

# Anarchist Social Democracy:

## Structure & Theory



By W. J. Whitman

The society I envision for the future is a mixture of anarchism and social democracy. The form of governance would be direct democracy, or anarchism. Governance would take place locally, through grassroots democratic assemblies. Local democratic assemblies would confederate into a democratic confederation at the national level. This is analogous to, or equivalent to, the *libertarian municipalism* of Murray Bookchin, the *democratic confederalism* of Abdullah Öcalan, or the *cellular democracy* of Fred Foldvary.

However, my model of *anarchist social democracy* differs from the models of Bookchin and Öcalan insofar as I envision a form of market anarchism **without private property** rather than moneyless full communism. My model incorporates ideas from Georgism, mutualism, voluntarism, distributism, social democracy, and libertarian municipalism.

The democratic confederation would follow the distributist principle of *subsidiarity*, trying to ensure that all matters are handled by the smallest and most local level of

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\* The flag of *Anarchist Social Democracy* is a red and black banner for anarchism (libertarian socialism) with a globe (earth) in the middle for Georgism and social ecology. The dog is the “hound of distributism” carrying the red rose that is symbolic of social democracy.

government capable of effectively carrying out the task. The majority of decisions that directly affect people ought to be made locally, in popular assemblies through direct democracy.

These popular assemblies would use a mixture of consensus processes and voting, depending on how important the decision is. Non-essential and non-controversial matters would be put to a popular vote, while important decisions would be required to go through a formal consensus process.

Delegates from the local democratic assemblies would be sent to district councils, delegates from district councils would be sent to regional councils, and so on to provincial councils, national councils, and even international councils. These delegates would be subject to “representative recall” and removal from their position by direct vote. A delegate from a local democratic assembly might be recalled on the basis of one or two votes (basically requiring consensus). At higher levels, a popular vote in which 25% support a recall might be sufficient; alternatively, a conciliar vote in which one or two members of the council that appointed the delegate call for recall might be sufficient.

The key to maintaining a libertarian system of governance is direct democracy with a simple democratic process for the easy removal of government officials from office by popular vote.

### **The Structure of Government:**

Under the democratic confederation, there would be seven main confederal administrations. These would be:

- (1) the defense confederation
- (2) the police confederation
- (3) the justice administration
- (4) the communal land trust
- (5) the public banking confederation

(6) the labor confederation

(7) the welfare administration

It would be necessary for the confederation to establish other administrations as well. This would be done through the democratic process. The outline that I give for these seven administrations can be expanded to allow for additional administrations as their necessity or desirability becomes apparent. It is quite obvious that other administrations would be needed for the management of public funds, regulation of enterprises, response to natural disasters, etc. The nature and form that these organizations would take can either be deduced from what I am about to say or hashed out during the democratic process.

The ***defense confederation*** would be a federation of local militias and national guards for the purpose of national defense. In order to be eligible to serve in the military, one would have to be a citizen in good standing and would be required to present signed letters of recommendation from 20 citizens who have known them for at least five years. To become a member of the local national guard/militia, one would have to be approved by their local democratic popular assembly and by the delegates of a regional council in their city. Like delegates in the political sphere, soldiers would also be subject to recall by vote.

Within the military, soldiers would follow a democratic process. Superiors would be appointed democratically by their fellow soldiers and would be subject to recall by vote. The men and women in charge would have to maintain the popular support of their subordinates; their subordinates would be able to easily remove them from their position. Additionally, direct vote at the ordinary popular assemblies, or at the council that approved the superior for

membership in the service, could remove the superior from the service altogether. (Cf. Josiah Warren, Murray Bookchin)

The defense federation would organize to allow for cross-training between different national guard groups. The military would be highly organized and well trained. The duty of the military would be national defense—i.e. the defense of the democratic confederation. And declarations of war would have to come directly from the people by way of the national congress of the democratic confederation.

The ***police confederation*** would operate on a similar basis. Police would enforce the rules determined by the people through the democratic process within the democratic confederation. In order to be eligible for membership in the local police force, one would have to be approved by their local democratic popular assembly and by the delegates of the district council. They would have to be a citizen in good standing and would be required to present signed letters of recommendation from 20 citizens who have known them for at least five years.

In order to serve as a police officer, an individual would have to go to a libertarian police academy and receive a liberal education. The police training would include verbal de-escalation training, non-violent conflict resolution, as well as studies in ethics, anthropology, psychology, feminist theory, race issues, LGBT rights, and animal rights. This would be in addition to the regular physical and weapons training. Like soldiers and delegates in the political sphere, police officers would also be subject to recall by vote. And the police departments would be run on a democratic and co-operative basis, where superior officers are appointed democratically by the other officers and subject to removal or recall by popular vote.

The ***justice administration*** might consist of judges and tribunals appointed by local democratic assemblies alongside juries in which citizens are randomly chosen to serve. Various local traditions might evolve for administering justice, as the particular form that the institutions of justice would take would emerge from democratic processes. The confederal justice administration would allow those various traditions to exist alongside one another. In areas where judges and appointed tribunals rather than citizens' juries were the norm, the requirements to serve as a judge or member of a tribunal would be the same as those required for soldiers and police, and judges and tribunal members would be subject to recall by vote. The justice administration would focus on restorative justice rather than retributive justice.

The justice administration would establish and promote competitive security-insurance agencies for the purpose of preventing crime through security measures (cameras, alarm systems, security guards, etc.) and for insuring the persons and property of citizens against theft and violence. The services of these agencies might be purchased on an individual basis or on a communal basis, preferably on a communal basis with the option of individuals choosing to purchase services from a competitor if they are dissatisfied with the services of the standard provider. These agencies would be something like a mixture of insurance companies, security companies, and bounty hunters. If one of their clients fell victim to a crime, the security-insurance agency would have to pay an insurance claim to their client in compensation for the damages. They would then investigate the crime and seek compensation from the criminal in order to compensate the agency for paying out the claim regarding the crime. The criminal would have to be convicted by a tribunal of the justice administration in order for payment from the criminal to the

agency to be enforceable by law. These security-insurance agencies would be officially recognized by the justice administration and eligibility to work in such an agency would have the same prerequisites as becoming a police officer or soldier. And the license to practice in the security-insurance field could be revoked by popular vote at the local level. (Cf. Gustave de Molinari, Benjamin Tucker, David Friedman)

While these would be competitive and relatively independent/autonomous agencies, they would also be regarded as enterprises that ultimately belong to the people. Under anarchist social democracy, all enterprises would be publicly-owned to some extent. No enterprise within the confederation can be regarded as “private” and unaccountable to the people.

