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**A theory of joint-stock citizenship.
And its consequences on the brain drain, sovereignty and
state responsibility**

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A theory of joint-stock citizenship.

And its consequences on the brain drain, sovereignty and state responsibility

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Abstract: Recent discussions about global justice have focused on the arguments in favor of including political and social rights within the set of human rights. In doing so, the issue of the existence of specific rights, enjoyed exclusively by citizens of a given community, is raised. This article deals with the problem of distinguishing human and citizen rights. It argues the existence of citizens' rights based on specific solidarity in each country – the stockholder principle – that is compatible with a broad idea of human rights defined by international law and enforced according to the stakeholder principle. Moreover, the stockholder principle is compatible with the psychological concept of citizenship as based on a specific collective identity and, last but not least, it leads to fair consequences at a global level.

Keywords

citizenship; human rights; global justice; stakeholder principle; brain drain

1. Introduction

The French revolution was passed down an ambiguous legacy: the Declaration of the Rights of Man *and* Citizen. Who exactly is entitled to benefit from this package of rights: men (and, of course, women) or citizens? In the declaration, people are considered citizens in two articles concerning political and democratic decisions. In the others articles, people are considered as men, or as persons. In more recent terms, whereas everyone enjoys civil rights, only citizens benefit from political rights. Little by little, social rights have also been included as human rights - in spite of some controversy still relevant today about “welfare chauvinism”. So, political rights have been the last rights to be specifically reserved for citizens and they have been used to solve this demarcation problem: citizens differ from non-citizens as they are entitled to participate in the government. This criterion is intimately linked with the idea of sovereignty: collective problems must be solved only by the members of the country – citizens – and by nobody else.

This criterion, however, is sometimes challenged. Not only in ethics debates (see Beckman 2006, Abizadeh 2008, Song 2009) but also in real policies. In New Zealand, permanent residents may vote, as well as fifteen-year residents in Uruguay. Several countries grant such a right at local elections, and more and more political manifestos mention this project (Bosniak 2006).

The main argument in favor of entitling foreigners to vote is based on the idea that people should participate in the collective choices of the community in which they live, instead of in those in which they have legal citizenship, because only in the first case do they interact with the other people, producing and receiving positive or negative externalities and solidarity (Bauböck 2008, Shachar 2009). Focusing on democratic regimes, a coercive law is legitimate “only insofar as it is actually justified by and to the very people over whom it is exercised”

(Abizadeh 2008, 41). Thus, political rights should be given to each person who has some fundamental interests which are affected by the state's policies (Song 2009).

On the other hand, considering political rights as human rights, instead of citizen rights, implies an issue with the citizenship theory: what are the rights to be specifically enjoyed by citizens? Should we give up the legal and moral relevance of citizenship as Spiro (2008) has suggested? Without citizenship, conceived as a set of special rights, many authors argue that there is no place for special communities able to govern themselves (Thaa 2001, Smith 2008). This article deals with this problem, and offers a theory of citizenship – called joint-stock citizenship – compatible both with citizenship-as-legal-status and with the widening of civic, political and social rights to non-citizens. Moreover, its ambition is to better bridge the gap between this legal status and the “citizenship-as-desirable-activity, where the extent and quality of one's citizenship is a function of one's participation in that community” (Kymlicka and Norman 1994, 353), able to offer a way to give “voice and agency” to cosmopolitan citizens, otherwise deprived of it (Thaa 2001, 520).

The main element defining joint-stock citizenship is quite simple: citizens have specific duties towards their fellow-citizens because the latter have invested in them¹. Therefore, full citizenship is defined by a great investment of the state in individuals' life projects. Free education or free infrastructure, grants or loans are examples of investments in individuals' success. Specific taxes – depending on an individual's success - can be viewed as returns on investment for fellow-citizens. In order to present this concept, I proceed as follows. In section 2, I introduce the problem of citizenship in globalized world, and I underscore merits and limits of the solution based on the stakeholder principle. In section 3, I present the core of

¹ This principle could be justified by appeal to the principle of fair play developed, for example, by Richard Dagger (1997). However, as I argue below, this can easily be justified with the idea a contractual arrangement between fellow citizens, under basic liberal rules.

the stockholder principle. Section 4 presents the concept of state responsibility which justifies the stockholder principle. In section 5, I analyze how the stockholder principle sheds new light on the discussion about the brain drain problem. Section 6 discusses the compatibility of the joint-stock citizenship with liberal rights. Finally, in section 6 some specific legal consequences are investigated.

