

Micronations, Digital States and the Montevideo Convention

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It's 2025. You can start your own country from your bedroom. Kind of.

From libertarian seasteading projects to blockchain-based “cloud nations,” a growing number of people are questioning the legitimacy, functionality, and even the relevance of the traditional nation-state. In their place, they are experimenting with micronations and digital states: loosely organised, self-declared sovereign entities that exist outside the bounds of the Westphalian state system and within a fundamentally rewired digital world. This requires envisioning a new criterion for recognising sovereign states, independent of existing national governments.

Many of these movements are almost funny, with micronations like the Principality of Sealand, near Suffolk in the United Kingdom, issuing and selling knighthoods, damehoods, and other noble titles for its one-resident nation. Or micronation Molossia, near Nevada in the United States, which has its own currency, laws, and government despite having only thirty-five residents. However, some are more serious, with full-fledged constitutions, passports, and political platforms. Still others, like Bitnation, Plumia, or Satoshi Island, envision a post-geographic citizenship, where identity is not tied to land, but to code, contract, and shared values.

Will sovereignty become unbundled from territory? Will nationhood become a matter of opt-in affiliation? As with the birth of any new political era, one must assess the forces at play that created it. Here, it may come down to supranational forces, such as climate change and corporate power, and subnational forces, like separatism, migration, and digital identity.

In this vacuum, new forms of organisation are emerging. Estonia offers e-residency to global citizens. Puerto Rico is courting crypto-colonies. There is the concept of “network states,” which consist of loyal followers, instead of subjects, who leverage the internet to form online communities, crowdfund physical land, and operate under their own systems of governance and economics. This is already happening. The question is: What happens to rights and accountability when governments become brands and leaders are unelected founders?

Anybody who has a background in international law will be perplexed by this because they have all had the criteria for statehood drilled into their minds. Those international lawyers will remember the Montevideo Convention of 1933 as being the authority for establishing the definition and rights of statehood. According to the Montevideo Convention, for statehood to be recognised and accepted, a state requires: 1. a permanent population, 2. a defined territory, 3. a government, and 4. the capacity to enter relations with other states. Micronations and digital states challenge every one of these assumptions, but they could be interpreted into the law.

While a “distributed community” across Discord servers probably would not be sufficient to constitute a permanent population, there are online communities which are more fixed or member-like, which could be interpreted into the meaning of a “permanent population.” As for the criterion of “defined territory,” as we saw with the Metaverse, it is possible to have a somewhat parallel “territory” in the digital world. I see it being likely that a digital “territory” could be interpreted as “defined territory” in the way that the geographical world once was. The criterion for a “government” is where lawyers will struggle to apply the traditional requirements of statehood. For micronations, there may be some form of “government” available for evaluation; however, for digital states, it is more likely that there will be no governments. Instead, there will probably be smart contracts to enforce rules without human intermediaries. As for the criterion to have the capacity to enter relations with other states, otherwise known as the diplomacy requirement, the “other states” that the digital states would be entering relations with would likely not be the UN member states, as we currently understand diplomacy to function; the “other states” would be platforms, protocols, and markets.

While micronations and digital states will probably never fully replace countries, they don't have to. Their real power lies in offering a mirror to the modern state, exposing its rigidity, its failures, and its assumptions about what citizenship, authority, and belonging should mean. If there is a way to interpret these new visions of statehood into the Montevideo Convention, or if a new treaty defining statehood enters into force, we may soon ask not "Where are you from?" but "Which systems do you choose to be governed by?" In such a world, sovereignty will be inherited as we know it. It will be downloaded.