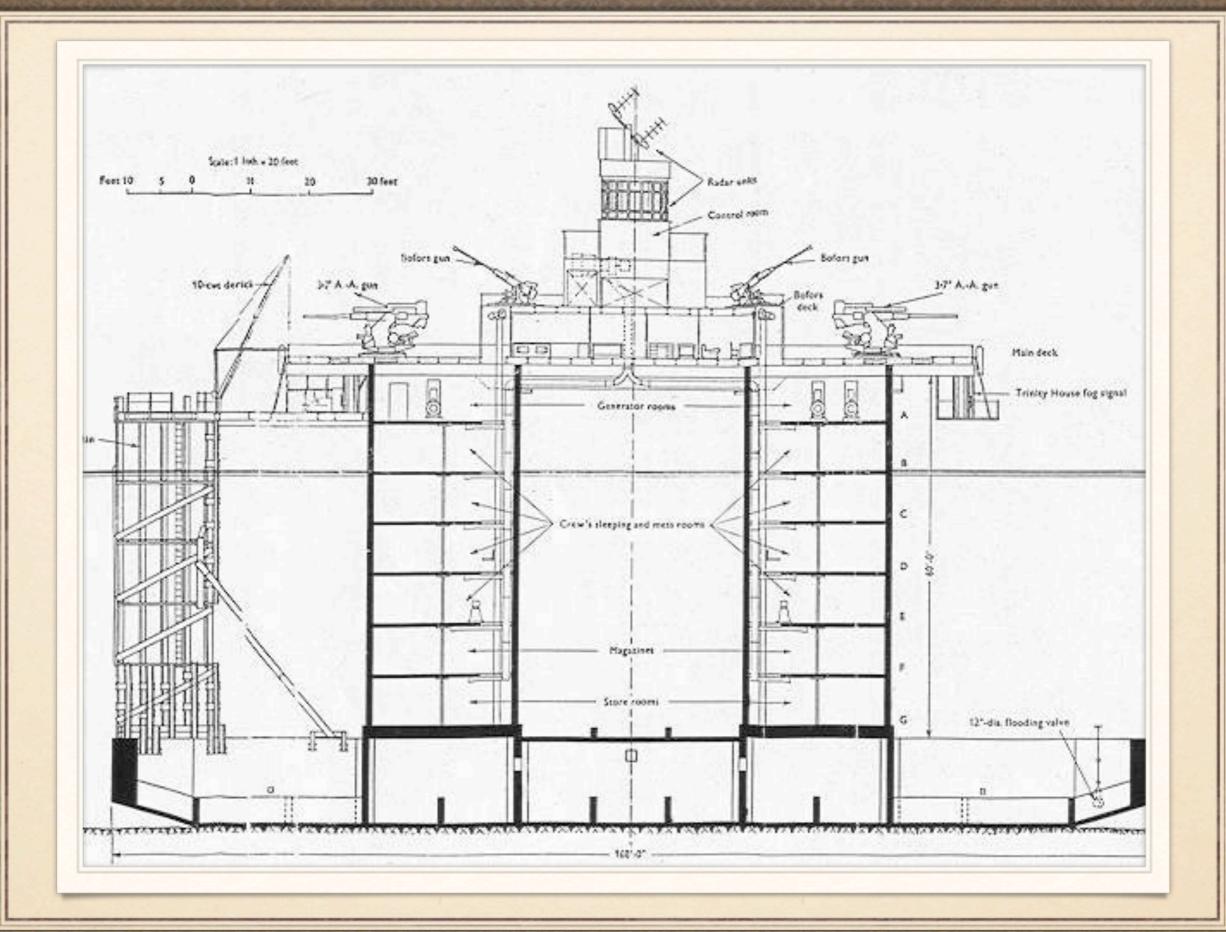
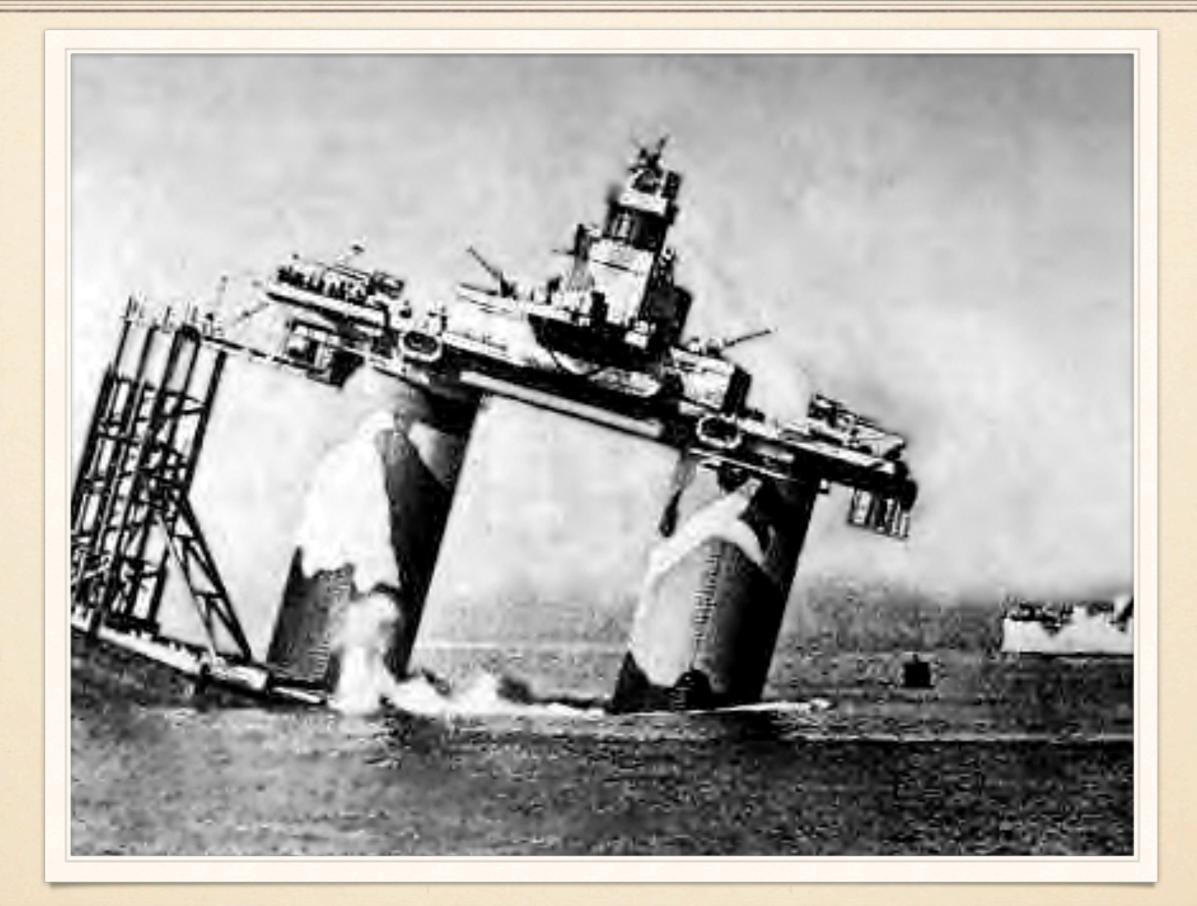
SEALAND AND HAVENCO: A NEW INTERPRETATION

