



# GLOBALISATION NEEDS DEMOCRACY!

**G**lobalisation is propelled by the ‚global players‘ – globally acting corporations behaving like transnational superpowers constricting the influence of the traditional nation-states.

*Who then is still defending our global civil rights? Can nation-states act transnationally, or do they merely block one another? Is the traditional idea of the separation of powers rendered obsolete? Shouldn't we take money into consideration as the fourth power? Does the geopolitical division of people into nation-states reflect the spirit of modern times? Shouldn't we learn from Coca-Cola, Shell and Microsoft how interests can be realised at a global level?*

*April 16, 2001, these questions led to the proclamation of the First TRansnational Republic whose citizens are not defined through blood or birthplace but through a similarity in their minds and their communal spirit.*

To us, the problem in the representation of citizens in the age of globalisation essentially lies in the fact that today's system of citizen representation by nation-states is NATIONAL, inevitably representing NATIONAL INTERESTS. Thus nation-states are, by definition, not fit to represent citizens' interests GLOBALLY. As global problems can hardly be solved without adversely affecting national interests, it is unlikely that nation-states will come up with global solutions. (Just think of Bush and the Kyoto Protocol)

We therefore suggest a new form of global citizen representation – TRANSNATIONAL REPUBLICS. Transnational Republics are based on one principle thought:

*All power originates in the individual and is not alienable.*

What does this mean? First of all it means that the thoughts and the will are free and have to be respected. This has as a consequence for the system of representation of citizens' rights:

- Freedom of thought
- Freedom of speech
- Freedom to choose one's representation

The first two points are already encoded as fundamental human rights. All of us, however, are still being denied the right to choose one's representation. At the moment of our birth we hand over our right of representation to a nation-state and have no possibility – except maybe through emigration or marriage – to change our nationality. Moreover, this selection through birth might be a happy one, but equally it might not. Someone unlucky enough to be born into a dictatorship will have to more or less live with it.

What makes this more problematic is that the nation-states not only have the „birth right“ to represent the citizens, but can even choose whom they want to represent. The respect a nation-state has for its citizens is thus subject to the arbitrariness and the historical and cultural development of the respective national system.

The situation is further aggravated as nation-states, sadly, have few incentives to represent their citizens optimally, as there is little fear of losing citizens due to sub-optimal actions. Nation-states lose their citizens only in situations of crisis or war - as in the case of the former GDR or Argentina. A dramatically different situation presents itself in the representation of (trans)national corporations: these can leave any nation-state, any time, and immigrate to another nation-state. For this, transnational corporations don't even have to change their letterhead! It's enough to relocate the



accounting of the corporation's profits.

This can quickly result in nation-states being manipulated by „global players“ – nation-states have no chance of defending interests of their citizens against the interests of globally acting powers.

In summary, nation-states' hands are bound in two ways and they are thus doomed to fail in the representation of their citizens' global (transnational) interests:

- by the conflict of interests between global pressures and national interest
- by the (financial) dependence on global corporations and other transnational organisations

## **The System of the United Transnational Republics**

### **Flexible Citizenship**

Following the principle „All power originates in the individual and is not alienable“ every person remains free to choose which Transnational Republic receives the mandate to represent them. This not only means that it's possible to immigrate into another Transnational Republic at any given moment, but also opens to everybody the possibility of proclaiming a new republic. In doing so, every person will have to find a compromise between joining a bigger and more influential republic or a smaller, less influential one which reflects more precisely their specific personal opinions.

From here follows one of the most important principles of Transnational Republics:

### **Evolution and Free Competition Amongst Transnational Republics**

This means that neither a single political or belief system will be requested. Instead, citizens will choose from a plurality of possible solutions. As each citizen has the choice to emigrate from one Transnational Republic to another Transnational Republic at any given moment, a situation of competition is created. One will become citizen of the Transnational Republic which not only offers the best conditions but also seems to offer the best representation. A Transnational Republic failing to adopt to its citizens demands is prone to lose citizens and therefore influence. Only a Transnational Republic close to its people and working efficiently will be able to attract citizens.

It is important to note, however, that there will still be a need for nation-states – only will they no longer represent their citizens outside their nation-state. Transnational Republics will represent citizens in global issues, while national topics – as before – will be dealt with by nation-states.

