



Episode 948: Seasteading: How Floating Nations Will Improve the Environment, Enrich the Poor, Cure the Sick, and Liberate Humanity from Politicians

Guest: Joe Quirk

WOODS: I just read, as you heard, the entire title of your book, which we will simply refer to as *Seasteading*, by the main title, as we talk. But I'm very interested in this, and when we talked last it was Episode 363. That was a long time ago. It was over two years ago. And you said this book was coming. And again, I don't mean to sound like I don't appreciate the talents that you and Patri Friedman have; I just thought, given what I knew about seasteading, I didn't see how a full-length book could come out of this. I thought you could write some promotional material and that'd be the end of it.

And boy, was I wrong. This is a fascinating book that covers a lot of interesting topics, even for people who aren't all that interested in seasteading per se. Nevertheless, they can be interested in how liberty emerges in different situations and different ways that people have found around the world in all kinds of areas to get out from under government control and do exciting things. There's so much packed into here. I think I'll just start – I can barely speak here. I've got so much stuff I want to talk about with all these different chapters. And the organization of the chapters also interests me, that the environment stuff is early on, and I have a feeling why that was done that way.

But before we get into the details, refresh people's memory just on the off chance they did not listen to Episode 363: what do you mean by seasteading?

QUIRK: Seasteading is homesteading the high seas, and the technology for politically independent cities that float on half the Earth's surface that is unclaimed by any existing nation state is at hand. And once you realize that and you realize the private governance the flourishes with cruise ships and the oil platforms that are already on the high seas and you look at how all the materials technology is all coming together to create this confluence where you can have floating cities on the sea, you realize these would be startup nano nations, and they would be mobile and possibly disassemblable. And Patri Friedman, the grandson of Milton Friedman, realized this was the technology for free societies. So one of the reasons I'm so interested in talking with you and your audience is that we devote ourselves so much to persuasion, and it's just not working, is it? And the idea of seasteading is this would be the actual technology for voluntary societies.

WOODS: Now, I'm going to wait till the end to talk about some of the obstacles that you might face. Instead, let's try to paint the picture here of what this would look like.

Now, in your book, to get people thinking the right way, you do talk about in general the idea of startup societies. And as you know, I had Joe McKinney on a couple episodes ago and we talked about that broad subject, just so people will understand that there is precedent for, hey, we're going to try something new and we're going to have some broad autonomy and we're going to see how it works out – which is kind of the way seasteading intends to get going.

But as the way you've organized the book, you've got a section on the environment – which maybe we'll get to later – a section on economy, and a section on freedom. So let's start off, given that we've talked about startup societies, let me give you a chance to say a little something about that and how seasteading fits into that. And then I want to talk about your section on health care, which I was not expecting to read in a book on seasteading.

QUIRK: Yes, I'll talk about any of those things. It's all counterintuitive and fascinating [laughing].

WOODS: All right, so a startup society, then, if we want to try to – in order to be able to fit them all together as one coherent concept, would be an intentional society, would be one that's not created at random or by migration of peoples at random. But people have some kind of a goal in mind, they have some vision, and they somehow work out some arrangement whereby they have the autonomy to implement that vision. So let's talk about exactly how seasteading is an example of that.

QUIRK: Well, if you think of the United States as like a giant seastead where people that were angry at kings and thought they could do better, they could go and experiment with their ideas, and they created new ways of living that completely changed the world. And in our own century or in the 20th century, there was Hong Kong, which through historical accident sort of was a little legal island, a flea right on the butt of China, and it had so much economic freedom and it created so much prosperity that it ended up converting China from hardline communism to more open markets.

This set such a precedent that it started what I consider the most momentous political or anti-political revolution of the world, which is that since Hong Kong, special economic zones have proliferated across the world. And my colleague Tom W. Bell, who's a legal innovator, he counts 4,500. So it's basically special economic zones are little legal islands created within countries, where you go to a country that's not doing very well economically and you say, If we could just have one little area, possibly near a port, where we have fewer regulations and more business freedom and special tax exemptions, we can create so much prosperity it would be good for your local economy.

