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# THE END OF POLITICS: DECONSTRUCTION, DECLINE AND ALTERNATIVE OF THE STATE

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Abstract<sup>1</sup>

*The paper represents theoretical investigation into the phenomenon of decline of the state. It addresses three basic and mutually connected investigation areas, introduced in deconstruction of the state, decline of the state and alternative of the state. Primarily, theories of the origin of the state are exposed, where the state's essence is located; its function – identified and the role it has been playing – observed. In following, the decline represented as a process of transfer – with the state as its main subject, is interpreted through different prisms, particularly the one of federalism, postmodernism, decentralization and libertarianism. The specific focus is laid on the process of decline of the state, following the libertarian theoretical framework. The process is determined by the decrease of the state's functions, occurring in certain period of time. Accordingly, the process is analyzed and divided into four phases, each of them identified with a certain type of state, with an exception. Ultimately, the alternative of the state is emerging as last phase and final outcome of the process of decline of the state, while introducing a new era, the one of no politics.*

*Keywords: state, libertarianism, politics*

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## INTRODUCTION

There are several works – namely books and journal articles using the phrase *the end of politics* in their topic, referring to a future or a potential social context, in which the communications, attached to the technology development, would achieve a new, higher, advanced level, and the need of politics, generally – the state, would be exceeded. The specific inspiration behind the paper could be found in the article *The End of Politics*, written by Max Borders, published by *Foundation for Economic Education* on 2<sup>nd</sup> September, 2014 (Borders, 2014).

*What is politics?* The politics can be determined as a *complex network of activities* related to *leading, managing and/or running* a state. The main method of the leading, managing and/or running, in specific – the state, is utilizing political power – the power of practicing *organized coercion*. The end of the politics is a phrase, linked to the end of activities related to leading, managing and/or running a state. Analogically, it is attached to a stateless social context, lacking the institutional infrastructure of politics – the state. Without it, there is no *politics*. The end of the politics embraces the process of *decline of the state*, and could be identified with the result of the process, namely *a stateless society* – anarchy.

This paper *addresses the concept of the state*, omnipresent in almost all *intellectual* and human history, and the concept of decline the state, examining the tendency of decreasing and diminishing its role and scope. Following a great political academic, which declare the end of history and triumph of liberal democracy and liberalism (Fukuyama, 1994), some perceive the political history in the form of clash of civilization (Huntington, 2010) and foresee the rising division line among democratic and autocratic axis in international context (Kagan, 2008); there are also some, researching the *possibility, desirability* and the *justification* of a social context without *state-existence*, having in mind that in our reality, the state-existence is the *maxim*, not the *exception*. The *purpose of the paper* is to provide answers to the following questions: what is the *state's origin*; what is the *state's essence*; what *functions* does the state provide; what kind of *actor* the state appears in the social relations; what *role* does the state plays in the society; what covers the concept *decline of the state* and what is the *alternative of the state*?

## DECONSTRUCTING THE STATE

The start point of this theoretical investigation into the state's nature and its transfer would be making distinction between two similar or even identical concepts – the one of state, and the one of government. In broadest sense, the state is determined as an entity, composed of three cumulative elements – government, territory and

population (Di Matteo 2013, 3). But, in narrow sense, the state and the government are regarded as identical, due the government remains the institutional element of the state – its operationalization. Furthermore, there would be existence of territory and population without *state* in the form of *country*, while there is no existence of the government without state, or the opposite, that leads of establishing connection and identification.

## STATE'S ORIGIN

*The state* represents a social *phenomenon*, found in the history and the present, characterized with certain type of *authority*, *defined* variously, determined by the theories embracing its *origins*. The general theoretical investigation into the state involves *organic* and *mechanic* approach of it, while the theories are divided into (a.) *evolutionary*, (b.) *force*, (c.) *conflict*, (d.) *divine right* and (e.) *social contract* ones. The state in its modern variation is distinguished from it in the past, but there is *common denominator* that makes the ideas of it, and the politics, *universal* ones.