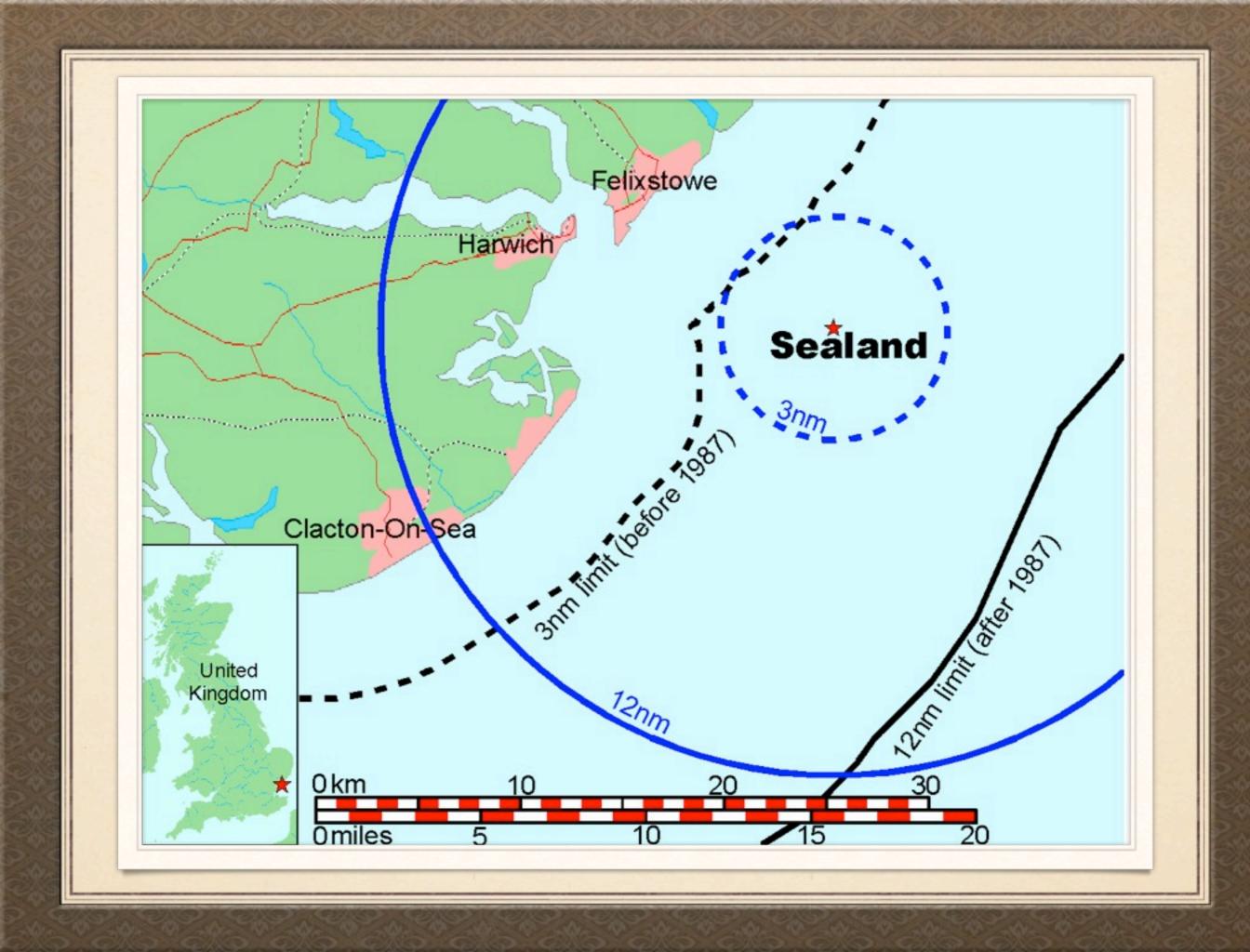
JAMES GRIMMELMANN
YALE ISP
OCTOBER 8, 2010



