOGISTS, AND HARDER FOR ENTERTAINERS AND PURE SALESMEN. 5. DAOs AND NFT COMMUNITIES. AS NOTED EARLIER, THESE ARE ALSO QUITE CLOSE TO BEING NETWORK UNIONS, BUT THEY NEED TO ENSURE THEY HAVE MEMBERS WHO ARE THERE FOR THE LONG-TERM CAUSE RATHER THAN FOR THE SHORT-TERM PUMP. IF SO, THEY CAN START PULLING TOGETHER COMMUNITIES OF PURPOSE TOWARDS COLLECTIVE ACTION. 6. A CITY STATE. THIS BEARS MENTIONING TOO: A CITY STATE IS NOT A NETWORK STATE. WHY? BECAUSE A CITY STATE IS CONCENTRATED IN ONE LOCATION, AND CAN BE INVADDED BY A STRONGER POWER, WHILE A NETWORK STATE IS GEOGRAPHICALLY DECENTRALIZED AND ENCRYPTED. IT CAN'T EASILY BE PHYSICALLY INVADDED WITHOUT GOING AFTER ALL OF ITS TERRITORIES (MANY OF WHICH MAY BE UNLISTED, OR LITERAL SINGLE PERSON APARTMENTS), WHICH WOULD BE A POLITICALLY FRAUGHT MULTI-JURISDICTION CAMPAIGN. AND IT CAN'T BE DIGITALLY INVADDED WITHOUT BREAKING THE ENCRYPTION THAT PROTECTS ITS CONSTITUENT BLOCKCHAIN. SO A NETWORK STATE CAN BE THOUGHT OF AS A V3 OF THE STATE, THAT COMBINES ASPECTS OF THE SCALED NATION STATES OF THE 20TH CENTURY WITH THE NIMBLE CITY STATES THAT PRECEDED THEM. IT HAS THE POTENTIAL MASSIVE SCALE AND DEFENSIBILITY OF A BILLION PERSON NATION STATE, WHILE PRESERVING THE INNOVATION AND CONSENT OF A SMALL OPT-IN COMMUNITY. IT'S SIMILAR TO HOW BITCOIN COMBINES ASPECTS OF GOLD (V1) WITH FEDWIRE (V2) TO PRODUCE A V3 SYSTEM. IN SHORT, YOU NEED A STRONG COMMUNITY TO EVEN HAVE A CHANCE OF BUILDING A NETWORK STATE. TWITTER AT LARGE IS NOT IT, GOOGLE INC IS NOT IT, BITCOIN IS NOT IT — THESE LACK EITHER A SINGLE SELF-CONSCIOUS NATION, A FUNCTIONAL STATE, OR BOTH. A POLITICAL PARTY IS CLOSER. A VERY TIGHT-KNIT NFT COMMUNITY OR INFLUENCER/CEO FOLLOWING IS EVEN CLOSER. TO GET ON THE PATH TO NETWORK STATES, THEY WOULD FIRST BUILD DIGITAL STRENGTH VIA THE NETWORK UNION, THEN ADD PHYSICAL TERRITORY VIA THE NETWORK ARCHIPELAGO, AND THEN GAIN DIPLOMATIC RECOGNITION IN A TRUE NETWORK STATE. 5.3.12 WHAT TECHNOLOGICAL DEVELOPMENTS ENABLE NETWORK STATES? VENTURE CAPITALISTS ARE FOND OF ASKING THE "WHY NOW" QUESTION TO ENTREPRENEURS. WHY NOW? WHY CAN WE CONTEMPLATE FUNDING NETWORK STATES TODAY, AND NOT 5 OR 10 OR 20 YEARS AGO? WHAT'S CHANGED IN THE WORLD? WELL, A LOT HAS CHANGED. HERE ARE SOME OF THE KEY ENABLERS OF THE NETWORK STATE: 1. THE INTERNET IS TO THE US AS THE AMERICAS WERE TO THE UK. OF COURSE, THE INTERNET ENABLES THE WHOLE THING. BUT THE MANNER IN WHICH IT ENABLES THE NETWORK STATE IS WORTH DISCUSSING. THINK OF THE INTERNET AS A CLOUD CONTINENT, A SORT OF DIGITAL ATLANTIS THAT CAME DOWN FROM THE HEAVENS SOMETIME AROUND 1991 AND HAS PARKED ITSELF OVER THE MIDDLE OF THE PACIFIC OCEAN. EVERY DAY, EVERYONE WHO SPENDS (SAY) 8 HOURS ONLINE IS DOING THE EQUIVALENT OF FLYING UP TO THIS CLOUD FROM MENLO PARK OR TOKYO FOR BUSINESS OR PLEASURE, AND THEN FLYING BACK DOWN. WHILE