And quietly all over the world, countries, especially poorer countries, have been allowing this to happen. So seasteading – and they're just modest little bits of freedom, and they've created tremendous prosperity, and you and I have already profited greatly from it. Some of the technology we're using was probably created or built inside some of these places, like our computer keyboard.

So seasteading, you can think of it as a technology to make thousands more with a lot more freedom. So what the Seasteading Institute does is we got to coastal countries that already have a few of these special economic zones, and we say, We want to create an extra special economic zone. In fact, we call it a sea zone. It's designed by Tom W. Bell. And we want unprecedented regulatory and administrative autonomy. And we don't even need your land. We have the technology to build something just offshore in your territorial waters. We just want the legislation to prove that freedom works, start small, and scale up. And we'll absorb all the risk.

And we basically have closed a deal with French Polynesia, at least at the memorandum of understanding stage, that we're going to get this started and have small, floating societies with significant regulatory autonomy available to people by 2020. And that's the minimal viable product, and we're going to start scaling up to colonizing the high seas.

WOODS: All right, now again, the natural questions would be about funding and stuff like that. I'll get to that later. I want to stay focused on the book *Seasteading* for the time being. So in this economy section, you have a chapter on health, and it's called "Faster, Cheaper, Better, Fluid Care." And you talk in there, for example, about what we read about quite a bit, which is medical tourism, that people just get fed up with the prices in the U.S. and they fly to India or something for a procedure. What is the connection between that and seasteading?

QUIRK: Well, it's incredible. If you just sort of announce to the world, We're going to have new jurisdictions for sale, innovators come flocking to you, banging on your door with their ideas. And many medical entrepreneurs and physicians are saying, If you could just get me a floating hospital, just 12 miles off of LA, I could provide better, cheaper, faster care. I could set such a better example. I could set up my own little mini Hong Kong off the coast of a major American city.

As a matter of fact, one of the most powerful humanitarian surgeons in the world, Devi Shetty, who was Mother Teresa's heart surgeon and is known as the Henry Ford of heart surgery in India, he set up a giant health city in the Cayman Islands just to catch the rising wave of dissatisfied Americans who were dissatisfied with the health care they get. And he said in *The Economic Times*, the best place to have a hospital would be floating just offshore an existing American city. The fact that I can't get that means I have to start in the Cayman Islands.

And what I wrote about in the book is like the least radical stuff. It's just people that want to provide better care. Lots of people that are interested in extending healthy life spans and pushing forward medical research, want to get outside the bounds of the FDA. There's even people that work in established pharmaceutical companies who've reached out to us saying, You know, if you could get me a research center just 12 miles offshore, that would be enough for me to speed along this process. We could experiment with human cells and then come back and narrow down what we need to go back to the animal trials, which are required. You know, there are so many regulations that were created in the 20th century and they're not so relevant. So a lot of people think we need regulatory startups on the ocean, and some of the people who talk about that are featured in the book.

WOODS: All right, so I guess the key thing then, obviously in this case it's not that you happen to be on water; it's that you happen to be free from the rules that people on the mainland, on the land itself have to follow. That's the problem with health care now, right?

QUIRK: Yes, that is what people like you and I think is holding back health care, keeping it expensive, that we can create alternatives. If the United States — if North America had not been available to people, if Hong Kong had not emerged, people would be unable to imagine the alternatives that could exist. And seasteading, you can think of it as a technology for people to try their own alternative governance at their own expense that the rest of us can watch it succeed or fail and learn something.

WOODS: Now, in the final section of the book, you also have another economic chapter where you're talking about increasing the wealth of the world, presumably via seasteading. So what are the economic advantages for mankind of this system?

