

## Tragedy of the Commons as a Business Opportunity

# My vote - my property!

### A Case for Legalizing Political Vote Ownership and Its Free Trade

**“The right to vote is the voter’s PROPERTY.”** This simple amendment to the constitution instantly converts a **republic**, a socialist non-profit association of members, into a **for-profit business**, essentially **OWNED by all voters individually**.

**This alone improves all policies, at the fastest possible speed.**

**Privatizing state assets is superficial, insufficient and temporary if the state itself remains ownerless.** Once the votes start being traded they become shares of a state-as-for-profit-business. Political goals become **measurable**: maximizing the market PRICE of the vote.

Owners of controlling number of votes become guardian angels of **the country** because of their **self-interest and power** to effectively demand profitable policies from the management. Free market policies are the most profitable for a country’s vote-owners, but also for its residents.

**A sovereign state is always the only true landlord.** Even if the government privatizes all the land in a country, the state still collects its rent as taxes. Vote owners are owners of the **state**, the **sovereign owners of ALL the land within its borders**.

Many great ideas were first illegal worldwide, but ideas that can create huge legal profit for its investors CAN NOT BE STOPPED from becoming legalized.

**All sovereign land belongs to voters: vote for vote-ownership.**

## **The paradigm shift: Tragedy of the Commons as a Business Opportunity**

For very many centuries the most respected scientists of the time believed that the Earth is flat. Some Ancient Greeks realized that it's not flat but round, and even managed to calculate its approximate size, but it took many more centuries for **science** to actually admit the fact.

Today we all know what the Earth looks like, but there are still many more big surprises hiding from us, counterintuitive truths waiting for centuries to be understood or recognized.

The good news is that my discovery will not have to wait for centuries to be admitted by the authorities in the field. The problem it solves has immediate practical positive consequences for billions of people, which makes it profitable for its investors. Where there is a profit there will be funding. That is my favorite aspect of the solution, not so much because of the profits I may earn, but because I will not have to waste time convincing voters. It will be much easier to find investors to provide funds to put their money where their mouth is. Once the real money is put on the table the talk will start to walk.

**Human ability to think is very overrated, but also unequally distributed.** It's very hard to explain to majority anything. Explaining is not easy even to academics. But that's where free markets come to rescue. **Everyone loves profits.** Some investors will understand why votes should become tradable and they will see how **they** can profit from it. THAT will change the world. It will save it and develop it. It does not matter whether these investors are good or bad people, whether they believe in free markets or in communism. Investors are under strong pressure to make profit and a country trying

the same can never look like communist Cuba or North Korea. It will much more resemble Singapore or Switzerland.

### **Democratic revolution was a nationalization of sovereign property**

Hereditary monarchy was the way that most major countries were organized for many centuries, and we can look at them as a private for profit enterprises with the monarch as sole owner and CEO of the state. Even though some lasted many centuries, those businesses had a serious structural weakness: having one single owner is a very fragile way of owning and controlling a country-size land plot with millions of tenants. Since monarchs lacked the ability to raise equity capital by selling shares in their sole proprietorship, the financial troubles of monarchies made democratic revolutions much more likely to happen.

### **Democracy converted the privately owned state into a nonprofit association of members**

What democratic revolutions did with absolute monarchies was the **opposite of privatization**: Instead of transferring ownership of the state from the monarch to the citizens, they took the ownership from the monarch but transferred to citizens only “common ownership“. What that means in reality is that no citizen received his piece of the monarchy, citizens didn't inherit sovereign ownership from the monarch. The ownership rights of the monarch remained packed and ready to ship, but only “usage right” of votes got shipped to the voters, while the ownership wound up hidden somewhere in the attic. The consequence of this “detail” was that the agents, the politicians, had a field day... that still continues today.

