

# THE POWER OF VIRTUALITY AS A CHALLENGE FOR GOVERNMENTS: A POST-STATE DYSTOPIA

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## **Abstract**

*This study presumes that the giant technology corporations that dominate the Internet are becoming a historical power factor competing with governments. The so-called netocracy has already reached a level of influencing people that may have a real threat to the survival of governments and states. It analyses info-technology revolution as a trend and phenomenon that shape state power, the “new separation of powers”, which state governments have to face. Netocrats behind internet-based intelligent applications are becoming more efficient and successful power structures than the states. It is dubious whether any national or regional regulation and sanctioning will be able to limit the web’s technology titans’ power and influence over the people. Regarding the states and governments it is vital for the future whether they can move from the physical reality to digital (virtual) space where its citizens are living more intensively and in an increasing number. The so-called “digital state” is not simply a convenience, efficiency or service development issue. The “digital state” is the issue of the future existence of the state. It concludes that as far as netocracy progresses in governing and manipulating net-addictive people, the vision of the end of the history of state as a kind of archetype in state-theoretical thinking is becoming more and more realistic.*

**Keywords:** government, post-state, dystopia, netocracy, cyberspace, digitalization, internet, power

## **1. Introduction: A Vision on the State**

“He who has ears let him hear” (*The Holy Bible* Mt. 13:9, 43). We did not always conceive what was going on around us. In 2008, for example, one day before the financial collapse of the global economy, a whole world believed that everything was all fine. “History has come to an end.” This is how *Francis Fukuyama* saw the future in the turn of the 1990s (F. Fukuyama 1992). According to the basics of the vision, history was the story of states battling against each other. In the future, instead of the nation states, global and liberal values will dominate the new power structure. He was wrong. He himself admitted it later. From 2004 he announced the concept of nation-building (F. Fukuyama 2004). He recognised what *S. P. Huntington* had written in 1997 about the importance of cultural (civilization) issues including national issues in the history of the future and the present (S.P. Huntington 1997). Finally, *R. Kagan* reopened history and the new era of state building by the announcement of “The Return of History” (R. Kagan 2008).

Our article is looking for the ember beneath the ash in the most important social theoretical issue of the turn of the century: Is it really possible that “history” as the history of states comes to an end in the near future? What are the dangers and new challenges that the development of states faces?

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In the evolution of human community, the history of the state is an important but short and fractured period. The history of the state is almost only six thousand years of the hundreds of thousands of years of human evolution, and during this “short” period civilizations, empires and state forms have sunk. History has often “come to an end”, thus dystopia, the vision of the end of the history of state is a kind of archetype in state-theoretical thinking. Dystopia represents a negative social and historical vision, which was mostly provided for us by fiction (e.g. A. *Huxley* or G. *Orwell*'s cult novels). However, science is also turning more and more courageously towards the study of the future. What are the trends and phenomenon that shape state power, the “new separation of powers”, which state governments have to face? Are there new, more efficient and successful power structures than the states being formed? According to the conclusion of our article the giant technology corporations that dominate the Internet are becoming a historical power factor. Netocracy has already reached a level of influencing people that may have a real threat to the survival of state forms. The concept of netocracy was introduced by the *Wired magazine* in the 90s. It is dubious whether any national or regional regulation and sanctioning will be able to limit their real power. The battle is already going on in cyberspace, thus the “digital state” and cyber technology competitions have become vital for the future of the states.