3. ON NETWORK STATES 257 There, They SEe NEw THings, MEet NEw PEople, AND SOmetimes FIGHT Them. 3. FAR, WHat WE've DEscribed IS MUch LIke THE SEttling OF THE AMericas FRom 1492-1890, BUt There ARE A T LEast TWo KEy DIfferences. FirSt, OF COurse, THE CLoud HAD NO PRE-existing PEople. SEcond, UNlike T He VASt-but-finite SOil OF AMerica, YOU CAN CREate NEw DIgital LAND AD INfinitum IN THE CLoud. AS WE D IScuss LATER ON, THAT REOpening OF THE FRontier CHanges EVerything. IT MEans THAT THE INternet IS TO THE USA AS THE AMericas WERE TO THE UK: A WIdE OPen TERRitory THAT ULtimately GAVE Blrth TO NEw STa tes AND WAYS OF THInking. 2. Bltcoin CONstrains LEGacy STates. Bltcoin IS THE NEwT MOSt IMportant PR erequi-Slte FOR THE NEtwork STate. AS A GOVERNment OF GOVERNments, IT GUarantees THE SOvereignty OF BOTH THE INDIVIDUAL Cltizen AND THE NEtwork STate ITSELF. NEither CAN HAVE THEIR FUNds STolen BY EA ch OTHER, OR BY A HOStile THIRd PARTY. Bltcoin HAS ALSO CREated NEw FORTunes OUTSIDE THE FIAT SYStem , DEMonSTRated THAT INStitutions AS POWERful AS THE FED CAN BE REPlaced IN A FEW DEcades, AND Plonee red AN ENTirely NEw WAY OF DESigning WEb SERvices IN A DEcentralized MANNER. 3. WEb3 ENAbles NEw CHA ins, DEcentralized IDentities, AND CENsorship-resistant COM-MUNITIES. WItH WEb3, WE CAN SEt UP A BL ockchain AS THE BACKbone OF EACh NEtwork STate. THIS IS THE COMMUNITY CHAIN THAT THE STate-appointed LEAdersHIP HAS ROOt OVER, AS A COMPlEment TO A PUBlic CHAIN LIke Bltcoin OR ETHEREum THAT SERVES AS AN EXtERnal CHECK AND BALANCE. WE CAN CREate DEcentralized IDentities SIMilar TO ENS AND SNS TO SER ve AS DIgital PASSports FOR THE NEtwork STate, DEfining Cltizen-SHIP ON THE BASis OF SIngle SIn-on ACCeSS TO NEtwork STate SERvices. AND WE CAN ALLOW NOT JUST CENsorship-resistant COMMUNICATION, BUt CENsorship-resistant COM-MUNITIES, VOLuntary GATHERings OF PEople THAT CAN EXIST OUTSIDE THE INTERf erence OR SURveillance OF LEGacy STates. 4. REMote AND STArlink OPEN UP THE MAP. THE MOMent SOMETHIn g IS PUT ON THE INternet, IT BEComes REMote FRiendly. AND EVerything IS GOInG ON THE INternet. MOreO ver, REMote DOESN'T JUSt MEAN AROUND THE CORner, IT MEANS AROUND THE WORLD. STArlink, AND SATellite ROADband MOre GENerally, POWers UP REMote FUR- THER, BY MAKInG HUGe SWaths OF THE MAP NEwly ECONo mically FEASible. NOTHING NOW PREvents A SUfficiently MOTivated DIgital COMMUNITY FRom SETTING UP THEIR OWN BURNInG MAN EQUIvalent IN THE MIdDle OF NOWhere, EXcept THIS TIme FOR PER-MANent HABitation, AN d WItH AN EYE TOWARDS INCORPORATING FORMAL TOWNS AND AND CltIES. THIS COMPlEments OUR EARLIER POInt: THROugh THE INternet, WE'RE REOpening THE FRontier, AND MAKInG PREviously GODforsaken AREAS OF THE MAP MUch MOre ATTRACTIVE. UNlike PAST ERAs, YOU DON'T NO LONGer NEED TO BE NEAr A PORT OR MIne TO BU ild A Clty; YOU JUSt NEED TO BE NEAr AN INternet CONNecTion. 5. MOBILE MAKES US MOre MOBILE. LAW IS A FUNcTION OF LATitude AND LONGitude, SO IF YOU CAN EAsily CHAnge YOUR LATitude AND LONGitude, YOU C AN CHAnge THE LAW UNDER WHICH YOU LIVE. THAT'S WHY THE MOSt IMportant LONG-term CONSe- QUENCE OF TH E SMARTPHONE IS Tlebout SORTInG. THAT IS, ALI OF THE ASSumptions IN CHARles Tlebout's FAMOUS PAPER FR om THE 50s BEComE FEASible WItH SUfficiently