Thanks to technological revolution that was accidentally happening at the same time, humans could suddenly **afford** to live even under a system known as “tragedy of the

commons”, and not starve. But even the rapid technological revolution cannot compensate for the autoimmune disease of “one voter - one vote”, which in fact led to creation of **uncontrollable and thus irresponsible political class** ready to destroy whatever it takes just to further their personal financial and political goals. The debt of many nation states is rising rapidly and bringing them near bankruptcy. The worst part is that this also applies to the world’s major powers whose bankruptcy may trigger a disastrous world war.

The soundness of idea of building a world founded on organizational tragedy is clear to anyone who looks at the numbers: almost all ownerless nation states are accelerating towards bankruptcy. They are not only inferior structures for sovereign land management, but also mostly unsustainable.

### **Democracy never transferred sovereignty from the monarch to the citizens**

The true democratic revolution would happen if the transfer of the monarch’s power, together with his ownership of the legal entity of the state itself, was fully completed, that is if the citizens received shares of ownership of the state, ownership that previously belonged to the monarch. However, not only did the new political class not allow this, it actually declared it a crime in most countries.

The conflict of interest between citizens as new principals who had “inherited” the previous principal, i.e. the monarch, and the new political class, became huge, as the citizens were cheated out of true ownership of the state that was taken from the monarch. **Ownership of the state was thus eliminated, for the huge benefit of the political class, as it was left to run the countries as powerful agents of powerless principals - the citizens shortchanged of power to own and trade their votes.**

So, in short, the state in an absolute monarchy was the private property of the monarch but with democratic revolutions the ownership of the state was not transferred to the citizens as new owners. Instead, an absolute monarchy was converted from a private property into essentially a socialist entity with no owners, weak principals and powerful agents. A very bad model for organizing the actions of millions of people within a country. A dangerous model for the survival of billions of people on this planet.

### **Voting rights as the property of the voter**

Luckily, there is a simple way out of our common tragedy.

The miraculous cure starts the moment that voters add one short sentence to the constitution of their country:

**“Voter’s vote is voter’s property.”**

These words are true magic.

It’s the magic of **private property**, the most powerful civilization-building technology that mankind ever discovered.

Once the votes become tradable private property, they actually become shares of ownership of the state with voting rights, even before votes get explicitly declared shares of ownership (but it will get explicit, too). At that moment the price of the vote is born, a crucial number, essential for judging how a country is doing.

Legalization of vote ownership allows the most crucial division of labor of all.

No other citizenship rights need to be attached to the voting rights, so sellers remain citizens and buyers do not become citizens but only voters. A country may or may not decide to limit the resale of votes only to its citizens. The key point is that the state does not interfere with the price of the vote as that would only corrupt the whole idea.

Legalizing vote ownership and free trade of votes at a freely agreed price between buyer and seller is THE MOST CRUCIAL POLICY any political entity could possibly enact. All other good policies will come from the political body having its guardian angels: its owners. A non-profit association of members who are not allowed to sell their voting rights is a terrible way to organize any large enterprise, especially a country.

### **Privatization of the state vs. privatization of state assets**

Whatever a country with no owners happens to be it's hardly worth the effort of improving it because it will soon fall back, victimized by its agents. But it is worth PRIVATIZING it, and I mean PRIVATIZING THE VERY COUNTRY ITSELF, not just its assets! Let the owners of the country worry about what assets they want to sell and what to keep, who am I to tell them? Once a country is privately owned, its shareholders and management will most carefully analyze available options, because they have their own "skin in the game".

A credo of some libertarians, "privatize everything", is considered an extreme by many, but there, the "everything" means only all the **assets of the state**. It misses the main target, the only really important thing: the state itself. Once the state is privatized by becoming a privately owned entity, EVERYTHING else is automatically privatized at that same moment. When the state is ownerless as in a democracy, everything sinks under the weight of tragedy of the commons. My proposal is intervention at the ROOT: privatize THE STATE, its assets are then privatized automatically as the state itself became privately owned. The foundation must be built of the most solid material, and in the world of humans private property is by far the best we have invented so far.