*Aristotle*, one of the greatest (political) philosophers adopts the *organic approach* of the origin of the state. In his *Politics*, the state is determined as a *community* (state-community, city-state), the one *transcending* others, such as the family and other social ones. The state is “the most important community” and its creation is linked to “the maintenance of life” (Aristotle 2006, 5-9). Furthermore, he claims, the state not to be an *artificial* or *social* (conscious or spontaneous) creation of the *human interaction*, but rather, a *natural community* (Aristotle 2006, 8), following the emergence of the human species, *prior* to human interaction. According to the theory's framework, the state appears as a *natural* and *evolutionary phenomenon* – community.

*The voluntary theories* locate the origin of the state in the *institute of social contract*. The social contract is identified with the conscious process of *state-creation* (Ilievski, 2015). The subjects of the state are the individuals, which limit their own freedom in favor of a newly established *political community*. Several philosophers such as *Thomas Hobbes*, *John Locke* and *Jean Jacques Rousseau*, implicitly, are writing about this kind of *political integration* (Ilievski, 2015). *State of nature* (Hobbes 2010, Ch. XIII) is the outcome of the social relations, prior to the appearance of the social contract, according to these social contract theories. This condition is recognized as a condition without organized - *political authority* established, and the human behavior is characterized as *selfish* and *destructive*, resulting in a *war of all against all* (Hobbes 2010, Ch. XXIII). The solution of the life-*unsecured* condition becomes the *Leviathan*, symbolizing the state, as a form of *political integration* and common *establishment* and *justification* of the political authority. Correspondingly, John Locke finds the state - social contract and political integration, a guaranty of *human life, liberty* and *property* (Locke

2006, 230). Jean Jacques Rousseau, as his social contract's predecessors, determines the social contract as a *social consensus*, or a *social will*, developed with the purpose of establishing and remaining a *common welfare* (Rousseau 1978, 47-53). According to the voluntary theory of state's origins, it appears on the social scene in a certain phase of human development, based on a (*hypothetical*) *consent argument* (McLaughlin 2007, 90) and created with a certain *goal*, securing *life, property and maintaining social order*. It is regarded as a *social*, or an *artificial phenomenon – community*.

In accordance with the *Marxist approach* of the origin and the nature of the state, the one is regarded as a *class instrument* and a *tool* for establishment and maintaining "hegemony of the rich and powerful over the poor and weak" (Nitisha, 2016). In *Friedrich Engels's* words, the state represents *social force*, placed above the society, *alienating* from it (Lenin 1960, 3), while *Karl Marx* concludes that it is "an organ that legalizes and consolidates the exploitation" (Lenin 1960, 4). Marx declared the state to be a *reflection* of the social processes and an executive *instrument* of the social groups (Spektorski 1933, 22). Furthermore, it's emergence on the social scene is connected to the appearance of the institution *private property*, and it mainly is utilized as a tool (instrument) for protection of it, while exploiting the *marginal classes* in the society. According to this theory's framework, the state appears as a *social* or an *artificial phenomenon* – governed by the powerful and rich.

*Franz Oppenheimer* covers the origins and the nature of the state while adopting *mechanic approach* of state's origin. In his book *The State*, he defines it as an "organization of political means" (Oppenheimer 1926, 27). Additionally, he describes two opposed means of satisfying the human's desires, the *economic one*, and the *political one*. The first represents means that essentially are *non-coercive* - but *voluntary*, while the second ones are those of violence, robbery, threat – *the coercive ones* (Ilievski 2015, 3). As an *organization of political means*, the state is an institution that involves violence, robbery and threat with violence. Oppenheimer compares the state with the institution of *slavery (ownership of slaves)* – *slavery of labor* (Stirner 1907, 152), and locates its genesis in the *nomads* (Oppenheimer 1926, 37), which have been practicing *conquering* and *exploitation* (Rothbard AS, 16) of the people and their property. According to this theory, the state is described as a *criminal gang*, utilizing violence and threat with violence – *coercion*, as a mean of its involvement in the social relations, gaining benefits from *practicing blackmailing* of certain people, on given territory. Following, the state does not appear on the social scene as a *natural community*, but rather as *conscious, social, coercive and artificial one*.