The ***communal land trust*** would be the administration in charge of the distribution of land. Land would be collectively owned by the community. The land trust would be in charge of the distribution of land and the collection of rent (land value tax). “Private” owners would have to pay rent to the community for their privilege of exclusive use of the land. Additionally, this administration would impose a differential tax on the sale and purchase of real estate, charging less for land to be transferred from a large holder to a small holder than vice versa, thereby encouraging widespread distribution of land-ownership throughout society. The revenue produced by the land value tax and differential tax would be divided up and distributed to the people as a citizens’ dividend. The highest administrative positions within the land trust administration would be subject to the same eligibility requirements and possibility of recall by vote as all other public offices. The revenue collected by the land trust would be handed over to the welfare administration for distribution. (Cf. Henry George, Hilaire Belloc)

It would probably be desirable for there to be a local land value tax and a federal land value tax. The local tax might be used by the municipal government for public works like road maintenance, paying police officers and soldiers, etc. The federal tax would go towards funding a guaranteed basic income for each citizen.

The **banking confederation** would form a central bank collectively owned by the citizens of the anarchist social democratic confederation. The central bank would be formed by the confederation of various local public banks. Administrators and directors at the central bank would have to be approved by the provincial councils and would be recallable by the same. A degree in economics, specializing in monetary theory, would be a prerequisite for being appointed as an administrator at the central bank. The function of the central bank would be the regulation of credit and the stabilization of the price level. Furthermore, any money made from interest on loans would be given back to the citizens in their dividend. Interest earned and money created by fiat for the purpose of regulating the money supply would be handed over to the welfare administration for distribution. The local public banks would route their excess funds to the central bank, to be handed over to the welfare administration, ultimately to be distributed out to the citizens as a dividend as well. (Cf. Pierre-Joseph Proudhon, William B. Greene, C. H. Douglas)

I envision a decentralized social credit style banking confederation. The local banks would consist of credit unions operated on a social credit basis at the local level. These would be public banks that are democratically and socially owned and governed. The banks would be confederated into a union of such banks under a central banking or monetary authority that issues the standard currency—the central bank would result from the confederation of regional and local banks. This would

be analogous to what we already have, except it would be owned by the people and accountable to the people. And all the citizens would get an equal share or dividend from the profits.

The currency issued by the central bank would be the official currency of the society. All taxes, whether land rent or a voluntary tax, would be payable exclusively in the currency issued by the mutual banking confederation. However, competing currencies and alternative banking systems would be permitted and encouraged. Yet these competing currencies would not be accepted for tax collection purposes.

The most desirable form of currency would likely be a regulated digital currency based on blockchain technology. This currency could be standardized and regulated to prevent the fluctuations associated with digital currencies today. Furthermore, it might be desirable for each unit of currency to expire after 100 years *if it does not change hands*; this would help prevent excessive accumulation. The unit of currency could, however, remain in circulation for eternity as long as it continues to change hands and is not hoarded for generations.

The **labor confederation** would be an official workers' union or syndicate. All workers (except the self-employed) would be members. The labor confederation would serve as an arbiter in disputes between workers and management. The task of the labor confederation would be to ensure worker democracy and guarantee that industries where labor is done on a collective basis maintain a collectivistic form of appropriation and cooperative basis of organization and management. The labor confederation would seek to ensure that egalitarian cooperatives are created and sustained and prevented from degrading into hierarchical firms.

Ownership under anarchist social democracy would have two tiers. Ultimately, there would be public-ownership of

enterprises at the level of the municipality, and the municipality would exercise its ownership by regulating enterprises to ensure that industrial and commercial enterprises are run in a fair and eco-friendly manner. My model of anarchist social democracy would combine the idea of municipal socialism with mutualism. The directly democratic municipal government would be the **primary owner** of all land and enterprise. Therefore, the municipal government would have the right to regulate businesses and demand a share of the profits in the form of a tax. “Private” owners of land and enterprise would be tier-two owners, and their ownership would be **secondary** and subordinate to that of the community. While “private” co-operatives would administer and own their “private” businesses, they would ultimately be stewards accountable to the community. Thus, I envision a *mutualist-municipal socialist* synthesis in which the administration of enterprises is carried out by egalitarian co-operatives, where the co-operatives are relatively autonomous but ultimately owned and under the control of the larger community.

Under my model of anarchist social democracy, the means of production would be collectivized in the cases of factories, large retail stores, and such. The product too would be collectively owned by the working co-operative, and the workers would receive a dividend of their share of the profits as an income. The workers would then purchase the things that they need and want on the free market. The labor confederation would seek to ensure that these sort of collectivistic co-operative arrangements remain the norm. This would not be a centralized collectivism, but rather a decentralized collectivism. Industry would be owned by autonomous and local workers’ co-operatives.

Additionally, the labor confederation would have the task of ensuring that mechanized production and automated enterprises not be monopolized but instead be collectivized. As production processes become automated and all jobs get taken over by machines and computers, mass unemployment will result. Under capitalistic property arrangements, the private owners of the machines would accumulate massive amounts of wealth and the rest of the people would become increasingly poverty-stricken. As we approach this transhumanist/futurist era when human labor is obsolete, it is the duty of the labor confederation to guarantee the collectivization of automated industry in order to allow all the members of society to reap the benefits of society's technological advancement. (Cf. Mikhail Bakunin, Murray Bookchin, Robert Anton Wilson)

Such automated enterprises would be publicly-owned and their profits would be appropriated by the treasury to be distributed in an egalitarian manner by the welfare administration. Such a system of anarchist social democracy seems to me to be the only hope for the future of human civilization.

The **welfare administration** would be in charge of the distribution of public funds. Its primary task would be the egalitarian distribution of revenue. The revenue produced by the land value tax or rent of publically-owned land, as well as the revenue produced by interest on loans and increasing of the money supply for regulatory purposes, would be deposited into the treasury of the democratic confederation and the welfare administration would take the bulk of those funds and redistribute them in an egalitarian fashion by providing each citizen with a guaranteed universal basic income. Additionally, the welfare administration would be in charge of programs for public education and universal healthcare.

