SEALAND AND HAVENCO: A NEW INTERPRETATION

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OCTOBER 8, 2010
I. HISTORY
GDV Virtual Chakra - Herrn Johannes Seiger; Alter: 68 Jahre

Ergebnisse VOR der Einwirkung des Vrilstabes

Anzeige der numerischen Diagrammdaten für:
Seiger Johannes W. F. - 15.05.2009 14:23:55 - GDV-Aufnahmen ohne Filter

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HAVENCO: THE RISE

- Data haven subject only to (minimal) Sealand law
- Strong crypto-libertarian *bona fides*
- First-world infrastructure, third-world regulation
- Legal sovereignty, redundant links, physical security
- Launches in 2000 with a *Wired* cover story
HAVENCO: THE FALL

- Never more than a dozen customers, mostly gambling
  - The huge server racks were a myth; bandwidth was low
- Relationship with Sealand deteriorates
  - Sealand advisors have low tolerance for copyright risks
- Transition to Sealand control at first amicable, then not
  - “Under new management” HavenCo gradually peters out
II. INTERPRETATION
TWO RELATED QUESTIONS

- What was HavenCo’s relationship to law?
  - National law
  - International law
  - Sealand law
- Why did HavenCo fail?
HavenCo existed to undermine national laws and policies. Its business model was extreme regulatory arbitrage: “Our customers don’t want to break the law; they want a different set of laws they can comply with.” But arguably, there wasn’t much demand for its product: Offshoring data doesn’t suffice for real-world businesses. And true scofflaws don’t need the veneer of legitimacy.
INTERNATIONAL LAW

- HavenCo was a reseller of Sealand’s sovereignty
  - Clients may pragmatically have concluded that Sealand’s claims to independence were unlikely to stand up
  - The one court to face the issue squarely rejected them
- HavenCo’s theory of government was minimalist:
  - One person suffices for a state
  - A passport stamp constitutes diplomatic recognition
INTERLUDE

- HavenCo rejects essentially all forms of national law
  - But is completely dependent on international law
- These two positions can be reconciled, *if*
  - Law is an autonomous system of binding rules
  - Human, political institutions are normatively irrelevant
- This is a thin vision of the rule of law
In the end, Sealand nationalized HavenCo

HavenCo couldn’t object without undermining itself

Sealand is a rule-of-law failure

An absolute monarch surrounded by courtiers

Frequent but irregular state violence

No professional judiciary, independent press, parties, etc.
ON THE RULE OF LAW

- HavenCo got exactly what it wanted in Sealand:
  - A minimal state, shielded by international law from interference, but with no domestic legal system of its own
  - Sealand “law” was as thin and formalistic as it could be
  - But this thin version of the rule of law doesn’t work
  - Laws don’t protect people; people (using law) protect people
III. IMPLICATION
HavenCo is motivated by the fear of Leviathan

Since Madison, the standard response to that fear has been the rule of law, implemented via constitutionalism

HavenCo assumes the failure of the Madisonian project

But it’s hardly alone in doing so

What can it tell us about other attempts to escape?
MICRONATIONS

❖ Sealand is the *most successful* micronation to date

❖ Small = weak

❖ Don’t even get me started on the Kingdom of Lovely, Whangamomona, or the Aerican Empire

❖ Seasteads can run away, but they can also sink

❖ Starting again doesn’t so much avoid the governance problem as recreate it in a new geographical setting
DATA HAVENS

✧ Neal Stephenson’s *Cryptonomicon* gets it more right
  ✧ Kinakuta is large, old, and oil-rich
  ✧ *Cf.* Iceland: a real nation-state with real democracy
  ✧ For cyberlibertarians, the physical body is an embarrassment
  ✧ HavenCo’s territoriality was theoretically anomalous
  ✧ Even its founders saw HavenCo as transitional
VIRTUAL WORLDS

✧ E.g., virtual worlds present a double problematic:

✧ Leviathan threatens to control them from without

✧ Leviathan reappears inside, in the form of the game gods

✧ We can solve either, but never both at the same time

✧ Some form of law is inevitable for online spaces

✧ The Internet needs its Madisons
EPILOGUE
QUESTIONS?