Table 1: Typology of state’s origins (Source: Our own depiction)

Theoretical background	State’s origin
Aristotle’s philosophy	Natural community
Voluntary theories	Social contract
Marxist’s approach	Class instrument
Oppenheimer theory	Organization of political means (Violence, robbery, threat)

### STATE’S ESSENCE AND FEATURES

There are various definitions of the state as a social phenomenon, each of them starting from its own theoretical point of view. As written, it is regarded as a *natural community* or a *social community*, differing mainly in its roots, located in the *nature* or in the *human actions*. From the standpoint of the modern political philosophy and social science, it could be detected a unique essence of the state as a *common denominator*, following its *development* and various *manifestations* throughout the history.

The state is regarded as a territorial community with an ultimate authority (Spektorski, 7). It is “the supreme power, within its territory, and by definition the ultimate authority for all law, i.e. binding rules supported by coercive sanctions” (Dosenrode 2007, 19). *Jonathan Wolff* defines it as a “group of persons who have and exercise supreme authority within a given territory or over a certain population” (McLaughlin 2007, 74). *Hans Herman Hoppe* continues with the description of it as a “territorial monopolist of compulsion – an agency which may engage in continual, institutionalized property rights violations and exploitation – in the form of expropriation, taxation and regulation – of private property owners” (Hoppe 2007, 45). The most used and common definition of the state, is the one according to *Max Weber*, determining it as “a human community, which successfully claims monopoly on legitimate use of physical coercion, on certain territory” (Fukuyama 2012, 24).

Following, it can be concluded that the essence of the state is the *use of violence* and the *threat with using violence – coercion*. It is unique human community, or social institution, practicing and based on *coercion*, while it is *legitimized*. The legitimacy presupposes *hypothetical consent* of the units – individuals, which are *objects* to the *subject’s* use of coercion. It is a unique *social institution* that articulates *condign power* (Galbraith 1995, 4) in the process of *goals-achieving*. The *legitimized condign power* is identified as a *political power - the power of institutionalized violence* (Rand 1967, 53). As any other *social institution* deconstructed, it remains a *hierarchical structure of*

*individuals*, specifically different from other institutions, with *sui generis nature* - possessing *quasi-legitimate* right of practicing coercion.

The state, as a social institution, *quasi-legitimately* utilizing coercion, (a) provides its *functions* related to its citizens, (b.) remains an exclusive *actor* in the social processes and (c.) plays a *role* in the society with its unique essence.

The functions the state provides could be divided in three parts: *protection, welfare* and *social planning functions*. (a.) The protection functions of the state – *the core functions*, covers its authority to engage in the *social (interpersonal) relations* (Ilievski 2015, 10), when an individual right is violated. The concept of individual rights covers the right to *life, liberty* and *property* (Locke, 2006), not expanded with other rights - which could be regarded as *privileges* (Rand, 1967). (b.) The welfare functions - the state provides, are followed by the primary protection functions. Despite the primary function, it positions itself as a *nanny* (taking care of its citizens). The welfare function of the state could be observed in its interference in areas such as *education, health, retirement* and other *social processes*. It provides, within its frames - not just a protection of the individuals rights, but also educational, health, retirement and other social services. (c.) The social planning functions of the state embraces the services linked to *planning* and *regulating* almost each aspect of *human living, interaction* and *social relations*, particularly *each economic activity* (Hayek, 2011), and consumes previous functions.

Determined by its practicing activities, the state positions itself as a unique *actor*, identified variously as a norm establisher, social relation participator and punishment executor. (a.) The state remains the main *norm establisher*, operationalized through the *law* - as a system of norms, based on the state's essence – the *coercion*. (b.) It could also engage in social relations, as an *equal actor* in the social context, nevertheless they could not be regarded as equal, observing their different essences. (c.) And the main practicing *activity* is appearing as an exclusive *punishment executor* – practicing *coercion*, the base behind the *norm establishing* and the *citizen's duties* toward the legal norms.