## **Non-Capitalistic Free Markets: Mutualism and Collectivism**

The classical, Austrian School, and Chicago School economists were quick to recognize the efficiency and benefits of markets. Unfortunately, they didn't recognize that the capitalistic form of property is a human convention created by a particular set of rules and regulations. They did not consider the possibility that alternative arrangements might be possible and desirable. It never occurred to them that it might be possible to have a free market with property arrangements that are not capitalistic. The Ricardian Socialists and individualist anarchists, like Thomas Hodgskin and Benjamin Tucker, advocated a market system with usufructuary property arrangements. Collectivist anarchists, such as Mikhail Bakunin, advocated a market within the context of a system with collectively-owned industry. Mutualist anarchists, such as Pierre-Joseph Proudhon, advocated a mixture of usufruct (for small businesses and crafts) and collectivized property (for factories and larger enterprises).

I do not agree wholeheartedly with everything Proudhon taught. His ideas definitely need to be revised in the light of the discoveries of modern economics. Proudhon's economic and monetary theory needs to be corrected in the light of marginalist and Keynesian insights. However, I do loosely identify with the mutualist camp. I advocate a totally free market, but one with different property arrangements than those that now exist. Mutualism is a variety of socialism that holds that collective production ought to have a collectivistic form of appropriation. Capitalistic factories and firms that use collective labor for private profit ought to be abolished and replaced with worker-owned co-operatives where profits are shared collectively on a relatively egalitarian basis. I think the profits should be divided up and given to the

workers as a dividend. Individuals who are self-employed and provide services independently of others ought to be allowed to appropriate things on an individualistic basis. Mutualism and individualist anarchism advocate a non-capitalistic free-market system. Capitalism is no free market because capitalistic property arrangements are imposed by violence and arbitrary law. Mutualistic property arrangements, however, are simply the kind of arrangements that would naturally emerge from a non-violent social order.

However, I differ from most mutualists insofar as I also advocate municipal socialism (public-ownership of enterprises by the municipality). The “private” co-operative ownership of enterprises ought to take the form of stewardship and the co-operatives ought to be regarded as *secondary owners* that are subordinate to the municipal democratic assembly that constitutes the *primary owner*. Anarchist social democracy has no private property in the individualist sense. All land and enterprise would ultimately be public property.

As I said before, mutualism is a variety of socialism. Socialism is a relatively vague term but it can be summarized as the notion that workers are entitled to the full product of their labor. The case for socialism is quite simple. The argument goes that the form of appropriation ought to correspond to the form of production.

Under medieval mercantilism, the mode of production was predominantly individualistic. Individuals produced things relatively independently of others. Cottage industry and craft were the norm. The idea of “property” was based upon *individual sovereignty* or “self-ownership.” A man owned his own body, so the product of his bodily labor was rightfully his private property. ***Each individual is entitled to the product of his own labor.*** And this is something that

mutualists, collectivists, individualists, Marxists, and anarcho-capitalists agree on: a man is rightfully due the entire product of his labor.

With the rise of industrialism, the mode of production shifted away from an individualistic form towards a social form. With industrial capitalism, things are produced on a collectivistic or socialistic basis. It is no longer a single individual that produces the final product, but a large group of workers in combination. As the economist Leonard Read pointed out in his essay *I, Pencil*, even a simple product like a pencil is now produced by the collective labor of many different individuals. Socialists like Karl Marx, Frederick Engels, and Pierre-Joseph Proudhon had already made this observation long before Read's essay. The socialists, however, made an additional observation: *everything is now produced on a collectivistic basis, yet the form of appropriation remains individualistic. We now have socialized production for private profit.*

Proudhon, Marx, and Engels realized that certain tasks cannot even be achieved through individual labor. For instance, a production process may take the effort of four men working together to complete it. One man won't be able to complete the task, even if he is given an infinite amount of time. He may simply lack the strength to do it individually. Thus, Proudhon observed that there is a certain kind of *surplus value* created through social labor that goes beyond simply adding the labor power of each new worker. The power of labor in a collective can increase exponentially with the addition of a new worker instead of merely increasing in direct proportion to the number of workers. The fact that the people are working together collectively or socially creates a surplus value that exceeds the direct contributions of all of the workers combined in terms of labor.

This *surplus value* is the product of their collective labor, yet the individualistic form of appropriation (private property) in production allows the capitalists to siphon off the surplus value produced by labor and pocket it as their (the capitalists') own private profits. Yet this flies in the face of the ethical basis for property rights. Property was justified on the grounds that each person is entitled to the product of his/her own labor. Since the surplus value is produced by the workers collectively, it ought to belong to the workers collectively. The capitalist is not legitimately due his profits. The profits of the capitalists constitute theft. The individualistic appropriation of private property from collectivistic production constitutes theft! That is the primary contradiction and source of injustice in the capitalistic system: *socialized production for private profit—collectivized production for individualistic appropriation.*

There is another sort of *surplus value* that results from the difference between cost of production and market price. Marx was the first to observe the existence of this type of surplus value, yet his understanding of it was limited by the primitive economic thought of his time. In addition to the surplus value that results from collective cooperation in labor, there is another type of surplus value that results from the difference between the cost of production (objective value) and the market price (subjective value to consumers) of the final product. And this surplus value is due partially to nature and accidental circumstances and partially to the efficiencies of the political and economic organization of society. This surplus value that results from the difference between objective value (cost of production) and subjective value (price) can only be seen as the product of society as a whole. The capitalists who happen to own part of the means of production have no right to the profits that are generated

directly by the labor of the workers themselves, nor do they have the right to appropriate the value produced by the efficiencies of society.

This was the basic argument for socialism in its various forms.<sup>1</sup> One of the varieties of socialism that I advocate is called *mutualism*. Mutualism is a form of market anarchism. Under mutualism, the means of production would be privately owned in the cases of cottage industry and crafts but collectively owned in cases where production is done on a collective basis. This collective-ownership would be exercised by workers' co-operatives. When individual labor produces things, the production ought to be coupled with individualistic appropriation. When things are produced through collective labor (e.g. factory production), the production ought to be coupled with a collectivistic mode of appropriation. Private property for individualistic production: collective property for collectivistic production. Corporations and hierarchical firms would be replaced by worker-owned cooperatives. These worker-owned cooperatives might be run on a consensus model or else on a more parliamentary or majoritarian model of direct democracy.

However, I don't think that mutualism goes quite far enough. Establishing worker-owned industry makes the situation better and reduces the theft involved in private property, but it does not entirely eliminate the problem of one person or group appropriating the value produced by another person or group's labor. A very large portion of the profits of any given enterprise consists of value produced by the efficiency of society as a whole. The success of any business would be impossible without the economic system, a standard currency, police and a justice system for the enforcement of

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<sup>1</sup> Cf. Frederick Engels, *Socialism: Utopian and Scientific*

contracts, public roads, public schools, and a million other services provided by modern society. A private workers' co-operative would be too much like a capitalistic corporation. It would unjustly accumulate wealth produced by the community in which it operates. Therefore, the people as a whole, as part of the municipality and as part of the confederation, would have just as much of a right to claim some degree of ownership over the enterprise as the workers themselves. The greater community would be due a share of the profits, therefore justifying a sort of corporate tax. But they would also be justified in regulating enterprises in the interest of the greater community. Mutualistic co-operative-ownership, then, is only acceptable within a libertarian social democratic framework that does not in any way negate public ownership.