QUIRK: I think people little appreciate how much governance holds back prosperity. My friend Michael Strong has pointed out, imagine you're a Mexican and you can walk across an invisible line and the value of your labor goes up 10 to 30 times. Talk about an incentive to get into the United States. Well, what's the big difference between these two places? Well, it's the governance. Same with North or South Korea or any of these places where there's a clear difference in human well-being. And the problem is we have less than 200 nation states governing 7 billion people, and most of them are old and crusty and conceived in previous centuries. Everything else is on an exponential trend getting fabulously better. And what's getting fabulously worse in my opinion is the governance, especially with regard to hundreds of millions of people.

So if you can provide people the platforms to demonstrate that their ideas work, I think we can — I think of it as a Silicon Valley sensibility brought to governance itself. Like Steve Wozniak, he submitted his design for the personal computer to Hewlett-Packard five times, and he was very loyal to Hewlett-Packard, and he was rejected five times. And with great reluctance, he broke away and he founded Apple with Steve Jobs, and now I'm using one of his products right now. Where do the Wozniaks of governance go? I think of seasteads as being the little iPhone platforms of the sea. You can bring your own governance app and you will survive by people choosing your or somebody else providing a better governance service, and I think this is how we demonstrate that decentralized, voluntary societies can be much more prosperous, rather than have to win arguments with people who don't listen to us.

WOODS: All right, let's take a quick break to thank our sponsor.

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Now, I could imagine people saying — there are many things they could say, but one of the things they could say is, if they were environmentalists, Well, you're going to have these floating cities. Cities produce a lot of refuse, and it's just going to lead to a lot more pollution of the oceans because everywhere mankind goes, it just takes filth and destruction along with it. And so early on in the book, I suspect rather for this reason,

you address these types of arguments and say, To the contrary, these cities will be a boon for the environment. Well, how so?

QUIRK: It's extraordinary, and you know as an author when you get a story and you're saying, I can't believe no one else has talked about this. I can't believe this isn't just a common subject among people. And when you talk about floating cities, it requires you to rethink all your fundamental assumptions about what cities are. And we think of cities as being wasteful, as producing lots of pollution, as dumping carbon – we rely on corn, wheat, and soy, which requires all sorts of agricultural runoff into the oceans, which creates dead zones.

And if you actually have a floating city, there are all sorts of interesting technologies by which you could have environmentally restorative cities. And so I feature some of the people I call "aquapreneurs" in the book. And when I discovered this solution for freedom in floating cities, I was very earnest to persuade environmentalists, Republicans, Democrats that seasteading is such a deep solution that it gets us beyond these political divisions that we're stuck with when we're attached to land. And I feature in the book someone called Ricardo Radulovich, who's one of the first people I met at the Seasteading Institute, and he wants to scale up massive seaweed farms on the oceans that would absorb much of the carbon pollution from the oceans and would allow lots of these dead zones to restore themselves and the wildlife to return.

I could explain this in greater length, but seaweed and sea crops are much more healthy for you than the corn and the wheat and the soy we rely on. They're already in a lot of the products we eat every day. They're in our toothpaste; they're in the coffee creamer I just had; they're in our peanut butter; they're in our beer. And the idea is to scale this up. And when an agricultural businessman named John Guido read about this solution, he got very excited and got in touch with me, and we started talking about a company called Restorative Foods. Imagine eating to restore the environment. And this is just one idea that you could initiate from a floating city that you could never initiate from the land. The same is true with biofuel. They could be scaled up to massive sizes on the ocean.

Even at the small scale of what we're trying to do in French Polynesia, imagine if your floating city could restore the corals in Tahiti. Well, my colleagues at DeltaSync, who are also featured in the book, who built the floating pavilion in Rotterdam, they have a plan to set up platforms in a Tahitian lagoon. A lot of people don't know that corals become bleached just because of a slight increase in temperature. And you could set up your small floating neighborhoods in such a distribution that you would lower the sunlight hitting the seafloor just enough to lower things about one degree. So you could still have photosynthesis, but you would lower the temperature of the surrounding waters, and this could spark the restoration of the corals.

So I can talk at great length about all these surprising, counterintuitive solutions that come from building seavilization instead of civilization. And I choose these different words because I'm trying to push people out of these assumptions they bring to their land-based cities. And yeah, I would really encourage people to check out the book, because I feature in there all the different aquapreneurs that are bringing all their

different solutions to seasteading, and it's really fabulous and I got really excited when I discovered this story.