2. The citizenship paradox and the stakeholder principle.

A theory of citizenship must account for three key-facts: the existence of specific rights, the existence of specific duties (associated with those rights), and the attachment to a community which is, at least partly, a source of collective identity and of solidarity. The latter feature cannot be only a legal aspect, and implies a psychological dimension (Carens 2000, 166). This dimension is important as it favors high levels of cooperation among communities' members, based on specific rights and duties. But, to promote such rights, the members of a community have to feel they are citizens and care about the other members. The link between legal status and the psychological dimension has to exist, in the form of incentives, obligations or social integration and whatever “draws a body of citizens together into a coherent and stably organized political community, and keeps that allegiance durable” (Beiner 1995,1).

As I have pointed out, the current practice is generally based on political rights. Only the citizens can vote, hold political and administrative offices, serve on a jury and, more broadly, participate in collective decisions. They are, above all, political agents and their specific rights, duties, as well as their sense of belonging arise from that fact.

However, political rights – conceived as specific citizens' rights – are neither necessary nor sufficient to describe the aforementioned idea of citizenship. First, they are not necessary because political decisions concern not only citizens, but also a large set of resident and non resident people (Beckman 2006, Abizadeh 2008). Therefore, we cannot isolate citizens as the

only people concerned by political rights. Second, they are not sufficient because some choices, which are considered as non-political, can have a greater impact on the public sphere than many classic political decisions (Okin 1989, 124-131), such as, for example, the family, child care and several other private actions that aim to care for fellow-citizens. So, there are no reasons to limit citizenship to political activities.

This argument is particularly relevant in the current globalized context. As the number of immigrants increases, the percentage of residents entitled to vote decreases. Thus, current societies are moving away from universal suffrage, not because of restrictions in political rights, but because of a spectacular increase in cross-border mobility. In such a context, citizens – entitled to the right to vote – can make decisions knowing that other stakeholders cannot.

If we extend the concept of political rights both to people greatly concerned by political decisions, and to civil care activities, we should conclude that every person who cooperates and interacts within the social network defined by the territorial law should be a citizen. This has led some scholars to advocate a “human right to citizenship”, based on the stakeholder principle (Bauböck 2008, 4)². According to this, people should obtain the nationality of the country when they live in and have a permanent interest in their membership.

Nevertheless, the stakeholder principle “must apply beyond the allocation of citizenship as a legal status” because “immigrants cannot be forced to become naturalized” (Bauböck 2008, 6). This point is crucial because unlike the other human rights, the right to be a citizen is not obligatory because people have to remain free to choose to *not* be member of a community in which they live.

In fact, the stakeholder principle is more relevant to define which country is responsible for guaranteeing human rights – including political rights – and corresponds to the “right to have

² A variant called “all affected interests principle” is provided by Goodin (2007).

rights” according to the Arendt definition of citizenship. But this remains an inadequate definition of citizenship. Humans have rights everywhere they live, regardless of their citizenship. Citizenship implies “specific” rights and duties which are not included in the list of “human rights”, and are associated only with the belonging to a community. As human rights must be considered obligatory duties towards human beings, the rights of citizens can be viewed as special duties reserved to people who belong to a specific community.