### **The Case for Markets**

Opponents of capitalism have a tendency to denigrate markets as a bad thing. However, I think there are very good reasons why people on the left ought to support markets. As a leftist, there are many things that I would like to see (such as *universal basic income*, progressive taxation, and egalitarian redistribution of wealth) that are simply not possible without a monetary system and markets. Although I do agree substantially with the anarcho-communist analysis, I disagree with their insistence on abolishing money and markets. There are quite a few matters related to distribution that would arise with the abolition of markets and money, and no communist theorist has ever adequately solved these problems to my satisfaction. I remain convinced that a libertarian socialist system with markets would be preferable to "full communism" as an official model.

The greatest arguments for a market system came from Ludwig von Mises and F. A. Hayek. Mises argued, “Where there is no free market, there is no pricing mechanism; without a pricing mechanism, there is no economic calculation.”<sup>2</sup> The moment that you abolish markets and money, rational economic calculation and accounting becomes impossible. You no longer have cost and price as indicators to show that a business is doing well. You can no longer look to profits and losses as ways to measure the success of an industrial or commercial activity. At the same time, egalitarian economic schemes become impossible to implement. There is no longer any possibility of a citizen’s dividend, quantitative easing, universal basic income, progressive taxation, etc. In fact, it becomes very difficult to imagine how any welfare measures could be implemented, as accounting becomes impossible and distribution/coordination becomes infinitely more complicated. It will also become much more difficult to ensure that workers are fairly compensated for their labor without money to pay them with. It’s quite easy to divide up profits according to shares, each person getting a share in proportion to the amount of work they’ve done. The question of *distributive justice* becomes infinitely more complex with the removal of money as a measurement and unit of accounting. Furthermore, schemes for mutual insurance and social credit would become obsolete. Fundraising for a cause would become impossible. You would no longer be able to raise money for a project. You would have to convince people to donate all the time and resources needed. It’s much easier for a group to raise money to buy a truck, kitchen, or workshop than it is to come by these things through alternative means.

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<sup>2</sup> Ludwig von Mises, *Economic Calculation in the Socialist Commonwealth*

The utility and efficiency of markets is something that I am not willing to part with. I support mutualism or market collectivism because I think that using money as a unit of measurement for accounting is the best and simplest way to go about distributing wealth in an egalitarian fashion and empowering people to acquire the things they need or desire.

My reasons for advocating a market system go beyond those of the right-libertarians and classical liberals. There are good reasons that one ought to advocate markets from the perspective of a social democrat or welfare advocate, as I think I've already demonstrated in the previous paragraph. Let's suppose that you want to provide mutual aid to people on a collective basis. The easiest way to do that is through money. Giving people money and letting them buy what they need on an open market is simply the most effective way of implementing welfare measures. If there is a natural disaster, the people that are affected by the disaster are often better served by us giving them money and letting them purchase the things they need than they would be by a more convoluted process of trying to intentionally coordinate a mass effort to bring them aid on a communistic basis without any market mechanisms. Moreover, a universal basic income would be the most effective egalitarian scheme imaginable. Yet, that sort of egalitarian scheme, which has the potential to raise the living standards and conditions of an entire nation altogether, is impossible under communistic arrangements. It is much easier to equitably distribute the excess wealth of a society if you have some means of quantifying wealth and doing accounting. In order to create a truly egalitarian and free society, you need to be able to numerically calculate the amount of wealth and distribute the excess social wealth using mathematics and science. You cannot do this without some unit of

measurement, i.e. money. And you can't have money without markets.

### **Smash Corporate Power & Supplant the State: Occupy Everywhere!**

Somebody recently told me that we need to figure out how to deal with corporations before we start talking about abolishing the State. I think this sentiment demonstrates a failure to recognize the extent to which corporations and the State are interdependent. Not only are corporations products of the State (insofar as the rules and regulations that allow them to exist are created by the government), they are also in control of the State. Under representative democracy, we vote for politicians; and politicians can be bought. The corporations have more money to devote to lobbying and buying politicians, so the corporations get all the representation and the people are left without representation at all. The republican system (i.e. representative democracy) is inherently plutocratic. Any attempt to achieve an ecological society or a humanistic society will require the abolition of representative democracy and its replacement with direct democracy.

The distribution of wealth (and power, since wealth entails power) is unequal. As long as this is the case, no system of governance can be in the least bit liberatory. Anarchism is not just a scheme for the abolition of the State, it is also the only possible solution to the problems of corporatism and plutocracy. Representative democracy is the disease; it cannot be part of the cure. Direct democracy and direct action are the solutions. Anarchism is just as much a solution to our economic and ecological problems as it is to our political problems.

Modern anarchism calls for the establishment of grassroots popular assemblies. These assemblies would be created from the bottom-up, with the assistance of

community organizers. They would be democratic assemblies that practice face-to-face democracy and consensus-based decision-making. Thus, the people could rise up at the local level and seize power. The popular assemblies would “force the hand” of politicians at the local level, at the level of the municipality. They would basically make it impossible for the politicians to go against the will of the people without fear of revolt. These face-to-face democratic assemblies at the local level would become the new form of local governance. And these democratic assemblies would prevent the local government from being controlled from the top—they would force their local representatives to nullify federal laws that the people happen to dislike. Politicians at the local level would be rendered obsolete. The representatives would be so powerless to act against the people’s will that they would ultimately be supplanted altogether by the popular assemblies.

Under advanced capitalism, jobs are increasingly outsourced. Additionally, production will become increasingly automated as robots and computers replace humans. As a result, unemployment will continue to increase. The revolutionary class of tomorrow will not be the working class. The revolution will be carried out by the unemployed masses and the homeless. These people who cannot find work will eventually realize the futility of their search for jobs and will give up on labor, leaving them with all the time in the world to carry out a permanent occupation. Imagine Occupy Wall Street as a permanent occupation. These occupiers will have to rely on one another. They will form a bond of solidarity, and turn more and more towards the base level communism that holds society together. Community organizers will help to organize the homeless and unemployed masses in order to create the occupying popular assemblies that will form the base for the future cellular democracy.