The role the state plays within society could be distinguished, to the one of *guardian of social order* and *instrument of social change*. (a.) The first role of the state is attached to *preserving* the current social order, as a *totality of social relations* (Calvert, 1994). In fact, the state appears as the base for *social-organizing*, preserving the already established *rules* and *institutions* for resolving problems among individuals, utilizing coercion, as its essence. This type of social order, where the state plays the main role can be described as *imposed order* (Bamyeh 2009, 28) or *conscious order*. The order that could potentially evolve with *marginalizing* the state's role or *diminishing* it, could be described as *spontaneous order, polycentric order* (Hayek 2011, 230), *voluntary order, unimposed order* (Bamyeh 2009, 28), or *natural order* (Hoppe 2007, 71). (b.) The opposite process of maintaining *social order* is the process of *social change*. It refers to "any

significant alteration over time in behavior patterns and cultural values and norms" (Cliff-notes, 2016), mutually determined with the socio-political context. The social change also covers getting from one state of social stability to another; the changes of the social structure and relationship within society *as individual network of dependencies* (Elias 2001, 14) and the modification of the basic institutions, during specific period (Goodwin, 2008). The state could play a major role in the process of initiating social change, (similar to the maintenance of social order), through its capacities of *imposing* change, following the *top-down* approach, justified by the *legitimacy of coercion*.

## DECLINE OF THE STATE

### *Typology of the Decline of the State*

The process of *decline of the state* (Hammarlund, 2014) covers the *decreasing* of the role it plays in the social relations, the *transfer* of the functions it provides, the *tendency of narrowing* its scope and its potential further *diminishing*. The process is attached to various processes in the modern age - technology development, intense communication networks and social changing, *mutually determined* with the individual's mentality advancement. The decline is linked to the changes occurring in state's functions, role and activities, particularly transferring and limiting the scope of the state's interference in favor of various *entities*. The level the transfer occurs and the entities empowered with its features are the following: (a.) administrative level – *state's entity*; (b.) federal level – *state's entity*; (c.) local level – *public entity*; (d.) subnational level – *public entity* and (e.) private level – *private entity*.

From the categorization of the transfers, three types of decline could be distinguished: (a.) *improvisatory decline of the state*, where the features are transferred to other entities that are part of the state as a hierarchical structure, and the *political center* is not challenged – *state's entity*; (b.) *semi-substantial decline of the state*, where the features are transferred to *public entities*, that are located out of the state as a hierarchical structure, but rely on it as a *social relation participator* and *punishment executor*; and (c.) *substantial decline of the state*, where the features are transferred to *private entities*, that differs from the state in its essence.

## FEDERALISM AND POSTMODERNISM

Federalism in a broader sense represents political theory, which lays focus on the political unification of the two or more political entities - states. *Karl Fridrich* defines it as a process in which certain political communities are uniting, in order to find solutions for *common problems*, establishing *common institutions*, practicing *common*

*decision-making* and adopting *common policies*. Accordingly, the political entity, particularly the state, transfers certain *amount* of its features to a newly formed *federal center*, establishing federation, as a *final political community – finalite politique* (Kovacevic 2013, 66-68). With the establishment of the federal center, the state delegates some of its authorities to the federal center, but preserves the rest of them. Its identity is not diminished in the frames of the federation, but it is - in an international context. The established federal center does not absorb all the features of the states, but rather they are shared with the federal entities (states) authorities – *dual sovereignty* (Cameron, Falleti 2005, 257). In the case of federalism, the transfer of the state's features occurs on a federal level, which could be identified as a process of *decline of the state*, decline of a certain type of state – *nation state*. In fact, there is an *improvisatory decline of the state* therefore the features are transferred to other entity-federation essentially remaining a state, with its identical essence and features. The federalism is described as a process of decline of the nation-state, as a specific type of state, but *improvisatory*, while within it, a new type of state is born – *federation*.

The term *postmodernism* is a broad term that embraces various worldviews, philosophical and art movements – followed by particular activities in the contemporary politics, on domestic and international context. In the frame of politics, *postmodernism* is amending the *modernism*, with its central subject – *the nation state*. Following, the term describes various political determinations, with a focus on the tendency of *decline of the state*, operationalized in the form of *international public governances*. Within the political *quasi-structure* of postmodernism, the nation-state is no longer the *exclusive actor* in the international context (Cooper, 1996), and correspondingly, it loses its *modern* and *absolute* sense in domestic context. The state's features are transferred, the powers are reallocated, and sovereignty delegated in favor of international public organization. Accordingly, the subnational organizations appear as an important factor in the national and international governance. Their role is of great significance, but not regarded as a *total alternative* of the state due the (*nation*) *state* preserves the dominant position in the international and domestic context. The power-sharing among the state and the other types of governance, within the international context, denotes that the sovereignty of the state is *disaggregated* (Slaughter 2004, 267). The international organizations could not be identified as state's entities – they are not part of the state's hierarchy, nor as private ones, they are neither privately established, nor driven - but could be as *public* ones. Since defined as public entities, *the decline of the state* could be regarded as *semi-substantial*, due the fact that its essence is not challenged, but potentially delegated. The appearance of the state as a *social relation participator* and *punishment executor* maintains, while the appearance as a *norm establisher* could be transferred to the *public entity*.