3. Joint-stock citizenship and the stockholder principle

To clarify what kind of rights or duties are implied in the citizen legal status, we need to have a clear claim about what rights are enjoyed in virtue of our personhood. It is possible to consider civic rights, political rights and minimal social rights as fundamental and granted for all. As I noted above, these rights are allocated to resident aliens in some countries, and this does not imply any obligation to deliver the status of citizen. Arguing that freedom of movement is a fundamental right (Carens 1987, Dumitru 2012 and article 13 (2) of the Universal declaration of human rights), the stakeholder principle can be used to identify which state has to guarantee these fundamental rights. However, enjoying these rights does not imply any kind of feelings of national identity or of solidarity. Fundamental rights should be guaranteed in international hotels, airports and in other stop-off points. If states accept to respect these rights, they also accept to value personhood, independently of citizenship. This claim engages us to assume two points: first, people and states have to provide basic respect (civic and political rights) and assistance (social rights) for everyone. Second, this respect and assistance cannot be a correct criterion to distinguish citizens from non-citizens. Thus, citizenship should imply more than people’s fundamental rights and duties: it should also imply some identity duties and specific rights resulting from solidarity that citizens have with each other.

These specific rights and duties are the core of the concept of joint-stock citizenship, according to which citizens have two features: first, they are like a joint-stock company in which fellow-citizens invest. For instance, children become citizens through public investments in free education or, more indirectly, in family policies. The consequence of these collective investments is a shared responsibility for individuals' achievements: individual successes or failures are imputable partly to individual choices, partly to the collective investment. This is what differentiates citizens from non-citizens is this active community's support for achieving their goals. This support justifies feelings of membership among the citizens, which can be associated with gratitude and solidarity, exactly as happens inside families, teams or among colleagues.

On the other hand, the right to benefit from public support is associated with the duty to invest in the other fellow-citizens' life projects. These duties are usually embodied in specific taxes for public investment. Thus, each citizen is also a stockholder with respect to other citizens. In liberal societies, each citizen could be considered as the main stockholder of their own life, and as a small-scale stockholder in fellow-citizens' lives. Thus, individual freedom is protected and "the person whose life it is has primary and non delegatable responsibility for that success" (Dworkin 2000, 240). But, non-liberal citizenship could also be envisaged, based on the right for fellow citizens to interfere with individuals' choices³. This possibility makes joint-stock citizenship compatible with liberal democracies, but conceptually independent.

³ One difficulty with the non liberal view is that it in circumstances in which only one state wishes to invest in an individual, the state will be in the position of offering a 'deal' according to which it invests a small amount in the individual, but retains virtually all of the pay-out. Given a lack of interest from elsewhere, it would be rational for individuals to consent to such offers. Despite being consensual, it's not clear that we would regard such deals as fair or rights-conferring. The liberal principle according to which individuals are responsible to provide for themselves (they are *the main stockholders of their own life*), prevents this possibility.

4. Defining state responsibility

When citizens invest in fellow-citizens' achievement, through the tax and transfers mechanism, they become partly responsible for this achievement. This responsibility can be concretely conceptualized in three ways:

In its first form, the state is thought of as a referee. It gives people rights, as medical care and education, and it is responsible only for that. In this case, the state is thought of as allocating rights so that nobody can complain about what she received. If these basic rights are properly distributed, the state is no longer responsible for people's condition. The state as referee comes from a liberal tradition which can be summarized as Constant (1819) did: "Let the holders of authority confine themselves to being just. We shall assume the responsibility of being happy for ourselves".

The second concept of responsibility is illustrated by the example of banks. The state provides citizens with loans, but citizens have to pay them back. Public education loans are examples. In this case, the state invests in citizens, but it expects to recover its investment.

The third concept is the state's responsibility as a stockholder. Here, the state invests in citizens and the latter have to pay back according to their success in life. Thus, the state and individuals' investments are evaluated *ex post*: when there is failure both are penalized, while in success both win. There are no clear examples of this mechanism, but the progressive nature of income tax can be justified in this way. The more people earn, the higher the share fellow-citizens will receive.

The former two concepts subscribe to the idea that the state is responsible only for inputs, not for outputs and that only citizens are responsible for the consequences of their choices. The third concept does not separate individual and state achievement: everyone loses or wins, as in

a team. In such a way, the state undertakes a consequentialist choice: the quality of its investments in its citizens is partly captured by their effective achievement.