## **2. The history and the recent development of the separation of powers**

### **2.1. The history of the separation of powers**

The theory of state and the theory of power are of the same age. State science defines the essence of power as the power of the state (M. Samu 1992). Nearly six thousand years have passed since the first empires until the formation of today's state forms. Prior to the emergence of states, power relations were formed at the level of smaller communities and tribes. The direction of history leads from smaller to larger units. Since their existence, the ruling and state-governing forces have been trying to centralise power and gain dominance over other states. However, in their constant effort the separation of powers is inevitable: sharing power with other states and other power factors. Our study deals with today's tendencies of sharing state power. The internet revolution creates such new power structures, “network powers” that sooner or later will question the real power of state governments over their citizens. The post-state vision is a well-known ideology of history that has always fallen as a human endeavour (see, e.g. communism) (G. Claeys 2017). However, the new power factor globally dominating information technology are beginning to go beyond human control. They are realities without ideology, so governments have to consider them as serious threats. Is it possible that a new era of the separation of powers has begun? Is it possible that the era of states soon comes to an end? These are audacious questions, since as a result of our historical approach we consider the states as stable structures. We have learnt history as the history of the states, therefore the end of history goes beyond our imagination. However, it is worth looking back into greater perspectives, since states have developed only in the last six thousand years of hundreds of thousands of years of homo sapiens' history, and every state will be abolished and transformed with time. Written history is the story of the states' power and survival struggle, in which each state evolves and then disappears in time. J. N. Harari, an Israeli historian, in his work *Homo Deus* published in 2016 finds that, as a feature of today's digital revolution, people and countries are less and less governed by the governments (J. N. Harari 2016). They are becoming a mere administrative apparatus, they manage but do not govern. Power is not held by the state but perhaps by some other entity. Has the history of a new separation of powers unknown so far begun?

Before looking for answers it is useful to look back at the state history of power relations. They emerged in three dimensions: on the one hand, power rivalry, which historically took place between

empires and states, but thousands of wiles of diplomacy and gaining dominance have always been present in the interstate contest for power. The second dimension is the separation of powers, which can be characterised as the relationship between the ruling/governing state power and the competing non-state powers. The third dimension is the sovereign ruler, and the factors limiting and controlling the power of state governments. There was and there is a close logical relationship between these three dimensions, but there is no complete conceptual overlap.

In the history of ideas, the control over state governance can also be interpreted as a value-based approach of governance and power. According to this, the more limited the state power is the better, the more moral and humane it can be. The ruler must also respect certain moral ideals and justice requirements, that is, power cannot be unlimited. Aristotle separates the state organisation into three different power factors: the organ deliberating on state affairs, the senior official branch and the body serving justice (Aristotle 1994). The analysis of their relationship is already premised in the philosopher's book "Ethics" that the exercise of power has to relate itself to certain norms. The moral approach is fulfilled in the Christian theory of the state. According to *St. Augustine*, the secular exercise of power must always be given a moral proof (St. Augustine 2006). According to the Augustinian theory of the state, the internal essence of the operation of state power is not the exercise of power but the enforcement of a moral goal, justice and public good. *St. Thomas Aquino's* natural law approach introduces the requirement for the moral, i.e. value-based self-justification of secular powers. Calvinism and *Th. Hobbes's* philosophy further relativizes the exercise of power and its humanisation and promulgates the importance of its separation (Th. Hobbes 2011). The ideological streams of humanism, rationalism and the appreciation of human freedom and dignity are ultimately fulfilled in *J. Locke's* work and in the principle of the exercise of power being subject to the rule of law (J. Locke 2011).