Popular assemblies from different sections of the city would federate together with other popular assemblies. Each assembly would send delegates (not representatives) to a higher level assembly for the city as a whole. They would form a directly democratic city council, which would be subordinate to the local popular assemblies. Decision-making power would ultimately rest in the popular assemblies, as any decision would ultimately have to be ratified by the popular assemblies through consensus-oriented direct democracy. The city councils of delegates from local popular assemblies would be federated into larger regional councils, where delegates from each city council would be sent. These regional councils would federate into provincial councils, and ultimately into national councils. And this federation of grassroots democratic assemblies would ultimately supplant the centralized State. The pseudo-federal government of the republican system would be replaced by a genuinely democratic federation.

This communalist approach is what modern anarchism advocates. It is the only way that the people will actually get representation. In order for the people to govern corporations, the people must be represented in government. To expect a pseudo-federal government that is owned by corporations to govern corporations is utter nonsense. The people must first seize control of government, and then we can govern corporations. The State will not keep large corporations in check because large corporations are in bed with the State.

The only anti-capitalist movement worth having is the anarchist movement. The only green perspective that stands a chance of saving the planet is the social ecology movement. And both of these movements are summed up as “democratic confederalism” or “libertarian municipalism”—the federation of grassroots popular assemblies to take over government. If

we want to keep corporations from polluting and destroying our planet, we have to supplant the corporatist system of governance that is controlled by the corporations and replace it with an anarchistic system of democratic confederalism or cellular democracy.

First, we decentralize government, then the decentralized economy follows. Under an anarchistic democratic confederation, corporations are not protected by the monolithic law of the centralized State. This allows for industry and agriculture to shift in a more diversified and decentralized direction—industry and agriculture would be localized.

This anarchistic system of governance is a prerequisite for an ecological society. Monoculture and mass industry would be supplanted by permaculture and localized production as a result of the new system of governance.

### **The Withering Away of the State**

I do not look forward to any violent revolution or forceful overthrow of the State. I look forward to a withering away of the State. The State must not be destroyed through revolution, but transfigured through evolution. There will be a revolution, of course, but the revolution will be more of a revelation and transfiguration. This does not mean that there will not be conflict, nor does it mean that this evolutionary or gradual transition negates the revolution per se. There may even be violence and civil war at some point, but it will not be anything like the American Revolution or the Russian Revolution. It will differ insofar as it will be more of a transfiguration than a destruction/reconstruction due to the gradual building up of the structure of the new society within the shell of the old in the decades leading up to the revolution.

There are certain things that are the result of statism that are certainly desirable (e.g. universally recognized currency, markets, regulation of the money supply, identification of citizens, regulation of industry, welfare measures, national defense, etc.). These things that result from State action make such things as universal basic income, trade, welfare, national defense, and economic planning possible.

The goal must be to organize grassroots democratic assemblies and create an alternative anarchic power structure of face-to-face democracy separate from and independent of the State. Popular assemblies should be used as a form of protest and resistance, so that the government is forced to follow the will of the people. Military and police functions should be decentralized. And competitive alternatives to government services ought to be allowed. This includes competing currencies, private security forces, private dispute resolution organizations, and more. If possible, central planners at the Federal Reserve should be replaced with algorithms and automated processes on a computer. The characteristic aspects of the State will fade away but the system will continue in an altered form. The monopoly aspect will fade away as competition is introduced and the coercive aspects will be reduced through the implementation of direct democracy and consensus processes alongside other libertarian reforms. Ultimately, “the government of persons will be replaced by the administration of things” and the State will cease to be a State insofar as the essential characteristics of statism will be removed from it. The State will wither away.

“The interference of the state power in social relations becomes superfluous in one sphere after another, and then ceases of itself. The government of persons is replaced

by the administration of things and the direction of the processes of production. The state is not ‘abolished’, it withers away.”<sup>3</sup>

Post-scarcity anarchism, then, will not be the result of violent revolution but the result of a gradual evolution and transition.

### **Georgism & Distributism**

A core idea in libertarianism and socialism—an axiom upon which anarcho-capitalists and communists agree—is that a man is entitled to the product of his own labor.

The Lockean “labor theory of appropriation” attempted to justify the institution of property on the grounds of scarcity. Land is scarce. Goods are scarce. And scarcity makes “property” privileges necessary. You and I can’t use the same land for two different and mutually exclusive purposes. Therefore, we must establish some system of property, either through law or custom, that determines which of the two of us will have the privilege of taking precedence over the other in the determination of how a piece of land shall be used.

Since a man is entitled to the product of his labor, Locke concluded that a man could stake his claim on a piece of land by “mixing his labor with it”—i.e. he could work the land by tilling it or building on it and thereby contribute labor to the re-creation of the place, thereby establishing his right to the place as property.

So, the necessity of establishing some system of property (giving a privilege of precedence in decision-making and use) that allows us to have a rational and normative standard by which we can determine who ought to be allowed

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<sup>3</sup> Friedrich Engels, *Anti-Dühring*

the most say over what a particular scarce resource will be used for has been established. **But existing property arrangements have not been justified!**

Many socialists—mutualists, distributists, communists, and Georgists—would argue that Locke failed to justify the institution of capitalistic property. All he established with such argumentation was that *possessory* rights are necessary (precedence must be given to someone). *Property*, however, implies the privilege of use, abuse, exploitation, and profit. The pragmatic necessity of giving someone decision-making authority over a piece of land does not establish a right to exploit the natural resources thereof for personal profit at the expense of everyone else.

We say the first person to homestead land and “mix their labor” with it should rightly be given precedence over second-comers. Yet, this necessity of precedence being given to someone is a pragmatic matter related to governance and social order. This is not a natural right. We have only justified what Proudhon called *possession*, not the right of *property*.

Lockean theory became the ex post facto theoretical justification for capitalistic (fee-simple/allodial) property arrangements. But Locke had committed a serious blunder. He conflated two separate and distinct things under the term “property”: (1) an individual’s natural right to use and exploit the product of his own labor for personal gain and (2) the necessity of granting a privilege of precedence in possession and use to certain individuals and excluding others from that privilege.

The natural right is the right to exploit the product of your own labor for personal gain. Land and natural resources, however, are not the product of human labor. Ownership of land is customary, a human convention—a privilege, not a right. If someone’s land naturally increases in value because of

urbanization or development of the surrounding land—i.e. the land’s value has increased but this increased value was not the result of improvements made by the owner—, then the owner has no natural right to the profits that result from the sale of said land. At the same time, the owner has no natural right to profit from renting the land. The increase in value that allows him to make a profit is not the result of his own labor.