WOODS: Yeah, this is all extremely interesting. Now I want to ask you some of the more practical and obvious questions. First of all, I'm curious to know what would life in a floating city be like if I were to compare it to that of a cruise ship. How is it different from a cruise ship?

QUIRK: Well, it depends on at what point we're talking about. We're going to get these started on a small scale in 2020, and then there's what would these be like in 2050. And I'll talk about what it should be immediately in the years ahead. Our pitch to French Polynesia was very much the cruise ship model. Cruise ships are largely self-governing. The islands in French Polynesia are very familiar with the arrangements they have with cruise ships, because lots of cruise ships go there. And they're sort of free from labor laws, they use a different kind of currency, they have private arbitration, they have health care from all over the world. Cruise ships sort of stick together these different jurisdictions and create very prosperous little worlds. But they're based on one business model, which is tourism, and that's very fabulously profitable for them.

Now imagine if a cruise ship never docked. Imagine if it floated out there permanently and it wasn't just based on consumption, but it was actually based on what we call the blue economy. Lots of wave energy generation companies get in touch with us. Lots of algae fuel companies get in touch with us interested in seasteading. Lots of fish farms that are very futuristic find it difficult to operate in 20th century regulations.

So you could have a little floating neighborhood with a sort of incubation hub that would concentrate all these new sort of economic means for scaling up prosperity on the sea in a small microcosm of the future. And if it succeeds, you could attach more platforms and expand. And if cruise ships can profit so spectacularly merely with significant governance freedom and selling nothing but a beautiful ride, imagine what cruise ships that permanently float on the ocean and could be expandable and would have all sorts of network effects could produce with freedom.

And so we're going to start very small, demonstrate that this works, and if it works, we'll start attaching platforms fast and then hopefully we'll be able to negotiate with more countries and start scaling up, settling the half of the Earth's surface that's unclaimed by any existing nation state.

WOODS: You have a section where you in rapid-fire fashion respond to a lot of questions – not necessarily criticisms, but questions like: how could a floating city survive a tsunami? And you point out that the tsunami is really only going to be hurting you if you're on land, that it's so spread out on the water that you would barely even notice it passing you. So in other words, you have a whole bunch of questions, and we can't possibly get to them all and that's what the book is for. But an obvious one would be: what would be the legal arrangement in the floating city and how similar would it be to the sovereignty that is granting you the privilege, in effect?

QUIRK: Well, we're on a legal frontier here, aren't we? Because this has never happened before. And so we're not just scaling up the technology incrementally, but

we're scaling up the legal pioneering incrementally. So here's the steps. First, we're going to settle on legislation with French Polynesia and France for the amount of legal autonomy we're going to be able to show to our investors and our businesspeople that want to be on it. And we hope to have that by 2018.

If it is prosperous, if it is fabulous and French Polynesia is happy, Tom W. Bell already has in mind the next step in legal evolution, which he calls the deep blue zone, which would be something unprecedented, which is you negotiate for the kind of freedom you would have on the high seas inside the territorial waters of French Polynesia. Keep in mind French Polynesia controls an area of ocean the size of Western Europe, so you can think of this as the New World where we can experiment with lots of these legal innovations. Once we demonstrate that economic freedom works, that political works incrementally, eventually we can go to the high seas.

And sovereignty sort of depends on other nations recognizing your sovereignty. And here's how I can imagine that would work. Next door to French Polynesia is Kiribati, an island nation – most people pronounce it Kiri-bati. It's scheduled to sink below sea level before the end of the century, and their water tables are already turning to saltwater. And I could imagine many islands in Kiribati slowly transitioning into being floating islands.

And then the question becomes: do they lose their sovereignty once they're floating? Do they lose their exclusive economic zone? Do all those people – are they going to be stateless now? Who are they? Do they still get to be Kiribati? And I have seasteading lawyers who are eager to argue on the floor of the United Nations that no, Kiribati deserve sovereignty just because they're an island that's not created by a volcano but an island created by people. They should be recognized.