An ancient form of the separation of powers occurred when the state and the ecclesiastical orders were separated. The separation of secular and ecclesiastical powers increased the perception of the secular governance according to moral values and moral truths. The separation of powers between the priesthood representing the divine power and the state power was historically more typical than power rivalry, although power wars between the state and the Churches were often present in history. The counterpoint to these is the ecclesiastical state, which keeps the separated power of the two poles in a unique unity as a state form existing up to the present. In Europe, the Enlightenment overwhelmed the Churches as power factors. Before the Enlightenment, not only the ecclesiastical (divine) powers shared power with the state. History is full of conspiracy theories of secret power "orders", for example, legends about orders of chivalry or the power of Freemasons. Since the 15th century, bankers or city-states with economic power have also been present as an independent power factor as opposed to state power. Humanism and the ensuing first national constitutions brought man (and not God) into focus. The people as a power factor, however, appears as the source of power rather than as the exerciser of power. Popular sovereignty (social contract) did not separate state power nor did it limit state power, it provided even more powerful principles and constitutional foundations for state power. Since the Enlightenment, state governance has faced new challenges, none of which has threatened the development of the state as a power institution to date. Historically, *Locke* is the pioneer in the separation of legislation and enforcement, later *Montesquieu* fulfils the triad of powers with the judiciary, the essence of which is to prevent the concentration of power [12]. Rousseau's principle of popular sovereignty gave rational and normative explanation to the source and origin of power, further weakening the mysticism of government power. The government's compulsion of the modern separation of powers appeared vis-a-vis the legislation and the judiciary as public powers. The other dimension of sharing powers was a kind of power pact with political actors such as the ruling parties or the opposition parties.

The historical direction of the separation of powers was to make it compliant with the “divine” norms before the Enlightenment and later with the democratic norms (humanism).

Since the Enlightenment, the world order without the Church – as a power factor – has been characterised by the power rivalry between state powers with varied intensity. The power concept of the “world order” in the literature of political sciences shares the “cake” of military, economic and information influence among the states. Dominance is measured in the possession of economic and human resources. Governments are in a constant struggle to increase their power domination and influence over other states. There has always been a dominance order among the states of the world reflecting true power. It outlines a kind of “sovereignty map” where the spectrum ranges from the puppet states to super powers. The immense literature of the “world order” has been written by *H. Kissinger, F. Fukuyama, S. P. Huntington, R. Kagan* and other political oracles in recent decades. Americans who have made the world believe that the “power cake” is distributed by them (USA) and some great powers.

To sum up, the compass of the separation of state power has always followed some “divine” or moral value. The methodology of violent or diplomatic power struggle between the states has only been repeated. Their common characteristic feature is that the development of the state as a power structure would not have been jeopardised but rather strengthened by them. The state has become a lasting and successful community framework. In contrast, the info-technology revolution shows the relations of state power unknown so far. There is no moral orientation and the methodology of the power struggle for people in cyberspace is also unpredictable.

## **2.2. The recent development of the separation of powers**

The 20<sup>th</sup> century brought several new elements to the formula of sharing power in state governance. On the one hand, big business, later multinational corporations forced governments into power pacts. On the other hand, media power joined the factors of non-public power. Media, as a “branch of power” is the star of the 20<sup>th</sup> century, which had lost its “shine” by the turn of the millennium, and it is being replaced apace by the “new media” of the Internet. Organised crime “capturing” the weak governments is historically not significant as a problem. In particular, international and supranational organisations (*IMF, World Bank, EU Commission*) and influential international interest groups emerged as power factors after World War II. These “supranational” institutions also operate according to the “nature” of politics: they want more and more power. They can only gain power at the expense of nation states, so they are constantly confronting them. They become really dangerous when they are allied with financial and economic corporate empires of supranational global interest. In the past two decades, the global finance has become the main power challenge to state governments. Power can be separated into political and economic sides only in theory. In fact, state governments, supranational institutions and global finance want to have influence on the same citizen, the struggle for power is getting harsher, but the majority of the sates persevere in the competition. There are examples of strategic agreements between states and the world of finance, but they only last as long as no real conflict of interest occurs. The peculiar power-sharing between politics (the state) and economy (companies) is always a temporary win-win situation, a “ceasefire” of power. Since the 1970s, the universal enforcement of globalisation and liberal values has given rise to the illusion that nation states and state governments become secondary actors. The protagonist will be the global world order value-driven by the USA. This vision has predicted a high chance of nation states and sovereignty getting into the dustbin of history.