Some liberal scholars have underlined the difficulty of identifying subjective achievement with objective measurement (Dworkin 2000). Presumably, measuring success with individual earnings is the most reliable technique because, all choices being equal, it indicates quite well the relative success in a given profession. Of course, some “successful lives” are compatible with low incomes. Let’s take, for instance, Van Gogh’s life: he preferred to paint high quality pictures rather than paintings that sold well. In his case, the community gave him excellent training – considering the output – but it got no taxes out of it. On the other hand, the community was not only responsible for Van Gogh’s training, but also for the economic success of his high quality pictures. And, for this second dimension, the collective performance was lower than Van Gogh’s. The accountability for Van Gogh’s pictures lack of commercial success does not reasonably lie only with the painter.

This example illustrates why the stockholder’s responsibility is fair: when a failure occurs, the responsibility should not only be individual, but also collective. The state could be wrong in distributing opportunities, or in choosing how to invest. So, even when individuals assume most of the responsibility, fellow-citizens have to accept their fair share.

Let’s analyze such concepts of responsibility in respect to individual rights. A person has the right to be respected even when she does not want to be a citizen in a given community.

Tourists, not permanent residents or even permanent residents could refuse to weave special relationships with the people around them. Even in this case, they should keep human rights.

Thus, the state in which they live has to be considered responsible for these rights as a referee: it fairly allocates and enforces fundamental rights. All residents – citizens or not – have to pay a territorial tax to finance the respect of fundamental rights inside their country.

However, when people are or become citizens, the stockholder principle is the most appropriate concept of responsibility. When people accept that fellow citizens invest in them, they also accept to share their achievements and failures with the community. They choose to belong to a specific community, and its loyalty does not depend on the territory in which they live, but on the reciprocal investment in the future.

Moreover, sharing responsibilities implies taking care of individuals' aims, which is a favorable ground for solidarity and common feelings among citizens.

5. The “brain drain problem” and the Bhagwati Tax

In this section, I discuss the brain drain problem, described as a collective action problem⁴. In a globalized world, with low mobility costs, countries (and firms) are in competition to attract high skilled workers. There is a trade-off between investing in high salaries to attract such workers and investing in education to train new high skilled people. The educational choice is both a long-run and uncertain investment. It is uncertain because the trained workers can decide to work in another country (or firm) that offers higher earnings. In such a situation, the best strategy could be a non-cooperative one, i.e. consisting in increasing high-skill salaries and in decreasing spending on education. If states do not cooperate, they will tend to decrease spending on public education to finance high salaries. In doing so, global public education would be underprovided for⁵.

⁴ In international organizations, the brain drain problem has often been conceptualized as a kind of exploitation of the poorest countries by richer countries. However, the existence of such a phenomenon has been reassessed by many scholars. See Kapur and Michale (2006).

⁵ This argument has been sometimes challenged. Emigration of highly skilled persons can under certain conditions lead to individual investment into education and training among those remaining in the state of origin. See Stark (2004).

Regarding public education as citizens' investments in their fellow-citizens, its under-provision means citizens' lower ability to invest in fellow-citizens' projects. Moreover, each citizen who finances public education is exploited by high-skilled fellow citizens that leave the country, because she or he does not see any return on investment. Inversely, new citizens and immigrants are exploited by the new community in which they live, because they pay taxes for services that they did not receive.

This fact is an instance of the tension between the state's accountability to its citizens and the state as a territorial jurisdiction (Bauböck 2008). Nevertheless, a "duty of sedentarism" would infringe on the fundamental right to free movement and could be particularly unfair in terms of equal opportunities (Dumitru 2012).

Joint-stock citizenship provides a way to solve this issue. When people move across countries, they do not lose their citizenship, or the specific duties and rights attached to it. Particularly, they have to respect the agreement between them and their fellow-citizens, as a state. The state keeps being their stockholder as a consensual agreement has been concluded.