Once that legal precedent is established, suppose me and my crazy friends build another floating nation right next door. Now we have a legal precedent. Now we have more floating islands that could proliferate all over the seas. Once babies are born there, the United Nations is already earnest to prevent the statelessness among children because you know they want to preserve the idea of states. As long as countries recognize the sovereignty of floating nations, I think we have a humanitarian case to unleash thousands of these on the ocean, and then we'll really have a sort of Silicon Valley of the sea discovering all these different ways we could live together that we can't imagine now. And I think they would be in principle voluntary societies based on governance, not government monopolies.

WOODS: Well, let me ask you the key question to me, at least, is how do you get it off the ground in terms of funding? I would think you would need – maybe you're caught in a catch-22 here. You need a kind of proof of concept to get funding for something like this, because you'd need a lot of it, but you can't get the proof of concept without the funding.

QUIRK: You'd be surprised if you go to the investors of the world and you say, Hey, instead of a startup company, we're going to try to offer you a startup society, which is a baby step towards our own little startup country. What could you do with that? And people bring to you their own ideas. And we're in a lot of discussions with blockchain entrepreneurs and people interested in cryptocurrency and a lot of

innovators with initial coin offerings. So every sort of innovator in the world who's thinking about the future of decentralized governance is coming to us and saying, Yeah, we want to be involved with creating a new world. Even just the fact that it's exciting and it's for pioneers, we can rely pretty much on early adopters, people that just want to be on the cutting edge of the next thing.

So we already have a few thousand people who filled out our very detailed survey at the Seasteading Institute telling us what they want from their free-floating city. And when you consider you have the president of Liberland on your show, within three months of implanting his flag and declaring he's going to have a free society, he had 300,000 people apply for citizenship. I think this is an example of the demand in the world for a new world.

WOODS: Well, it's a fascinating idea and a really fascinating book. As I say, I kind of thought, All right, I'll zip through this thing; it'll be kind of what I know already. And it's like a great libertarian book in its own right, in a lot of ways, in a lot of the difficult questions that it has to answer. They're kind of the same questions that libertarians have to answer. Well, in this situation, what would you do? How would a libertarian society handle X, Y, and Z? These are the sorts of questions people would have about a floating city because they've never heard of that either. They've never seen a floating city. They've never seen a purely libertarian society, so they've got 28 questions about how it would work, and you're taking them all on I think very skillfully, so it's a wonderful thing.

So *Seasteading* is the name of the book, and the subtitle – it's one of these books with a crazy subtitle that's like a paragraph long – *How Floating Nations Will Restore the Environment, Enrich the Poor, Cure the Sick, and Liberate Humanity from Politicians*. You can find it at TomWoods.com/948. I'll be linking to it there. And if people want to look for you guys online, where would they go?

QUIRK: They would go to Seasteading.org, and they can also go to Blue Frontiers, which is the spinoff, for-profit company that's going to be building these things in French Polynesia.

WOODS: Wow, very, very, interesting and exciting. Well, thanks so much, Joe, for great conversation, but also we could have gone on for a long time, but I want people reading the book. That's your assignment, people. Read *Seasteading*. Plus, there's something cool about reading a book – you're just sitting there on the beach, you're reading a book called *Seasteading*. Come on now. We're all nerds on this show. Let's admit that. But if you're going to be a nerd, at least be a cool-looking nerd, and reading a book called *Seasteading* I would say is just about going to do it.

QUIRK: Yes, and you're going to be the most interesting guy at the dinner table conversation because people are going to be asking you all the questions and you're going to have all the answers.

WOODS: Yeah, absolutely.

QUIRK: Tom, I want to say I really appreciate what you do. I've read several of your books. I've listened to hundreds of your shows probably at this point, so it's really an honor for you to invite me back.

WOODS: Oh, I couldn't be more delighted to do it. Best of luck.

QUIRK: Thanks, Tom.