Simultaneously, a new power vision emerged: the power of networks. The netocracy concept is analysed in *“Netocracy – The New Power Elite and Life After Capitalism”* written by two Swedish

philosophers, *Alexander Bard* and *Jan Söderqvist* (Bard-Söderqvist 2002). The authors call the formation of the economy and society formed by the new information and communications technologies informationalism, which they think will replace the social economic order of today as capitalism replaced feudalism.

Networks as a power factor can be interpreted in several ways. The network of conscious citizens who own and control information is also a power factor. The Internet has “reversed” the relationship between the state and the citizen, but nowadays it is rather the citizen who checks the state with a few mouse clicks. The information power and toolbox of an individual is expanding. On the other hand, the state has to “surf” in the fast and free flow of data while millions are watching each of its step. Although this civil control limits state power, but it does not mean a real power rivalry for the state. The state has power over its citizens, ultimately through laws and legitimate means of violence. However, the citizen is increasingly living in cyberspace where the traditional tools of state power no longer work. Is the power over the people slowly slipping out of the hands of the states?

### **3. Result: Identifying new actors of power**

The issue of the separation of powers leads us to the fundamental question of our subject: What does real power mean when we talk about states, their sovereignty and governance? If we measure power in statute, army, police, money and minerals, these are, without question, state-owned. State power is the right to govern (legislation, government) and to decide upon (judiciary) the citizens, which also includes the possibility of the power of force (violence). Both democratic and authoritarian states have influence of power over the people, the difference between them does not lie in this fact. In addition to the formal features of power, it is an exciting question whether the ruling forces of the state (institutions) actually exercise real influence on the citizens’ decisions, that is, whether the real power is held by them. Is the media in the domination over the people a rival power factor for the state? To what extent do other states or global organisations influence the citizens of a state?

According to our thesis, there are already new, barely known power factors that may pose a serious threat to state power structures. According to *J. N. Harari*’s dark vision, new power systems that are more powerful than states and governments are emerging (Harari 2016). Netocrats behind internet-based intelligent applications can be dangerous to the existence of the nearly six-thousand-year-old state forms or at least a historic challenge to every state. Our starting point is that real power is the actual influence over the people. Nowadays, especially the people of advanced societies are the “people living in the Internet”. Human factor providing for the essence of state power is dramatically changing. Internet is a free, extrajudicial zone that destroys state sovereignty, ignores the national boundaries, breaks into the private sphere and perhaps poses the worst global security risk (Harari 2016). We are living our lives in this virtual space and less and less in physical reality. If we consider someone (something) that can really influence people’s decision and thoughts, it is wiser to look for real power in the virtual space. The new power factor is behind Internet applications.

Of course, here we have to stop for a moment and acknowledge the blessings of the Internet and the development of information technology, which we all literally enjoy. However, the products of the development of human culture, in addition to its blessings, often fulfil its curse. According to the world-famous psychologist, *Mihály Csíkszentmihályi*, many human creations start an independent evolutionary power, survival rivalry with man. Up to a point they are useful, they provide freedom

and development, but with time they become overwhelming, make people addictive, become parasitic and devastating: they develop further regardless of the creator. The history of weapons is of this type, but he also mentions hundreds of household electrical appliances per family (M. Csíkszentmihályi 1993).