I. HISTORY















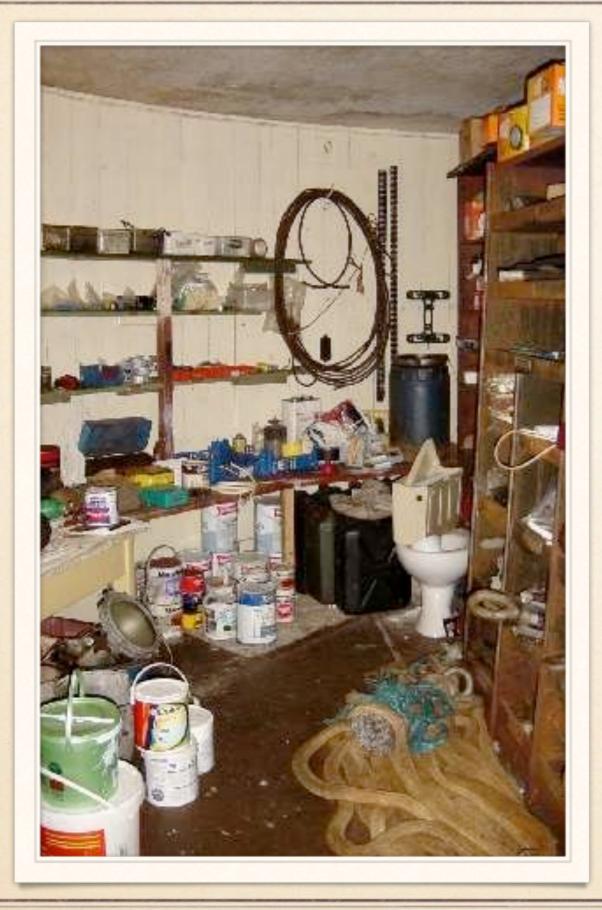






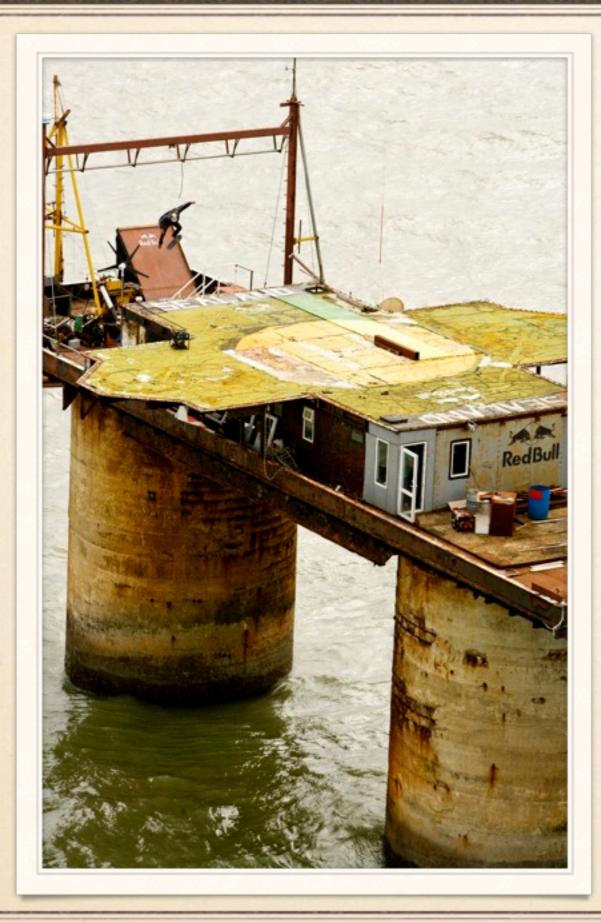






























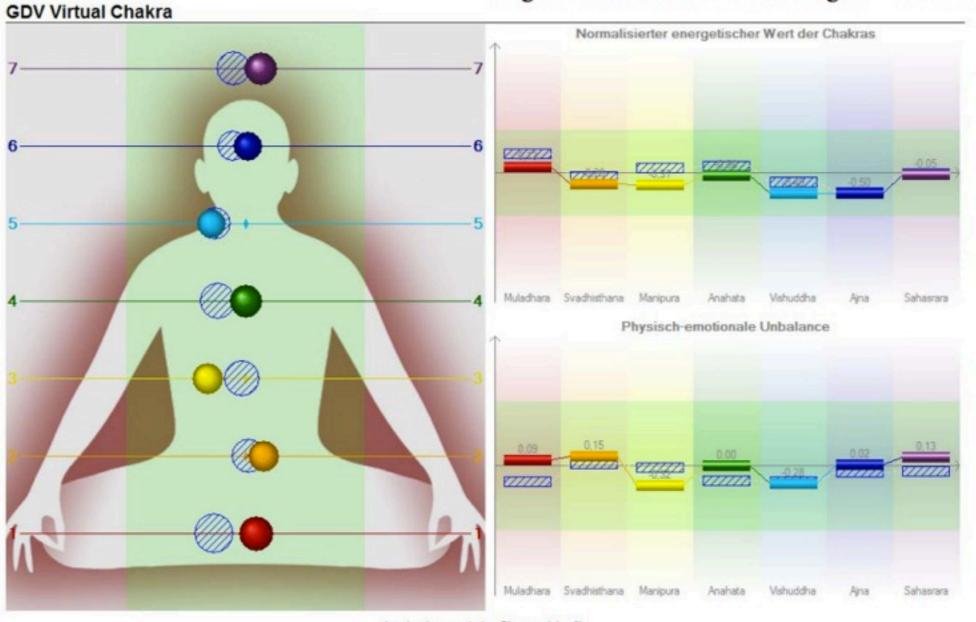




GDV Virtual Chakra - Herrn Johannes Seiger; Alter: 68 Jahre







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

© Kirlionics Technologies International