So, concerning the fellow-citizens' stock dividends, the agreement does not change if citizens change the country in which they work. In any case, the agreement signed between the state and the citizen continues to be binding, exactly as happens when people invest in a joint-stock company. In such a perspective, international mobility for fellow-citizens could even be encouraged if states consider that this enhances the expected success of their citizens.

Of course, these dividends should be proportional to the past public investments and to the actual financial success of the citizen. If a citizen did not benefit from state school, or, more generally, from public services, there is no reason to share the responsibility of their potential achievement. For instance, a state cannot demand the same taxation for foreign residents as for citizens, because the state has not invested in them. Assuming they have not benefited

from any public investment, they should only pay the tax necessary to guarantee their fundamental rights inside the country.

In short, this system applies the same tax regime to all citizens, according to the degree of public investment in them⁶, and regardless of where they live. This tax-system gives the state an incentive to provide education and to invest in fellow-citizens, contrary to what currently happens in most countries. Moreover, it offers states an incentive to be efficient in helping citizens to develop their life project, even when it implies a cross border movement.

This last feature points out some similarities and differences with the Bhagwati arguments in favor of a specific tax for people who emigrate. According to Bhagwati, emigrants have to compensate fellow-citizens for what they could have contributed if they had chosen to remain. Indeed, “the diaspora approach is incomplete unless the benefits are balanced by some obligations, such as the taxation of citizens living abroad” (Bhagwati 2004, 215). This Bhagwati tax supposes a duty based on the fellow-citizens’ past investment, which is coherent with the joint-stock citizenship. But it supposes that emigration is a regrettable event which people should compensate for with a specific tax. In citizen-based taxation justified by joint-stock citizenship, there is no difference between migrants and sedentary people, and emigration could be, in some circumstances, even encouraged.

Both forms of this citizenship-based taxation already exist. The U.S. taxes its citizens abroad on their worldwide income in a similar way to that described here, whereas Eritrea imposes a special 2% tax on all Eritreans living abroad, in line with the Bhagwati tax.

In spite of some criticism, recent articles argue in favor of levying the tax on the basis of citizenship, particularly in a globalized world (Kirsch 2007, Zelinsky 2010). The existence of tax treaties and of international law facilitates the enforcement of such a law. Twenty years

⁶ This statement suggests that there may be several degrees of citizenship. This point will be developed in section 6. For arguments along these lines, see Beckman (2006).

ago, the Philippines turned out to be unsuccessful in enforcing its tax on emigrants (Pomp 1989) that led it to get rid of citizenship-based taxation in 1997. But the exchange of information is easier than before, thanks to the development of Tax Information Exchange Agreements (TIEAs). Also, international law allows the implementation of national laws through foreign jurisdictions. Plus, when two countries have a citizen-based taxation, they can implement it with mutual-agreement procedures for tax treaties.

These international devices tend to increase countries' fiscal control, even outside their borders.

Let's suppose now that a state invests in a foreign citizen. For instance, this foreign citizen obtains the right to go to medical school for free, in exchange for an obligatory tax whose level depends on the economic achievement of that person. As the citizens have invested in this foreign citizen, the latter can claim citizenship. But, he retains the possibility to not become a new citizen of the country which has invested in him or her. In this case, we can consider such a deal as an agreement between a state and a foreign private person, defined by the Institute of International Law, at the Session of Athens of 1979. Thus, the stockholder principle can also be regarded as a private agreement which includes citizen's rights, without identity feelings. But even in this case, such an agreement brings about a special relation between a person and a given community, which looks like the citizenship concept.

Such juridical tools tend to prove that globalization trends "strengthen, rather than weaken, the case for taxing the income of citizens abroad, regardless of whether the income is earned from working or arises from investments" (Kirsch 2007, 448).

This possibility of setting up such taxes gives citizens the real alternative of being able to invest in fellow-citizens thanks to the real chance of recovering their investment. Plausibly, this could solve the brain drain problem and the increasing trend of underproviding for public

education. In the next section, I shall advocate why this investment is more than a practical solution and could be identified as the central point for understanding citizenship.