## DECENTRALIZATION AND LIBERTARIANISM

Decentralization in a broader sense represents a process and a status of *decentralizing the power of the state, and transferring its authorities* to specific actors on a lower level. The broad term mainly refers to four aspects of it – (a.) *political decentralization*, (b.) *administrative decentralization*, (c.) *fiscal decentralization* and (d.) *market decentralization* (Neven, 2002). Furthermore, it covers three types of decentralization, such as: (a.) *deconcentration*, (b.) *devolution*, and (c.) *delegation* (Yuliani, 2004). The various aspects and types of decentralization, differs in its essence and refers to deferent status in the decline. The administrative decentralization is connected with the phenomenon of *deconcentration*, where the authorities of the central apparatus *deconcentrate* its powers and capacities, and correspondingly are transferred to lower level in the bureaucratic hierarchy. The essence and the functions of the state remain in its hierarchy structure, but could be located on a lower level. In that sense, the administrative decentralization and the deconcentration are not regarded as a *substantial decline of the state*, but rather as *improvisatory decline of the state* - transferring of authorities within the state's structure, not to *non-state entities*.

The *political decentralization* and *fiscal decentralization* could be identified with the process of *delegation* and *devolution*, where the state's features are delegated to the *local self-government* organizational structure. In this condition, the decline could be categorized as *semi-substantial decline*, where occurs *de facto* transfer to entity, that is placed out of state's structure, but relies on it as a social relation participator and punishment executor. In the case of *market decentralization*, substantial decline of the state occurs, considering the fact that it *privatizes* and transfers its features to non-state and non-public actors – *private entities*. The market decentralization is narrowly related to the theory of **libertarianism**. Libertarianism represents a *political theory* and *political philosophy* which positions the *individual* as a central actor in the *social relations*; the *individual liberty* as the highest value in its *axiological system* and the *individual consent* as the basic principle for *socio-political organizing* (Ilievski 2015, 9). In the theory of libertarianism, the individual liberty is observed as the opposite principle of violence, or threat with violence - *coercion*. It is violated by practicing *coercion*, and refers to the absence of *coercion*. In addition, the individual is *liberated*, and *free* in the actions he takes, as long as they are not existing *coercive* ones oriented towards him. The *libertarianism* as a theory positions the individual liberty, and the essence of the state – practicing coercion, as *inversely proportional* phenomena. Manifested on political level, it introduces: (a.) *relative decline of the state*, which covers the erosion of state's essence and features, by limiting its functions, appearance as an actor and its role, but also its further limited existence; and (b.) *absolute decline of the state*, which is associated with the total diminishing of it, in its essence, functions and other features.

Table 2: Typology of the decline of the state (Source: Our own depiction)

Decline of the state	Improvisatory		Semi-substantial		Substantial
Transfer	State's entity		Public entity		Private entity
Level	Administrative	Federal	Local	Subnational	Private

Table 3: Results of the decline of the state (Source: Our own depiction)

Improvisatory decline of the state	Semi-substantial decline of the state	Substantial decline of the state
Administrative decentralization	Local self-government	Libertarianism
Federation	International governance	Market decentralization