This sort of analysis forms the theoretical basis of Georgism, which holds that wealth (value) derived from land and natural resources ought to belong to society. People are only entitled to the wealth that derives from themselves and their own labor. The wealth that derives from the selling and renting of land belongs to society. Society created the framework that is necessary for that sort of wealth to exist. The customs, rules, and institutions (money, contracts, lawsuits, police) that allow for speculation and trade in real estate and the resulting profit and wealth are social products, so that that wealth is also a social product. In addition to this, part of the value of your land is the product of other people’s labor. If I own a piece of land in the middle of nowhere, its value will increase as other people develop the surrounding area. My land’s value goes up as other people build infrastructure and such around it—roads, power lines, cellular towers, radio towers, schools, grocery stores, parks, and sidewalks in the area all increase the value of my property. The increase in the value of my land is not the product of my labor, but the product of society.

Georgists hold that this social wealth should be taxed away and used to fund the social framework of governance that creates such wealth, while the excess should be divided up evenly amongst all the citizens in an egalitarian fashion as a citizen’s dividend. And in this particular instance, taxation

would not constitute theft since there is no natural right to private ownership of social wealth.

Henry George advocated communal ownership of land and natural resources. However, instead of confiscating the land from the current owners, he proposed that a land value tax be imposed as a rent. The revenue could then go to the community. Some people, such as Thomas Paine, advocated such a form of taxation alongside a citizens' dividend. The revenue from the tax would be divided up and given back to all the citizens as a dividend. This is the particular arrangement that I would like to see.

George argued for communal ownership on the grounds that people are entitled to the product of their own labor, not to the exploitation of natural resources or social wealth. As society progresses and population increases, the value of land tends to increase due to growth and development. Speculators can buy land in the country really cheap and hold on to the land for a decade, then sell the land or rent it at a higher price. They make money off of mere speculation rather than labor. This is unfair because the justification of property is that "each man is entitled to the product of his own labor."

The increase in the value of land is the result of new developments in the surrounding land. The county put in a road that brings traffic by the land, they put in a school, someone else built a grocery store in the area, and another person put in a gas station. The landowner who can now charge higher rent or sell his land for more is profiting off of the labor of others rather than off of his own labor. Furthermore, speculation on land value is the primary cause of the boom and bust cycle in capitalistic economies. The imposition of a land value tax would serve two purposes: (1) it would confiscate wealth that resulted from increases in land

value due to externalities [thereby eliminating *unearned increase* and minimizing inequality in wealth] and (2) it would discourage speculation in land by making it unprofitable, thereby keeping speculators from driving up prices by hoarding large tracts of unused land, and also stabilize the economy by eliminating the business cycle of regularly recurring recessions that result from land speculation.

Hilaire Belloc, the man who coined the term distributism, advocated a “Differential Tax on the sale and purchase of real estate.” Suppose that a transfer of land between a buyer and seller is taking place. Belloc holds that there should be a sales tax in place on real estate that would dis-incentivize large concentrations of wealth in real estate and encourage widespread distribution of ownership of land and resources. “If the small man sells to the larger man let the bargain carry a tax of so much, but if the small man buys from the larger man let the transfer carry only half as much tax...”<sup>4</sup> Such a differential tax on the sale and purchase of real estate would lead to a widespread distribution of ownership of land and productive property.

If we combine these two ideas—the Georgist “land value tax” and the distributist “differential tax” on real estate sales—, we would have a system in which wealth would be widely distributed throughout society with minimal intervention and minimal distortion of market processes. Additionally, there would be no recessions or business cycles and small businesses and local production would be naturally subsidized and encouraged. Large concentrations of wealth and economic power would naturally dissolve. The end result would be a much more humane economy. Georgism and distributism are complementary.

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<sup>4</sup> Hilaire Belloc, *The Differential Tax*

“But taxation is theft!” Well, taxation is always theft when one is taxing labor. A man is entitled to the product of his own labor. To tax the product of labor is to rob the worker. A man is not entitled to wealth derived from exploiting natural resources (like profiting off of ownership of really valuable land wherein oil reserves or gold mines are located). A man is not entitled to the produce of other peoples’ labor. If a road was put in, a school built, a grocery store, a power plant, and utility lines are put in next to the land-speculator’s property, the value of his land may increase by 500% without him contributing any labor whatsoever. A man is not entitled to profit off of his neighbors’ labor. Consequently, a community land trust that taxes people for the use of natural resources and taxes the value resulting from externalities and rent would be categorically different from an income tax or ordinary sales tax. Since the things being taxed are not things that anyone has a natural right to, the tax would not necessarily constitute theft.

I will also add that I believe the revenue from such taxes should be evenly distributed back out as a citizens’ dividend. This would also make the land value tax categorically different from an ordinary tax that raises revenue for discretionary spending by State bureaucrats and politicians. If the tax neither confiscates the product of labor nor funds the State, then it is not necessarily theft.

Also, if land is collectively owned rather than privately owned, there is no reason that the community should not be able to charge a rent for the private use of the land. The vast majority of anarchists have advocated some sort of communal ownership of land, so a land value tax isn’t necessarily incompatible with anarchism. Mutualist anarchism is complementary to georgism. And distributism is

complementary to mutualism. So there is no reason that one cannot be an anarchist, distributist, and georgist at once.

### **The Poverty of Vulgar Market Anarchism**

Geo-mutualism is the only form of market anarchism that is actually workable. The anarchist social democracy that I envision is geo-mutualist.

Primitive stateless societies do not develop markets naturally. Their economies are usually based on an elaborate mix of familial communism, gift exchanges as establishing social obligations, and mostly informal customary hierarchies (patriarchy, elders, shamans). In such societies, money exists only for purchasing slaves (or sometimes slaves were actually used as money), paying bridewealth, or paying fines to recompense an injured party, or to be flaunted to establish social status. In such societies, however, money was/is never used to purchase goods on a free market. Instead, a complex non-monetary economy based on customs and social norms governs trade and exchange. Markets simply never exist in primitive stateless societies.

When European empires decided to colonize “primitive” lands, they would go in and issue money, printed by the State, and give it out to the people. Then they would impose taxes that could only be paid in the government-issued money. This forced people to seek money and it forced agrarian peasants (peasants who had lived off the land under primitive communist anarchy without any need for money or markets) to resort to wage-labor.<sup>5</sup>

The market has its benefits, but the market is the product of governments. It was markets that propelled mankind forward, led to progress and industry, and brought an

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<sup>5</sup> Cf. David Graeber, *Debt: The First 5,000 Years*

increase of knowledge and technology. But markets also brought greed, exploitation, and the destruction of the environment.