#### 4. Discussion on the future of the states in cyberspace

How far has the strengthening of netocracy that governs and manipulates net-addictive people progressed and where does it lead to? Regarding the powers of the Internet's algorithms (methods of data process) and applications the tech-company empires owned by *Silicon Valley* (*Microsoft, Google, Facebook, Amazon, Apple*, etc.) are the most visible today. But the scenery is more varied than that and, in particular, changes rapidly. Let's think about it, 25 years ago no one used the Internet. Today, more than half of the world's population live their lives in the world wide web, this is where they make their decisions, organise their work and private contacts. Over the past ten years, the number of net users in the world has grown tenfold. 70% of young people in the world (aged 15-24) and 95% of young people in the developed countries are net users, thus it is only a matter of time for everyone in the world to lead a net-addictive life. Instead of statistics, however, it is enough to walk in the streets, travel by public transport with open eyes and watch the "relationship" between people and their smartphones. Psychologists, pedagogues and anthropologists ring the alarm bell: The world wide web services cause an irreversible psychological addiction to the youth. *John Harris* wrote an article entitled "*Silicon Valley Is Eating Your Soul*" in the January 1, 2018 issue of the British daily newspaper, *the Guardian*. In the article he mentions *Sean Parker*, the former president of *Facebook*, according to whom the social media network "basically transforms the social (human) relationships and only God knows what it does to the minds of our children". According to the quote of the article, *Ch. Palihapitiya*, a former senior executive at Facebook considers that Internet applications "deliver dopamine doses (hormones of happiness) so that the transformation of man will lead to the destruction of today's society". Internet applications know everything and analyse everything about people living in the world wide web. We receive personal offers on a moment-to-moment basis that are based on our customs (e.g. travel, reading, shopping, etc.) and the analysis of our personality. The number of people who do not make their own decisions but get them is increasing. The "System" that thinks instead of us and that knows us better than we do is slowly influencing or manipulating all of our steps, so that we often do not even make decisions. From purchasing to political choices, the "power" of individual decision is slowly redirected to the providers of Internet networks. The Internet and social networks are the scenes of the free exchange of views with almost no limitations. However, the rules are also written on the basis of interests by those managing the system algorithms and applications for Internet. This is how the individual, in the unforeseeably expanding dimensions of the power over the people, will be possessed by the people and corporate giants operating the Internet and social networks. According to the aforementioned vision, these are more effective power structures in governing the people than the states and governments. People follow "them", more precisely, they are increasingly following only "them". They are, of course, influencing people out of economic interest up to a point, but then manipulation becomes total, that is, all human relation systems are ruled over by them (N. Kis 2018). And by this, the six-thousand-year-old power structure of state and governance can merge with the new power structure of the cyberspace of history. Are politics, parliaments and elections slowly becoming rather sceneries?

## 5. Conclusion

We analysed whether the nation-state governments have recognised the new power rival. It seems they have. There are stronger and stronger regulatory and sanctioning measures against tech moguls taken by economic powers ranging from the *USA* to the *European Union*, and *China* openly limits the operation of the world wide web. Every super power's president has already pleaded against the networks of the so-called cryptocurrencies (bitcoin, block chains) sweeping through the Internet nowadays, there have been state bans and fights initiated against them. It is dubious, however, whether any national or regional regulation (see the EU's data protection regulation and fines) and sanctioning is capable of limiting the web's technology titans' influence over the people. We might have serious doubts about this even today, as it is enough if we look at the effectiveness of the operation between the state apparatuses and the aforementioned tech corporations. Cyber security policy, the regulation and sanctioning of corporate cyber powers are necessary but far from sufficient.

Regarding the states it is vital for the future whether the state can move from the physical reality to the digital (virtual) space where its citizens are living more intensively and in a growing number. The so-called "digital state" is not a convenience, efficiency or service development issue. The "digital state" is the issue of the future existence of the state. It means that the state and its government follow their citizens if they do not want to lose them for good. The "digital state" can transfer its functions to the virtual space, that is, it can also protect, serve and influence the citizens there. It perseveres in the competition of the tech giants' services and algorithms. The internet has webbed the world in 25 years. The cyber-power struggle may be over within decades. According to Harari, it has already been over: "The government turtle cannot keep up with the rabbit of technology". Let's be optimistic, perhaps it is not too late for the governments to recognise the gravity of the danger threatening the survival of their own state power. *G. Orwell* in his novel "1984" written in the 1940s imagined the power of the "Big Brother" ruling over even the thoughts of the people within the framework of the imperial form of government. Internet applications, however, will no longer need either states or governments. Moreover, it may no longer need humans either, but it will really mean "the end of history". At least our human history.

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