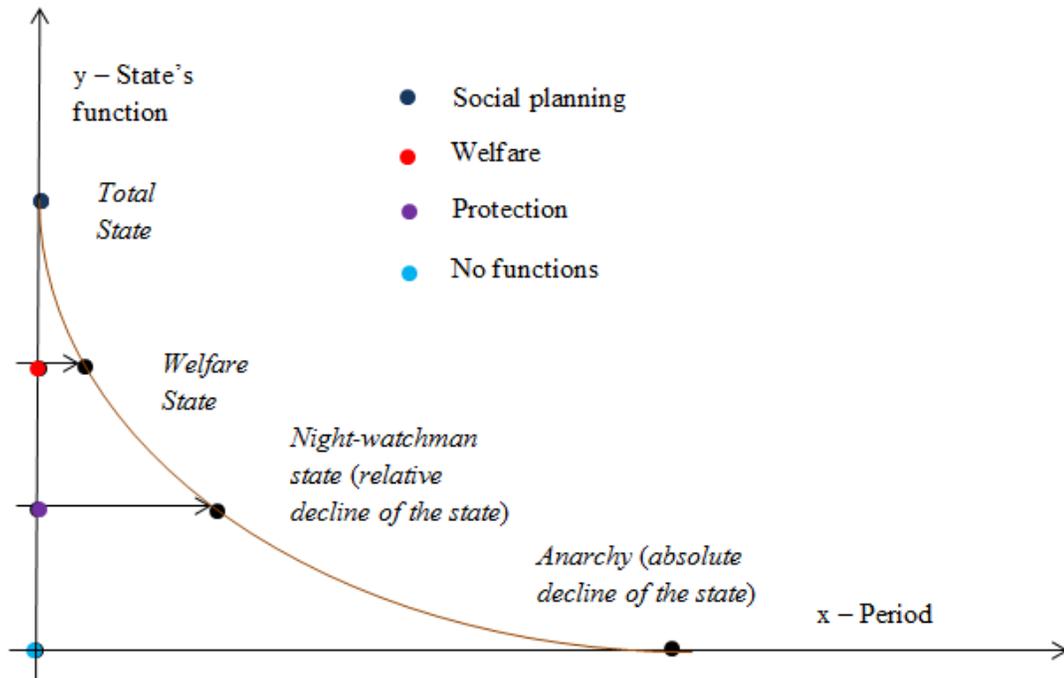
## ALTERNATIVE OF THE STATE

### *Anarchism and the Process of Decline of the State*

The term *anarchism* derives from the Greek language - *anarkhia* (*arhos* meaning rulers and the prefix-*an*, meaning "no" or other form of negation), translated to English - "no rulers" (Online Etymology Dictionary, 2016) and covers various political theories and tendencies that have a common denominator and foundation – *rejection of the state* (McLaughlin 2007, 25). The idea of establishing and keeping social relations *without state interference* is found in the antic ages, medieval ones, and the most serious attempt – in the ages of *Enlightenment*. The anarchist theories could be distinguished in two major groups, *individualistic anarchism* and *collectivist anarchism*. The major difference regarding the both is the relation they develop towards the institution of *private property*. The collectivist anarchist tradition points that the state is the *guarantor* of the institution, while the individualistic one sees it as a great, *violation* of it (Osterfeld 1986, 51). The *individualistic anarchist tradition* strongly develops on the American soil, while the collectivist one, in Europe. The *scientific anarchism* is identified with the *individualistic* one, and usually is referred as *anarchism*, covering *anarcho-capitalism*, *market-anarchism* and/or *voluntaryism*. The basic idea behind the anarchism is the *abolition of the state* (Osterfeld 1986, 51), manifested in the *absolute decline of the state*. The *absolute decline of the state* embraces the idea of a society and social relations without state's interference and generally without state's existence. In that way, the social institution, present in *almost* whole human history, determined as a *political*