### **Transnational Republics and Nation-States**

By introducing Transnational Republics, the people of the

world will actually be given an additional citizenship: the flexible citizenship in a Transnational Republic of choice.

Therefore, Transnational Republics can be described as a modernisation or extension of the federal system. While national issues will still be dealt with by the various national governments, international issues will be handled by the United Nations and transnational issues by the United Transnational Republics. Transnational issues are for example all issues of human rights, war crimes and other crimes against humanity or the protection of the global environment.

Today's world still lacks this transnational level of citizen representation; our current global situation could be compared to a nation having only city governments but no national government. Just as we are used to see city governments discussing national issues with their respective national governments, nations will be discussing transnational issues with the United Transnational Republics.

### **United Transnational Republics (UTR)**

Together, the various Transnational Republics are forming the United Transnational Republics - where all citizens of the world are represented by their Transnational Republic of choice.

Before an organisation can join the UTR, it first has to be acknowledged by the UTR as a Transnational Republic by complying to Transnational Republic Standards. The two most important standards are, that everybody can freely join or leave a Transnational Republic at any time and that a Transnational Republic is not representing any national, regional or corporate interests.

Within the UTR the voting power of each Transnational Republic is dependent on the number of the citizens it is representing. As mentioned above, the UTR are only responsible for global issues, but the decisions taken by the UTR are binding for the Nation-States. This will for example clear the way for the installation of a Transnational Criminal Court.

### **The Power of The Big Number**

Given a certain size, organisations have political influence. One of the most influential organisations in the US is the National Rifle Organisation. The sheer number of Falong Gong members puts pressure on China. Napster changed the music industry. All these organisations have remarkable political influence without having the equivalent political mandate.

The influence and therefore the success of Transnational Republics will be dependent on the number of their citizens and their sheer will for change.



### **Non-Governmental Organisations Become Governmental**

There are a big number of Non-Governmental-Organisations (NGO's) contributing valuable and important work in the defence of civil rights. The existence of these NGO's proves that there are certain global problems that many people believe cannot be solved by nation-states.

Noteworthy examples are Greenpeace or Amnesty International (ai). Even though these organisations do have remarkable political influence in the meantime, they still have to act –by definition (NGO!) – from the stand of nongovernmental opposition.

In the model of Transnational Republics it could be possible that NGO's – similar to ministries – are representing various topics, e.g. Greenpeace for environmental issues, ai for human rights issues. Thereby they would no longer speak in the name of their various protest movements, but would act in full responsibility with the political mandate of the citizens of Transnational Republics. Global issues, such as global warming or human rights, would then no longer be decided upon by nation-states in the name of their innate citizens, but be negotiated by Transnational Republics in the name of their free citizens.

### **The “Fourth Power” of Money**

The influence of global corporations is based on their financial power. The essential part, however, is not only the amount of their money but rather the laws and structures which allow them to make political use of this money: globally acting corporations can travel with their wins and losses around the globe, virtually, and can therefore almost freely decide if and where they are paying taxes. This creates a political tool which is used by transnational corporations to greatly influence politics.

Even though the sum of the citizens potentially have more capital at their disposal than individual corporations, they do not succeed in having the equivalent political influence necessary to defend their interests against business and political world. This imbalance is a clear fault of current democratic representational systems.

Transnational Republics will represent the financial influence of their citizens, when taxes are no longer paid directly, by the individual citizen, to the respective nation-state, but via Transnational Republics as their representatives. This new focus of the financial powers of the individual will restore the equivalent influence of citizens. Even though in such a situation Transnational Republics will be introduced as an additional layer, acting as “middlemen” of tax payments, an improvement of the overall system can still be expected. This situation is comparable to the privatisation of telephone companies resulting in a competition amongst various service providers which in turn led to an improvement of the service at falling prices.

Transnational Republics will then be “Service Providers” of citizen services buying the respective use e.g. of

infrastructure such as highways, police, educational system... from the geophysical nation-states “in bulk” thereby assuring the equivalent participation right – a mechanism discovered long ago by global corporations.

The first step into that direction is the introduction of our own currency – the Payola – which will be used to exchange goods and services amongst citizens of the Transnational Republics. The Payola can be bought at the Central Bank of The United Transnational Republics with any other traded currency.