The market can become a freed market and transcend its historic roots, but not by abolishing statist institutions outright. Instead, the institutions have to be transfigured. Certain institutions must be preserved but transformed—the essential characteristic of the State (centralized, organized, and legitimized violence) must be removed, leaving us with a stateless alternative form of governance.

*Geo-mutualist anarcho-distributist social democracy* is the solution. There must be a central bank transformed into something analogous to Proudhon’s “mutual bank,” but on a social credit basis—a central bank that is collectively owned and accountable to the people of a directly democratic confederation. It would be in charge of issuing standard currency. Furthermore, there must be a Georgist land value tax. Land should be collectively owned and the individuals using the land exclusively (the “owners”) should pay rent to the community (“land value tax”) for the privilege of exclusive use. The revenue generated by the land value tax and the central bank’s creation of new money to stabilize the price level, along with the profits from interest, ought to go towards social welfare in the form of a citizens’ dividend to create a universal basic income and end poverty. This framework of official institutions issuing and collecting money is necessary for the long-term preservation of a market system. The C4SS mutualists and the anarcho-capitalists don’t advocate any such framework, consequently their market systems would collapse and society would revert to barter if their models were ever implemented.

The sort of market anarchism that individualist anarchists like Benjamin Tucker, Murray Rothbard, and Kevin Carson advocate would quickly degrade into primitive stateless anarchy or else into some form of State. Either competing currencies with no standard currency would lead to a breakdown of markets or a State would step up, take over, and start issuing and collecting money. Individualist anarchism and anarcho-capitalism are not sustainable. The communist anarchism of Alexander Berkman and Peter Kropotkin, although a noble ideal, could never achieve such an egalitarian distribution of wealth as to eliminate want, scarcity, and drudgery. Their model would deprive mankind of the transhumanist future it deserves. Furthermore, communistic arrangements and gift economies only work when one can know and trust all the people they interact with in an economic fashion. If your community or society is too big, communistic arrangements will give way to other arrangements.

The *anarchist social democracy* that I envision would be greatly preferable to the alternatives of individualist anarchy and communist anarchy insofar as it would be more feasible in modern times than either of the other approaches to anarchism.

### **Voluntary Taxation**

*Voluntaryism* or the “voluntary taxationist” philosophy of Auberon Herbert, which argues for funding governance through “voluntary taxation,” is admirable but it leaves something lacking. Most people would opt out and simply not pay any taxes. They would get the benefits conferred by rules, social order, and public services without having to pay for them. The free-rider problem would be at its most extreme, as nearly everyone would avoid contributing. Consequently, there would be no incentive to pay taxes. The

system of governance would fall apart due to lack of sufficient funding. But the voluntary taxationist idea ought not to be thrown out just yet. The theory merely needs to be revised. You simply need to devise a system of governance that creates sufficient incentives to elicit voluntary contributions. I believe that my particular geo-mutualist model has the potential to do just that.

Suppose that you want a democratic communalist system of governance with welfare programs, police, courts, and a military. This could easily be funded through voluntary contributions given the right incentives. The land under geo-mutualism would be communally owned, as would the standard banking establishment. The land trust and public banks could mandate that the payment of the voluntary taxes are prerequisites for the utilization of their services. If an individual wants the privilege of privately possessing land for their own use or the privilege of having an account at a public bank and more easily using the standard community currency, then they must pay their fair share in contributions to the community through the voluntary tax. Thus, a geo-mutualist system can be structured in such a way that it sufficiently incentivizes people to pay ordinary taxes voluntarily. People could opt out and still survive just fine, but those who pay taxes will receive privileges that are worth it. The benefits of owning a home and being eligible to receive loans from the public banks would be sufficient to elicit a voluntary contribution from most people to the treasury of the society.

The land trust would require that one pay a voluntary tax to their local democratic assembly as a prerequisite for land-ownership. The confederation would then collect its share (the federal taxes) from the regional democratic councils, rather than taxing individuals directly. Furthermore, the public banks would also require that one pay a voluntary

tax to their local democratic assembly as a prerequisite for being eligible to receive a loan or use the confederations currency system. Consequently, people would be incentivized to pay taxes even though taxes would not be compulsory. The taxes that go to the local councils would fund police, courts, and militias. The confederation would then take its share from the excess. Even though the paying of taxes would be voluntary, people would willingly pay them because of the benefits and privileges that they would receive as a result of paying their taxes.

I advocate left-libertarian social democracy, and social democracy entails a bit more than just a universal basic income. Social democrats generally want more welfare programs to provide everyone with their basic needs. The right to life, liberty, and the pursuit of happiness requires health, food, and other basic things. This means that healthcare is itself a basic human right that ought to be provided regardless. Insofar as education becomes necessary, it too becomes a right that society is obligated to provide. Anarchist social democracy also entails the funding of public services and welfare programs (free education, universal healthcare, etc.) through voluntary taxation.

The rates would be set by the democratic city councils. Of course, the rates would only be a suggestion, as the tax would be voluntary. However, people would willingly pay the suggested amount because (1) the land trust would require proof of having paid the suggested tax as a prerequisite for private land-ownership—you would not be permitted to privately own land without having paid the amount of voluntary tax that your particular community asks of you—and (2) the mutual banks would require the same proof of payment as a prerequisite for opening an account with them or receiving a loan. The benefits conferred on those who pay their

share of voluntary taxation would outweigh the cost and prompt most people to voluntarily contribute their fair share.

I advocate a system of voluntary taxation, but I hold that the system ought to be progressive. Amartya Sen has demonstrated the justice of progressive taxation and I follow his analysis. If the system is to be fair, the tax rate must be higher for the wealthy than it is for the poor.