Libertarian demand for lower taxes is inconsistent with it's own ideology of property rights because it demands from the sovereign landlord to lower the rent (taxes). Such demand is socialist, just as is the acceptance of state organized as nonprofit, not owned

by the principals. The land over which the state has sovereignty is called sovereign land. In real life only a sovereign ownership is real ownership of a land. All other land “ownerships” are only disguised rentals.

The value of the votes turned into property is equal to the discovery of undiscovered land. Ownership of this land is ownership of sovereignty. Owning a vote equals being a proportional landlord of the state on the sovereign level.

### **Practical consequences of a state as a privately owned for profit business**

What would happen to voters who sell their vote? We could be sure that sellers will be one step ahead, otherwise they would not do it, just as it is the case with buyers. Those that would rather have cash for education or start a new business or whatever they feel they should do with their property, should be allowed to SELL votes to have something they value more. Those who would rather buy votes than anything else should be allowed to freely trade with sellers. This is all for grownups only, anyway.

But, what could be the market value of the votes-as-property? After all, aren't most of today's countries nearly bankrupt? I believe that votes would have a very high market value and this is why: The votes are really shares in sovereign land ownership (plus the other state owned assets, minus the government debt). **In every single country all the land is owned by the state.** Private land “owners” are really essentially renters from the sovereign state, don't be tricked by the names, look at what goes on. An “owner” that loses his land for not paying land tax was not an owner in the first place, he was just renting. Renting land from the sovereign has a privilege of being called ownership, but that is not only false, it is even ironic. A real owner pays no rent under any fancy names or formulas.

Turning votes into property of the voters helps every single member of society, regardless of whether he is a voter or not. Millions of people every year emigrate from their own country, leaving behind friends and family, even their cherished voting rights, while taking the significant risks of dangerous travel and often illegal immigration, just to get to the countries that are better managed than their own. They pay a very high price for a somewhat better life, even work as taxi drivers while back home they were maybe engineers or doctors. But privatized countries will be much better run than current non-profits which will give much better opportunities for people there, so a privately owned India or Brazil may quickly become more of a land of opportunity than EU or US, if they remain non-profits. Converting a country from nonprofit to for profit state is like moving from Ghana to Switzerland. Individuals that still want to leave might decide to sell their votes and use that cash to make the transition smoother, or they can pack their vote with other valuables if they consider it a good investment.

This policy of upgrading voters into owners of their votes will do the most for the lowest economic classes because the wealth of a state, until now controlled by political class but not owned by anyone, will get distributed equally to each voter. An equal amount is much bigger to the poorest third of population than it is to the upper two thirds. Any other free market policy proposal can not compete with this one except on the ease of pass in the real politics. But any of these policies can be passed only temporarily because of the destructive power of the tragedy of the commons will not let it last. It can only give us a false hope and short lived pleasure on our road downwards.

Private owners of a country will be careful not to make life miserable for anyone living on the sovereign property as that would promote crime and thus lower the value of their own investment. I suppose that today's welfare policies would be dramatically different and more efficient. The private state would probably create more incentive for the unemployed to look for work and interfere less between willing employers and employees. Minimum wage and other policies that create artificial unemployment would

be less and less. Private charities would come back and some may even be funded by the private for-profit state, why not?

But, as a matter of principle, when it comes to finding solutions to other people's businesses, to tell you the truth, I do not know, neither do I care. Those that do care, their owners, the shareholders, will find much better policies than any of us can offer them. All that I can do is point to the illogical structural form which is trying to accomplish the impossible, and offer a sensible reconstruction of the foundation of the state. And yes, I will try to make a profit from this business, I will look for investors to back it up. I expect that investment funds, not political parties, will be the vehicle that will drive this revolution.

Instead of making for profit countries illegal, the nonprofit political entities should be converted into for-profits. Instead of making vote trading illegal, most ownerless entities should convert its voters into owners and political ones should do it without exception. The justification for abandoning the use of NGO-type structures on sovereign countries is that it is clearly an ill-suited organizational form for founding a civilization on, as it does not provide the principals with sufficient control over their agents.

**All sovereign land belongs to voters: vote for vote-ownership!**

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