*history*, does not exist. The process of decline of the state involves the period in which the transfer of the state's features occurs, particularly, the functions of the state. Theoretically, the process involves four phases each of them representing a certain type of modern state, (a.) the first phase represents a *Total state*; (b.) the second one – a *Welfare state*; (c.) third one – a *Night-watchman state*; and (d.) fourth one – *Absolute decline of the state*. The actor in the process of decline of the state is identified with the *modern state* – dominantly the nation-state and its modification and variation, while the final stage in the process introduces the absolute decline of the state, in its broadest sense. The starting point and *the first phase* in the process represent the *total state*, embracing the idea of a *state* regulating each aspect of human living, interaction and social relations. Definitely, the state appears as guardian of social order and instrument of social change. It provides *social planning functions*, absorbing *welfare* and *protective* ones, and acts as enhanced norm establisher, with its capacity to regulate each aspect of human living, interaction and social relation. It appears as the dominant social relation participator and the ultimate exclusive punishment executor. The social planning functions politically manifest in the *Total state* (Osterfeld 1986, 88). It is immune to the process of the decline of the state, and correspondingly, no transfer of state's features occurs to state's entities, neither to public or private entities. In the world political history, the best example of state tending to be total state is the *Soviet Union*. *The second phase* in the process of the decline represents the *Welfare state* (Palmer, 2012) or also known as *Sozialstaat* (Morgan 2005, 64) and *Nanny State*, which covers the idea of a state that is limited in its functions, comparing to the total state. It provides welfare functions, operationalized in *educational, health and retirement services*, plus the core – protection services. It positions itself as a norm establisher, social relation participator and punishment executor, in a narrower scope than the total state. There are a lot of examples of this particular type, such as the states in Europe. *The third phase*, in the process of decline of the state, represents completed *relative decline of the state*. For the purpose of protecting the individual's rights, the state is active solely in the scopes of *internal criminal and justice* and *external action*. Basically it is composed of several state-driven institutions such as *police, courts, military and foreign affairs*. In fact, the political manifestation of the *relative decline* is the *Night-watchman state* (Nozick 1974, 26), or *Rechtstaat* (Morgan 2005, 64), whose only justification is the protection of the individual's rights - preserving the functions of protection, without welfare, or social planning activities. Something similar to this type of minimal state, could be regarded USA in its founding. *The fourth and last phase* in the process identifies the *absolute decline of the state*. The decline indicates the absolute transfer of the state's functions, diminishing its essence – practicing *coercion*, its role as a guardian of social order and instrument of social change and its actor appearance as norm establisher, social relation participator and punishment executor, to various *non-state, private entities*.

Chapter 1: The process of decline of the state (Source: Our own depiction)



## MARKETIZATION AND ALTERNATIVE OF THE STATE

The process of transferring the state's features could be named *marketization*, the method of transfer – *voucherization* or *privatization*, while the manifestation – *anarchy* or *stateless society*. Voucherization describes the process of converting state-benefits programs to a system in which participants are rewarded vouchers with which to purchase privatized services (English Oxford Dictionaries, 2016). Through the process, the state's functions, firstly *de-monopolized*, are divided into *vouchers*, and granted to each individual-citizen. The citizens possess the vouchers, and the right to preserve, sell or put a burden on it. Each sector of state's authority is voucherized, divided into vouchers and granted to the citizens.

With the de-monopolization and voucherization of the state, the one loses its authority to enforce citizen's rights, and potentially could become *one among other private agencies*, providing services (Long and Machan 2008, 161). Accordingly, the state's functions are privatized, transferred to private entities, and its essence diminished. The marketization process refers to a process in which the social relations, subject of state's regulation, convert to regulation of the market – *non-coercive* and *non-centralized regulation*. They are not subject to the *state regulation*, but to the *self-*

*regulation*, established by the subjects-participants in the relation, based on their consent – **market regulation**. The process of marketization could be identified with the process of *substantial decline of the state*, where state's authorities are being transferred to private, *voluntary entities*. The privatization covers *private possession* of the state's functions, operating on a voluntary base. In that way, the state and its functions, are *voucherized - privatized*, and correspondingly, divided between the citizens. The *Total state*, through voucherization loses its essence, and narrows its scope, following the process of *decline of the state*. Firstly, it could be potentially transformed into *Welfare state*, by *privatization* of the social planning functions of it. The second one, as a subject of the process, could be also transformed into *Night-watchman state*, by *privatization* of the welfare functions it provides. The *Night-watchmen state* remains the last phase in the process of *relative decline of the state*, preserving solely the protection function. The transformation of the *Night-watchman state*, through *privatization* of the protection function symbolizes the *end of the state* as a social institution, and the last phase in the process of decline of the state. The privatization could be identified as a *method* in the process of *decline of the state*. It means abolishment of the state, and it's no further existence. With it, state's essence – practicing coercion, its functions of providing social planning, welfare, and protective services, its appearance as norm establisher, social relation participator, and punishment executor, its role as guardian of social order and instrument of social change - *are abolished*.