CHAPTER 5. FROM NATION STATES TO NETWORK STATES ADvanced PHones. With DIgital NOmad SEArch E
es Like 'Teleport.org' AND 'No- MADlist.com', SOme PEople CAN CHOOSE WHO THEY WANT, WHILE OTHERS MOV
e WHERE THEY LIKE. 6. VR BUilds A CAPITAL IN THE CLoud, AR MIrrors IT ON THE LAND. Virtual REALity (
AND MORE GENERALLY THE OPEN METaverse) ARE YET ANOTHER WAY IN WHICH THE OBLIGATE TIES TO THE LAND ARE
e BEING CUT. WE CAN NOW BUILD FULL CASTLES IN THE SKY, AND THEN WITH AUGmented REALity PROject Them
ONTO THE EARTH. FOR A NETWORK ARchipelago OR NETWORK STATE, THAT'S A POWERFUL WAY TO LINK DIStribute
d PHYSICAL TERRITORIES TOGETHER INTO A COherent WHOLE. 7. SOCIAL DISintermediated THE MEDIA. AGAIN,
THIS ONE IS ALMOST TOO OBVIOUS, BUT SO- CLAL MEDIA ALLOWED ANYONE TO BUILD A MASSIVE FOLLOWING ONLINE
e, IT DISintermediated THE LEGACY MEDIA, AND (IN COMBINATION WITH MESSAGING APPS AND RELATED TOOLS)
IT MADE ONE'S CONTACTS IN■nitely PPORTABLE. 8. GAFAM SHOWED US WHAT'S POSSIBLE, STARTUP/VC SHOWED US
W. NONE OF THE WEB3 WORLD WOULD BE POSSIBLE WITHOUT THE WEB2 AND WEB1 WORLDS. GOOGLE SHOWED US
COULD BE DONE FROM A GARAGE. FACEBOOK SHOWED US WHAT COULD BE BUILT FROM A DORM ROOM. THE ENTIRE
STARTUP INDUSTRY HAS SHOWN US THAT BIG THINGS CAN BE DONE ON A SHOESTRING. WITHOUT THE TRILLION DOLL
AR COMPANIES AND BILLION USER NETWORKS, WE WOULDN'T FEEL LIKE WE COULD BUILD MILLION PERSON NETWORK
STATES. IN PARTICULAR, AS GILLES BAbINET OBSERVED, ONCE YOU SEE PARTIAL TRANSFERS OF SOVEREIGNTY IN
THE DIGITAL WORLD, YOU KNOW MORE MAY COME. FROM THE POSTAL SERVICE TO GMAIL, FROM TAXI MEDALLIONS TO
UBER AND LYFT, FROM THE BANKS TO BITCOIN, FROM THE MAPS TO GOOGLE MAPS, FROM THE FCC TO WHATSAPP,
FROM THE COURTS TO MODERATORS, LEGACY STATES CONTROL LESS AND DIGITAL NETWORKS CONTROL MORE. OF COURSE
e, THE FORMER LACK TECHNICAL COMPETENCE AND THE LATTER LACK DEMOCRATIC LEGITIMACY, WHICH IS EXACTLY
THE PROBLEM THE NETWORK STATE SOLVES. NEXT, HERE ARE A FEW THINGS THAT WILL BE HELPFUL TO NETWORK ST
ATES, BUT ARE NOT ESSENTIAL FOR THEIR CONSTRUCTION: 1. LAND BECOMES ELASTIC. AS WILL ROGERS ONCE SAI
D, "BUY LAND, THEY AIN'T MAKING ANY MORE OF IT." OR ARE THEY? SEASTeadERS AND THE ARTI■cial ISLANDS
BUILT IN DUBAI SHOW THAT LAND SUPPLY IS PERHAPS MORE ELASTIC THAN WE THINK. WE ALSO KNOW YOU CAN BU
LD CRUISE SHIPS. SO IT'S POSSIBLE THAT WE COULD START REOPENING THE FRONTIER PHYSICALLY AS WELL, NOT
JUST DIGITALLY. THIS ISN'T INCOMPATIBLE WITH GEORGISM, WHICH ARGUES THAT THE INELASTIC SUPPLY OF LA
ND MEANS THERE SHOULD BE ONLY ONE TAX, A LAND TAX; IT JUST MEANS THE SUPPLY IS NOT PERFECTLY INELAST
c. IF YOU COMBINE THE TWO CONCEPTS, IF MORE VALUE CREATION GOES ONLINE AND AWAY FROM THE PHYSICAL W
ORLD, YOU GET THE IDEA OF BEING ABLE TO (A) PRINT MORE LAND, AND (B) PARTIALLY COMMODITIZE EXISTING