Suppose that we set a flat income tax rate across the board. For simplicity's sake, let's say the rate is 50% for everyone. A person who makes \$10,000 per year would pay \$5,000 in taxes. That's about an entire year's worth of mortgage payments. This tax rate would impoverish the person making only \$10,000 per year. But what would happen to the person making \$1,000,000 per year? This person would pay \$500,000 in taxes, but still retain enough income to enjoy a standard of living that is 100 times more than that of the individual with a \$10,000 income. The burden of this rate of taxation is far heavier for the poor person than it is for the rich person. Thus, an equal rate of taxation leads to an unequal distribution of the burden of taxation. From taxing these two individuals at a rate of 50%, we have brought in \$505,000 worth of revenue. However, we have totally impoverished the first individual. Now, let's revise the situation and make the tax scheme more progressive. Let's lower the tax rate of the first person to 10%, reducing his tax rate to one-fifth of what it was. Now, he pays a very manageable \$1,000 in taxes. And let's raise the millionaire's tax rate by 1%. His taxes will go up by \$10,000, which is a mere drop in the bucket for him. He will hardly notice the difference. Well, what's this look like in terms of revenue? It looks quite well. In fact, the revenue generated under this progressive tax arrangement is \$6,000 more than the revenue generated under the flat rate. A progressive taxation scheme significantly benefits the poor, does not do

any significant harm to the rich, and brings in significantly more revenue. Progressive taxation is more just, equitable, and rational.

### **Grants from the Treasury**

Anarchism aims at the political and economic emancipation of the human race. The full economic liberation of mankind can only come with the complete automation of industrial production. When machines and robots do all the work and men are free to relax and enjoy their lives without having to toil endlessly in order to survive, only then can man be regarded as truly economically emancipated.

Beyond this economic emancipation from the necessity of toil, we may also look forward to the liberation of mankind from his natural limitations. Science has the capacity to eliminate illness and health problems, and eventually even grant us biological immortality. Death itself is an obstacle to be overcome. The anarchist ought also to be a transhumanist: the anarcho-transhumanist rebels against the tyranny of nature.

The anarchist social democrat ought to promote the use of technology to overcome the tyranny of nature itself. My model of anarchist social democracy includes grants for research and development and scientific studies. Some of the revenue from the voluntary taxation scheme ought to be devoted to promoting scientific and technological progress. A primary goal of the libertarian social democrat ought to be achieving a fully-automated system of production that allows for universal leisure and luxury. Liberatory technologies ought to be actively promoted and their development ought to be collectively or socially funded for the benefit and emancipation of all. We must seek to eliminate sickness and death through scientific means. And we will also use grants from the public

treasury as a means of promoting the development of green technology.

The progressive voluntary tax system will be one means by which scientific and technological advancement are pushed forward under our libertarian social democracy. Grants from the public treasury will ensure continuous progress.

Furthermore, the existence of universal basic income will free people from the necessity of wage labor, allowing more time for speculation and creative activities. This will create an environment in which science will thrive and new inventions would constantly be hitting the market. Anarchist social democracy is the system that would usher in the era of libertarian transhumanism.

It would probably be necessary for the democratic confederation to establish a separate administration for the management of public funds. This administration should be established along the same directly democratic lines as the other administrations within the confederation.

### **The Land Trust and the Encouragement of Communism**

One of the duties of the land trust would be to reserve a certain amount of land for communistic arrangements. Here I envision a system of land tenure reminiscent of the system that existed in Old Russia. A commune or collective could rent such land with the rent (“land value tax”) being collected from the commune itself rather than from the individuals. The land trust would hereby ensure that communist anarchist arrangements are not only permitted but also encouraged within the confederation. The collective effort of the commune members would easily be able to pay the land value tax without putting any undue burden on any of the members. In fact, the communes would be able to allow most of their members to live a life of full communism without any use of

money whatsoever. If the commune was a productive arrangement, it could easily obtain the money to pay the land value tax through trade of its excess product.

### **A Microcosm of Geo-Mutualist Social Democracy: A Thought Experiment**

Even without remaking all of society upon a geo-mutualist social democratic model, it is entirely possible to undertake small-scale experiments in libertarian social democracy. For instance, a private investor could purchase 40 acres of land for the establishment of a private community. The standard lot size could be 0.25 acres. 128 of these quarter-acre lots could be designated for private use. 4 acres of land could be reserved as commons or for public use. And another 4 acres of land could be reserved for micro-village communes. The micro-village commune lands could have 16 plots with 6 tiny homes per plot—96 tiny homes in these micro-village communes. The community could have a land trust that is responsible for the collection of rent for all of the 144 lots available. The land value could be assessed on the basis of the market price of similar lands in the surrounding area. We could have a central bank that issues a local digital currency for the community.

Assuming \$15,000 assessed value of each of the 144 lots, and a 5% land value tax as rent, revenue would be \$108,000 per year once the lots are fully occupied. Assuming that there are 100 plots used as private residential, with 4 individuals per private residential plot, and 6 people per commune plot, the population of this community on 40 acres would be 496 people. The land value tax would bring in enough revenue to pay each inhabitant a basic income or dividend of \$217.74 per year. As the land is developed and land value increases, more revenue would be generated by the land value

tax. Land would be transferred to higher bidders and land value would rise, resulting in a higher guaranteed basic income for each person. If 50 of the lots increase to \$90,000 in value (and the remaining lots stay at \$15,000), the revenue from the land value tax would rise to \$295,500. The guaranteed basic income would rise to \$595.76 per year.

The people living in the communes would be much better off. Their land value taxes would be collected from the commune rather than from the individual. Thus, the land value tax in the micro-village communes could be divided 6 ways (or however the commune chooses to divide it up). The commune could possibly even raise the money for the tax through fundraising or industry and trade, thereby avoiding any need to tax its members at all. While the burden of taxation would not fall on any of the commune members as individuals, the dividend or basic income would still go to the individuals. The individuals living in the micro-village communes might pay \$125 a piece towards land value tax (or pay zero taxes if the revenue is raised through fundraising or trade), yet they would receive a minimum of \$217.74 in social dividend or basic income. Their benefits would outweigh their individual contributions. And their basic income will increase as land values continue to rise.

Let's suppose that this community wants some sort of mutual healthcare arrangement like the old lodge practices. Assume the doctor needs an income of \$5,000 per month. The monthly cost per citizen would be \$10.08. A tax of \$10.08 per month could easily provide all the members of this society with access to a doctor free of any additional charge when needed. An additional tax of \$10.00 per month could be added as an insurance fee. This would provide each citizen with health insurance as well, just in case they needed to be referred outside the community for surgery or some other expensive

procedure. Alternatively, a progressive tax scheme would be better. In this particular thought experiment, let's say that refusal to pay the voluntary taxes would make one ineligible to use the private community's doctor, land, currency, etc. Refusing to pay the voluntary taxes would deprive one of the benefits of full membership.

In a small-scale private community built on such geo-mutualist social democratic principles, you could have some level of universal basic income and universal healthcare even now. My hope isn't so much that someone will carry out this experiment on such a small scale, but that this illustration will serve to demonstrate the feasibility of anarchist social democracy as a realistic solution.