In a stateless society, the functions of the state are transferred to various private agencies, not possessing monopoly on the services they are providing, but rather, appearing on the *market of services*, while the individual is choosing the agency and the services he/she is attaining, potentially and partially using the vouchers received in the process of voucherization. The most problematic and delicate issue, when it comes to the privatization of state's functions is linked to the *protective function* it provides. The main question arising from the issue is if the *final justice* could be placed in *private hands*, and if the agencies could provide protective services. Following the individualist anarchist tradition, the protection function, particularly, *the police, the law and the court's services* could be provided by private agencies – *protection companies* (Rothbard FNL 2002, 223), *protection entrepreneurs* (Long and Machan 2008, 107), *dominant protective associations* (Nozick 1974, 15), *unions of egoists* (Stirner 1907, 234). The main difference between the state and private agencies is related to its essence – (a.) the agencies are founded on voluntary base, while the state - on coercive one; (b.) the state's scope is *overwhelming*, while, the scope of the agencies is *strict*; (c.) the state could provide all of the mentioned functions, while the agencies are specialized; and (d.) the final difference is related to the efficiency, the agencies as private companies are found more efficient compared to the state. The potential problems arising between individual's subscribing different agency (Nozick 1974, 16) could be solved with a

cooperation of the agencies, establishing a *unique framework* for the problem and evolving of single solution, as a compromise among individuals, following basic justice principles.

Table 4: Comparison between state and protection company (Source: Our own depiction)

Entity	State	Protection agency
Base	Coercive	Voluntary
Regulation	Democracy	Market
Scope	Overwhelming	Strict
Functions	General	Specific
Efficiency	Less efficient	More efficient
Order	Imposed	Spontaneous

The *absolute decline of the state* introduces stateless society - anarchy, in which there would be no existence of *political center* with the authority of decision-making based on the monopoly of coercion; and the previous state's function would be provided by private agencies. In a stateless society, the alternative of the state embraces various private agencies, representing *multiple centers of power* (Osterfeld 1986, 356), each of them providing functions, based on *individual consent*. The functioning of the agencies, generally the agencies are exposed on the *hidden hand of the market*, (Smith, 1997) and could be treated equally with various *private* companies providing services to the individuals.

## CONCLUSION

There could be drawn several statements summarized in conclusion, covering the state deconstructed, the process of decline of the state observed, and the perspectives of alternative shown up. Regarding state's origin, are distinguished theories finding it as natural community, social contract, class instrument and *organization of political means* - utilizing coercion in the social relations. Also is described as unique human community practicing and being based on coercion, while it is quasi-legitimized by the objects of it, and justified by *hypothetical consent*. Accordingly it is unique social institution that uses *condign power*, or power of institutionalized violence. Totally deconstructed, it is a *hierarchical structure of individuals* possessing right of practicing coercion, restricted and channelized through general directions. The state could provide several functions, represented in social planning function, welfare function and protective function; is determined as norm establisher, social relation participator and punishment executor and regarding the role it plays in society, as guardian of social

order and instrument of social change. The decline of the state as a *tendency* is manifested as improvisatory, semi-substantial and substantial decline. The improvisatory decline covers the transfer of state's authorities to other entities that are structured within the state's hierarchy – remains the state's structure, such as the decentralization and federalization. The semi-substantial decline of the state embraces the transfer of the state's features to non-state, but public entities, based on the state's role, such as international public governance and decentralization. The substantial decline could be distinguished into relative and absolute decline of the state, covering the transfer of state's function to non-state, private entities.

The alternative of the state introduces stateless society - anarchy, with diminished political center possessing the authority of decision-making, based on the monopoly of coercion. In a stateless society, the alternative of the state embraces various private agencies, representing *multiple centers of power*, each of them providing functions and services, based on an individual consent. The agencies and their activities are exposed to the market - as a primal base and non-coercive regulator, instead of state-regulation. Each individual - through the action he takes, and each agency with the service it provides, participates in the evolving of pure *spontaneous order* and the new era of *no politics*. 

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