ANDREW PHILLIP CUNANAN

UNLAWFUL FLIGHT TO AVOID PROSECUTION -SECOND DEGREE MURDER

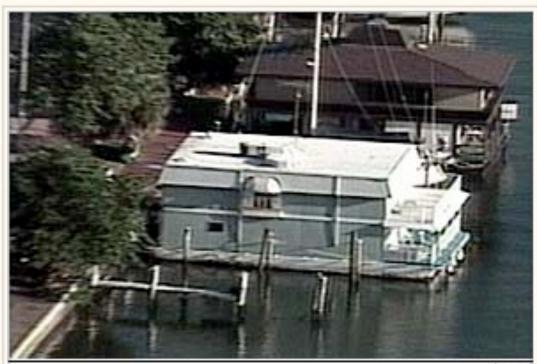
Aller ANDREW PHILLIP OF SILVA







Date of Birth: AUGUST 31, 1969 Race: WHITE Sex: MALE

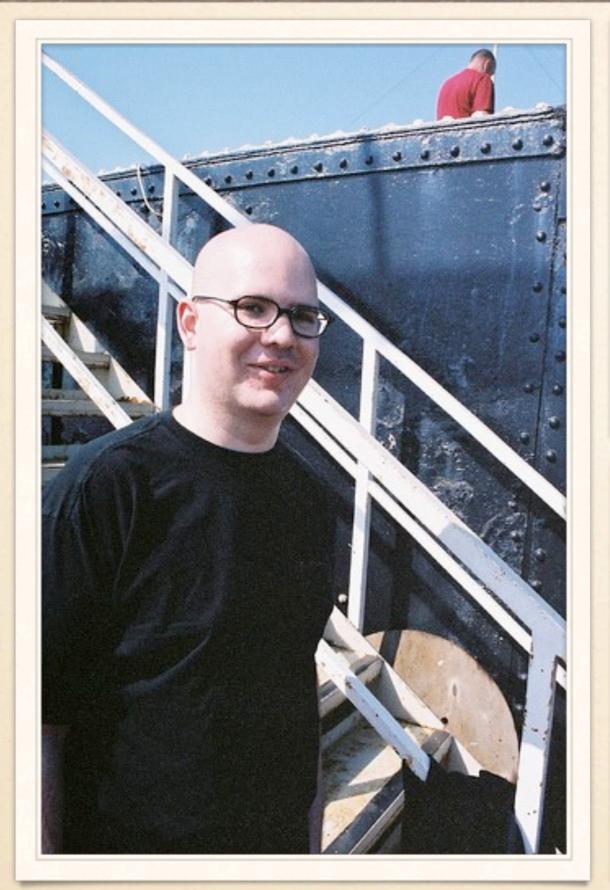


(CNN)













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?