### **Why do we need the Transnational Citizen Currency System PAYOLA?**

One basic thought of the United Transnational Republics is to expand the classical separation of powers (legislative, judicative, executive) by the „fourth power“ of money.

At the time of the introduction of the classical separation of powers, it was unthinkable, that one day there would be corporations that could easily buy out countries and whose global structures – built on money – would be more influential than most governments. One must now admit, that the far reaching influence of global corporations is a sincere threat to basic democratic principles. But as neither the wheel of time nor globalisation can be reversed, smashing corporations to pieces or renouncing the internet cannot be the solution.

Other solutions must be sought.

The introduction of citizen currencies (like the transnational PAYOLA) instead of national currencies is effective in various ways:

- As a result of citizen currencies replacing national currencies, nation-states will lose their direct influence on money. Therefore, money will actually be introduced as the fourth power.
- By means of this expanded separation of powers nation-states will no longer work as an „Other People Money System“ in which politicians, governments and state organisations live on the (borrowed) money of their citizens. Expanding the separation of powers therefore will help to prevent misadministration, corruption, nepotism etc...
- Counteracting forces to the financially based power of global corporations are created by Transnational Republics. The financial power of the citizens is focused in these Transnational Republics and thus the political power tied to this money becomes usable.

In summary it may be said, that a Transnational Citizen Currency System will give its citizens the same tool for political influence on the nation-states that, for the time being, is monopolised by global corporations.



### How realistic is the idea to introduce PAYOLA?

Of course, the introduction of a currency system is a highly ambitious project, but certainly not an impossible one. There are numerous examples for non-national currency systems: from cigarettes in times of black-markets to bonus point systems such as the frequent flyer miles introduced by airlines. Nowadays whole lines of business are already dependent on the income generated through the „Community Currency“ frequent flyer miles. Every year goods and services totalling billions of dollars are traded using this currency system, already reducing the control of nation-states over this part of the world economic system.

The PAYOLA differs from other community currency systems tried in the past, since we are not attempting to create a new and independent currency, but are putting the PAYOLA „on top“ of already existing national currencies:

The exchange rate between Euro and PAYOLA is fixed: 4 PAYOLA equal 1 Euro.

By doing so, the PAYOLA becomes a fully convertible and therefore tradable currency. Therefore, it is possible to either earn Payola through exchange of goods or services, or by simply changing Dollar, Euro, Yen... into PAYOLA at the Central Bank of the United Transnational Republics. In the same way, of course, PAYOLA can be changed at any given time back into national currencies.

The security of the PAYOLA currency system is guaranteed, since PAYOLA have to be bought with Dollar, Euro or other national currencies. Differently expressed: the Central Bank of the United Transnational Republics uses PAYOLA in order to buy national currencies, which are then held as bank reserves. Just as there used to be a gold standard for national currencies, the PAYOLA is currently backed by a Euro standard.

It is foreseeable, that in the future a considerable amount of money transfer will be electronic – eg. using a cell phone in order to pay at a drinks machine, or the transferral of money via e-mail. These new technologies are not only making the use of money more comfortable, but also help to facilitate the introduction of community currency systems. Whether the electronic payment of one transnational citizen to another transnational citizen occurs in Dollar, Euro or PAYOLA will then be only a question of the software.

Since we don't want to wait for the wide use of these electronic payment systems, we already have started to circulate PAYOLA bank notes and coins.

## Manifesto Of The First TRansnational Republic

*Here we are citizens, not subjects.*

*We, the citizens of the First TRansnational Republic, have assembled in order to globally represent our citizenship rights.*

*Citizens of our TRansnational Republic are not defined through blood or birthplace but through a similarity in their minds. We therefore ask every person who has an affinity to this and the following principles to join our TRansnational Republic as a free citizen.*

*The citizen rights include in particular the human rights, transnational principles of justice, the protection of our natural environment as well as the democratic rights of the individual.*

*In times of growing globalisation the problem of global representation has not yet been sufficiently addressed, the way of the world as well as the faith of the individuals are increasingly determined by transnational organisations (corporations, churches, trade organisations...). There is no comparable political representation system of the individual. The countries of this world cannot – under the influence of these transnational organisations – represent the interests of their citizens; nations cannot act transnationally.*

*Our aim is the recognition of the First TRansnational Republic by the international community*

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