

HOW TO CREATE A STATELESS SOCIETY: A STRATEGY FROM UTOPIA TO REALITY

(prepared by Fabio Daneri)

It is well-known that Karl Marx envisaged a final stage in the framework of the transformations foreseen from a socialist system based on the dictatorship of the proletariat to the communist society. Nevertheless, the German philosopher did not provide many indications on how the stateless society could be actually reached.

Important elements are instead provided by Marx and Engels as basic features of the future communist society. In particular, in “The German ideology”, it is described a system where the division of labor will be overtaken and nobody will have an exclusive activity to be performed: “In communist society, where nobody has one exclusive sphere of activity but each can become accomplished in any branch he wishes, society regulates the general production and thus makes it possible for me to do one thing today and another tomorrow, to hunt in the morning, fish in the afternoon, rear cattle in the evening, criticize after dinner, just as I have in mind, without ever becoming either hunter, fisherman, herdsman or critic”.

It is clear that Marx and Engels saw a relation between the state and the division of labor, probably due to the oppressive conditions of work of the time. In fact, they link the absence of the state to the possibility of overtaking the division of labor in the stateless society.

How can such a society be reached? That represents one of the history most long standing riddles.

Based on a new theoretical approach, a stateless society can arise from the concept of the redistributive enterprise. This is a new model of enterprise which is based on a simple, specific feature: part of the profits is directly handed over to individuals external to the organization by the entrepreneur, as donations.

Let's think about one thousand persons who decide to live in a community area as part of a social experiment in Cuba, China or another socialist country. One of them runs an enterprise. For example, a website, that is managed individually. The website sells its services at world level and makes 10.000.000 US\$ profit per year. Successful websites run by a single person and with similar sort of profits are not so unusual in today's business world. Based on his/her own decision, the entrepreneur decides to share the profit with the rest of the community, providing 1.000 US\$ per month to each member.

This new model of community represents an innovative case of stateless economics. It is a possibility to create wealth and to have people free to pursue different activities during their day.

For sure, it's a society where profit making is outsourced to a single individual. Even so, it's difficult to affirm if the objective of the entrepreneur is profit, sharing the same with the rest of the community or building a new type of society. In fact, his economic objective is probably threefold, corresponding to the three aims mentioned before.

As mentioned, the rest of the society is instead not supposed to work and it's free to dedicate themselves to other sorts of enriching humanitarian, social or productive activities, just like in Marx's final stage of communist society.

The stateless society and the redistributive enterprise

An important question should therefore be addressed. Does this system might represent the famous stateless and classless society foreseen by Karl Marx?

The peculiar system described by Marx is compatible with the social experiment described above, where the distributive enterprises basically overtake the issue of the division of labor, given that, apart from the entrepreneur, the other members of the communities are free to dedicate themselves to any productive or social activity they deem opportune. Of course, also a system of rotation in performing the role of the

entrepreneur could be applied, if the website to be run is relatively easy, and that would really lead to go past the division of labor and the class system.

But what are the main features of the redistributive enterprise in details and what might instead be the characteristics of our experimental society?

Basically, the redistributive enterprise can work like any kind of enterprise. Of course, it can work in any productive sector, since there are no relevant limitations to that. Secondly, the capacity of transferring profits to the members of the community in an adequate amount is strictly linked to the possibility of eliminating the necessity of a state actor, which is normally in charge of providing health, education and the other usual social services. It would be therefore a system able to empower people, which would be able to satisfy their needs directly, through the purchase of goods and services on the market.

The law of economics must therefore be respected also by the redistributive enterprise, so that the entrepreneur should be able to produce funds to be distributed to the members of the community, while at the same time he/she should be able to stay on the market.

As a consequence, we can imagine a situation where the redistributive entrepreneur gets some extra-profits by “doing well while doing good”, in the sense that he gets additional clients because of the social good that he is pursuing, for example his/her services are purchased by leftists all over the world. In alternative, he might benefit from a scale of lower costs of production, for example being alone in his entrepreneurial effort. Otherwise he might enjoy a monopolistic position which is able both to exploit and protect from other potential competitors or for some peculiar reasons has some competitive advantage over the competitors in the industry.

This new kind of enterprise has also another important feature. It aims at introducing a Pareto improvement in the society, in the sense that it favors “an action done in an economy that harms no one and helps at least one person”. The transfer of resources from the redistributive enterprise to a member of our community is what promotes a Pareto improvement. Of course, the redistributive entrepreneur should consider its

donation as not harmful to himself/herself, but instead be able to obtain utility from that, which is what normally happens since the decision to distribute part of the profits is taken in freedom. Society would therefore regulate production, as foreseen in the final stage of Marx evolution of societies.

Few questions come obviously to one's mind concerning the potential organization of this new experimental society. In particular, the issue concerning the provision of public goods and other typical market failures has a high relevance. Normally, the private sector is in fact not fit to face an emergency situation such as a landslide or be able to finance and build a new road.

In order to address these important issues, we can imagine a situation where, for example, fifty persons of our hypothetical community are in charge of dealing with such activities, through voluntary contributions provided by the rest of the group. No tax system would be imposed by a state, only contributions would be offered by the community in order to face situations connected with typical market failures.

The only requirement is for the theoretical fifty persons to be available and willing to perform the activities needed by the society.

After dealing with this issue, another question is to be addressed. What is actually a state? What does therefore define, in the sense of lack, the same concept of a stateless society? Is actually our experimental and hypothetical community a possible example of stateless society?

Sovereignty is the main characteristic that defines a state. In other words, a state is able to use its power over the citizens, through its sovereignty function and associated law system. A stateless society is therefore marked by the lack of sovereignty and a law system.

We can therefore affirm that our experimental society, being characterized by a unique level of freedom and voluntary interactions among their members, represent a system of stateless society.

Anyway, it should be highlighted that such society wouldn't be fully autonomous, given the fact that it has to purchase goods and services from neighboring towns, although, as previously described, productive activities can be also freely implemented within itself.

Therefore, at the dimensional level that we have envisaged in our example, it would be difficult to imagine an autarchic reality. As previously mentioned, our hypothetical society could be probably a self-sufficient reality through the economic interactions with its neighboring subject.

In order to grow bigger more redistributive entrepreneurs could instead grow within the area destined to the social experiment. The decision to identify and allocate an area big enough to host several redistributive enterprises is therefore crucial to experiment interactions and new possibilities of development.

Entrepreneurs could belong to completely different sectors of the economy, taking care of one or the other part of the population. That would preserve the concept of community that characterizes our society, which is a structure strongly marked by a unique sense of redistributive justice and no competition among its members.

An example of a website which could maintain a lot of people and be managed by a single individual is a website which proposes newsletters on how people live and create the stateless society, a dream for many leftists around the world.

It would be a website easy to take care of, where everybody could contribute with its stories, therefore rotating in the position of the entrepreneur and providing a really classless, egalitarian society. The website services could be purchased by leftists all over the world, which support the creation and experiment of a stateless society, and therefore a hypothetical profit of 10.000.000US\$ could be easily reached.

A final element should also be highlighted: cash transfers structured as donations could be implemented also from outside the stateless society, both from private and public partners, through the website and outside, in order to make the society to grow gradually bigger and bigger. A really high number of people working in the stateless society could be actually be reached.

Note about the author.

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