NATIONAL LAW

- 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

SEALAND 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

LAW AND LEVIATHAN

- 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

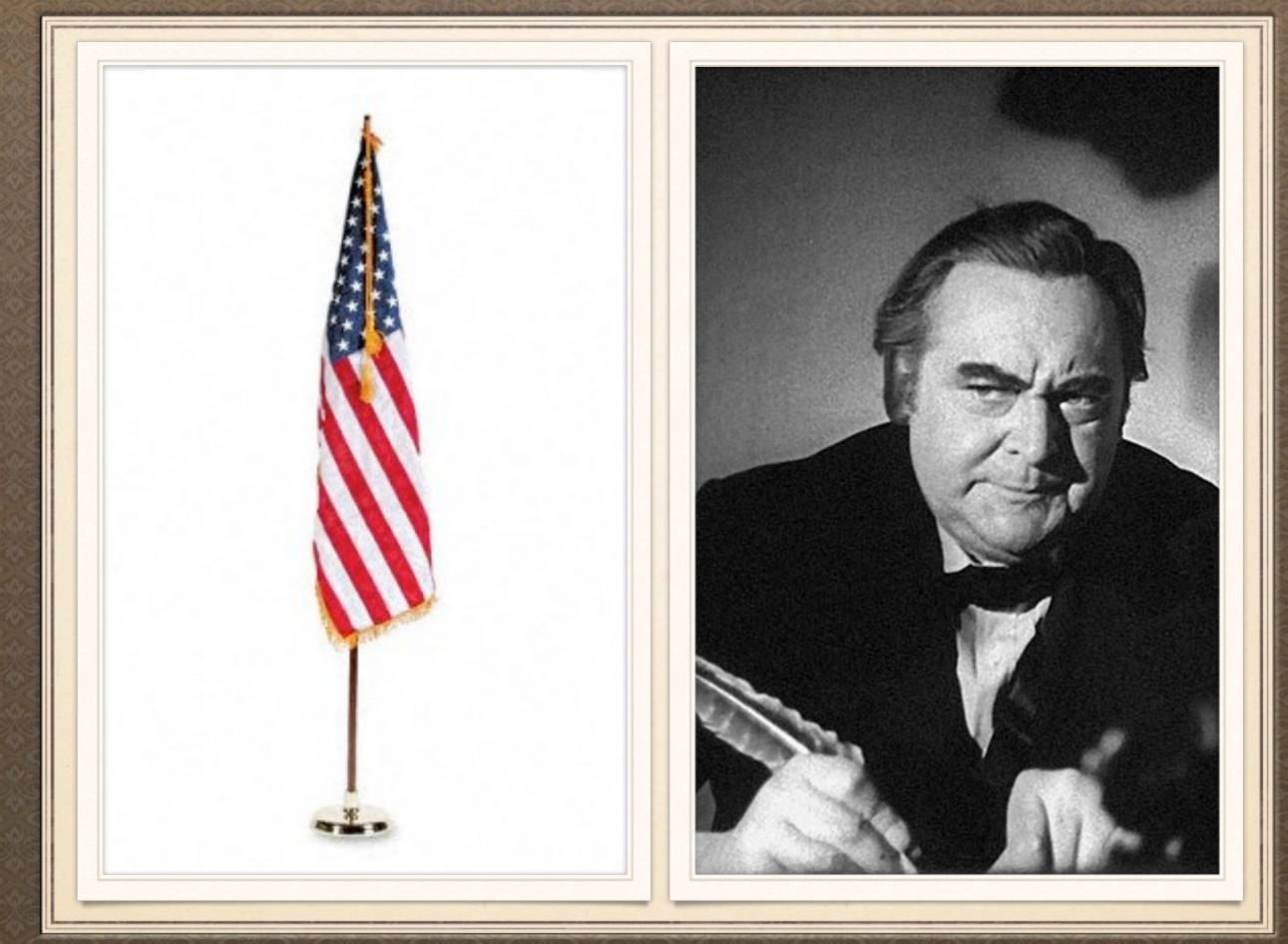
DATA HAVENS

- 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?