6. Community belonging and liberal rights

As with several theories of citizenship, joint-stock citizenship could be considered as an agreement between a person and a community, if people were always responsible for their actions. The example of the naturalization of residents is typically easy to solve because they choose to accept or refuse the terms of the agreement. But a state does not wait for citizens to come of age to invest in them. The investment in children may be regarded as the most relevant feature of a community. Since children are not responsible for such an investment, it could be unfair that fellow citizens force people to respect the agreements that were contracted in their childhood.

According to joint-stock citizenship, children reach citizenship when fellow citizens invest in them. Their parents can refuse this collective investment, but if they accept, they also engage their children. Fellow citizens would then be stockholders of the children's future career, and they should invest in these opportunities efficiently. That is why citizenship differs from a club membership: children have been included in the community and are partly committed alongside people who they have not consensually and responsibly chosen.

This constraint can be viewed as incompatible with basic liberal claims, according to which, nobody should be chained to a community. The right to emigrate⁷, for example, has been designed to prevent communities from forcing people to be included (Whelan 1981, 638)⁸.

Obviously, joint-stock citizenship implies a kind of not fully consensual agreement between individuals and their community. However, it can be considered compatible with liberal

⁷ Article 13 of the Universal declaration of human rights.

principles for three reasons based, respectively, on the individual, the family and the global point of view. But beforehand, two kinds of “chains” should be distinguished: the “hard chains”, clearly incompatible with liberal principles, and the “soft chains” which can be spotted in liberal societies.

Chains are hard when they prevent people from choosing another community they wish to belong to. In this respect, the stockholder principle is acceptable because it admits the possibility of changing community and identity.

On the other hand, chains are soft when they prevent people from cutting ties with their past community. Everyone has soft chains: their education, knowledge, language, and relationships and, generally, family and public choices are examples of legacy from our first community. People can try to change community, but they remain actually partly linked to their origins. The stockholder principle, in taxing people for past investments their community made in them, offers a similar legacy. The main difference, however, is that this legacy is fixed by law.

It is possible to conceptualize this difference otherwise. Several soft chains, like a mother tongue, is due to what a community – or a family - *did not do* for its members. For instance, if people do not learn English or Chinese during their youth in their first community, they will remain more attached to their linguistic community and they lack opportunity to change community in a globalized world. On the contrary, the soft chain implied in the stockholder principle can be described as a consequence of what a community and a family *did* for its members. The community spends resources on increasing citizens’ skills and on broadening their choices, but those resources imply a specific taxation-repayment. Similar policies can currently be observed in liberal democracies. Public education loans, for instance, have to be paid back even if the payee lives and works in another country.

The main concern, with joint-stock citizenship, is the introduction of legal ties contracted in individuals' childhood. But what would children have chosen if they had been adults – or, say, under a veil of ignorance? Considering they will pay back only if they are economically successful, it is rational for them to increase their opportunities by contracting a debt with their community rather than receiving only what the universal rights of children and the willingness of their family can provide them. At worst, this choice is reasonable enough to justify allowing states to offer their citizens this possibility.

Let's see this issue, now, from the family point of view. According to the stockholder principle, the state cannot invest in children without the families' consent. Parents can request the state invests in their children but they can also refuse, and take on the costs of education themselves. Parents' choices already have a considerable impact on their children's tastes and opportunities. Suppose they discover in a child a great talent and taste for playing the trumpet, but they do not have enough money to pay for the lessons. Should they be able to pay for the lessons with the money earned during their child's future career? If we consider our society as being based on families' educational choices, we should allow this possibility, because it increases the opportunities that children can receive from their parents. As liberal societies are based on the autonomy of the family (Fishkin 1983), they must give families the right to paternalistically engage their children, to improve their well-being, as they already do in several fields.