NATION STATES AS PROVIDERS OF LAND AND NATURAL RESOURCES. 2. TELEPRESENCE CHANGES THE NATURE OF IMMIG
RATION. THE NEXT STEP AFTER SIMPLY PROJECTING IN AN AR AVATAR IS TO DIAL UP A ROBOT ON THE OTHER SI
DE OF THE WORLD AND

5.3. ON NETWORK STATES 259 Start Walking Around. This Should In Theory Be Feasible By Combining (A) Boston Dynamics' Legged Robots, (B) DoubleRobotics' Telepresent iPads On Wheels, (C) An Oculus Quest Headset, And (D) An Omnidirectional Treadmill. That Combination Of Devices Could Furnish Immersive Control Of A Humanoid Robot Anywhere On The Globe. 3. Bits Reopen Innovation In Atoms. Innovation In Areas Like Biomedicine, Robotics, And Energy Is Not Upstream Of The Network State, It's Downstream Of It. The Network State Solves The Problem Posed By Thiel, Cowen, And J Storrs Hall. We're Using Bits To Reopen Innovation In Atoms, Because Innovation In Atoms Has Been Blocked By Regulations, Which Are In Turn Created By The US Establishment And Exported Ali Over The World Through Harmonization. The Network State Uses Digital Technology To Gain Sufficient Consent In The Cloud To Build A Community, Crowdfund Territory, And Eventually Gain Recognition As A Sovereign Polity. Once We Do So, We Can Return Innovation To The Physical World. The Nation State Was Enabled By Maps Of The World, Tools To Communicate Laws, And The Guns To Enforce Them. The Network State Is Enabled By The Creation Of A New World (The Internet), The Software To Code And Communicate Policies, And The Cryptography To Enforce Them.

Chapter 6 Appendix 6.1 Acknowledgments This Book Took A Fair Bit Of Work To Put Together, And I Want To Credit The People Who Worked Closely With Me To Make It Happen. @Zane1729 Helped With All Aspects Of The Book, From Research And Fact-checking To Proof- Reading And Transcribing To Figures To Code. @Gfodor Wrote The Entire Ebook Reader And Site. @Jonst0kes Coded The Commemorative Book NFT And Managed Our Community. @Aaraalto Did The Cover And NFT Art. @Elijahmadonia Worked On Figures And Web Design, While @0FJAKE And @Xenbh Helped With Book Logistics. Their Contributions Were Invaluable. Oh, And One More Thing. . . 6.2 About 1729 The Publisher Of This Work Is 1729. It's Named After The Ram Anujan Number, Which Symbolizes For Us The Dark Talent: All Those People From The Middle Of Nowhere, Passed 260

6.2. ABOUT 1729 261 OVER BY THE ESTABLISHMENT, WITH CRAZY-but-correct IDEAS, WHO COULD DO GREAT THINGS IF ONLY GIVEN THE OPPORTUNITY. THESE ARE EXACTLY THE KINDS OF PEOPLE WHO WE EXPECT WILL FOUND STARTUP SOCIETIES AND NETWORK STATES. IT'S ALSO A COMMUNITY FOR PEOPLE INTERESTED IN MATHEMATICS, CRYPTOCURRENCIES, SEAST- EADING, TRANSHUMANISM, SPACE TRAVEL, LIFE EXTENSION, AND INITIALLY-crazy-seeming -but- TECHNOLOGICALLY-feasible IDEAS. . . LIKE NETWORK STATES THEMSELVES. IF YOU WANT TO JOIN US, THE FIRST STEP IS TO SUBSCRIBE TO THE NEWSLETTER VIA THE WIDGET AT THENetworkstate.com. YOU'LL ALSO GET FREE BONUS CHAPTERS FOR THE NETWORK STATE AS THEY ARE RELEASED.