To sum up, while joint-stock citizenship partly chains people to their country, those chains are soft, reasonable for the individuals and approved of by the families. The stockholder principle is thereby compatible with liberal principles. Assuming that, there is a third reason to adopt it, based on utilitarian arguments.

If all collective agreements with people under 18 are void, communities are deterred from investing in their members under 18, because the latter are free to not respect the terms of the

agreement. Thus, banks do not lend, schools do not loan and so on. This is a paradox of our societies, because youth is an ideal and efficient age for investments. On the other hand, people should be free to choose what investments they wish to receive and children are not considered really free to make such a choice. The non-democratic effect of generalizing specific training for children – compared to providing a broad-based education – leads to reducing people's opportunities.

This dilemma is solved if people remain free to not comply with those investments. Suppose the community and the family invest in trumpet lessons for their daughter, but the latter decides to be a carpenter. In this case, whatever her earnings are, she will not refund this training, because, it can reasonable be assumed, it has not influenced her career. To avoid such risks, the community has an incentive to provide a broad-based education able to open up the child's future career, except when specific talents and motivations clearly appear. Given this common incentive to invest in youth, the stockholder principle maximizes the provision of skilled young people as well as the principle of opening up careers to talents. Notice, nevertheless, that all social rights are not justified by the stockholder principle. The latter, as I said above, exclusively concerns the citizens' rights as sorts of supererogatory rights. This point will be developed in the next section.

7. Comparing stockholder and stakeholder principles.

I have opposed two principles used to define rights and duties in a society. The stakeholder principle is responsible for the enforcement of human rights. The stockholder principle governs specific kinds of solidarity which are adopted in a given society, in addition to and compatibly with human rights. Thus, I have advocated that stockholder and stakeholder principles are compatible. To discuss this compatibility, four main concrete issues are analyzed. First, how should the tax system work? Second, how can people acquire

citizenship? Third, who decides what public funds are invested in? Fourth, what about multiple citizenship?

First of all, not all taxes should depend on citizenship, because they are not based on the collective investment that defines the stockholder principle. Some taxes are not used to invest in people, but to assure the functioning of the actual rights, such as security, property, the right to a fair trial, to social security etc. In other words, some taxes aim to provide each human being with rights and depend on the territory in which people live, regardless of their nationality. This tax regime and these rights are based on the stakeholder principle because they concern all people who live in a given community, and are applied to citizens as well as non-citizens⁹.

The enforcement of human rights has to be assured by the territorial law which individuals are governed by and, therefore, the cost of such an implementation is also paid by residents and, generally, by people who live in a given jurisdiction. However, the obligation for each country to deliver such rights does not imply that they are the only rights that a country can enforce.

Other special rights can be delivered in a community in which there is specific solidarity and feelings of identity. This community can produce high levels of cooperation based on specific rights and duties among its members. But, to promote such rights, the members of such a community have to feel like citizens, i.e. take care of their fellow citizens and share their

⁹ This point is confirmed by the Universal Declaration of Human Rights, which says “Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

Furthermore, no distinction shall be made on the basis of the political, jurisdictional or international status of the country or territory to which a person belongs, whether it be independent, trust, non-self-governing or under any other limitation of sovereignty” (Art. 2).

achievement as well as their failure. I have advocated that the stockholder principle efficiently and fairly allows the enforcement of such rights.

In such a perspective, the tax system should be separated into two different services. On the one hand, human rights enforcement follows the stakeholder principle: every person who cooperates and interacts within the social network defined by the territorial law has to contribute to the enforcement of civic, political and social rights conceived as human rights.

On the other hand, citizens' rights are enforced by the stockholder principle. Every person who benefits or has benefited from a special investment from a community has a legal status of citizen, and pays taxes to invest in fellow-citizens regardless of where she or he lives.

This double tax-system, based on different requirements, implies that it is possible for people to pay taxes in two different countries. But this does not imply a double taxation, because the stakeholder and the stockholder principle clearly define the amount of tax that each state may claim. Current multilateral tax treaties are an institution capable of solving international disputes through the aforementioned principles.

The second issue is how people should acquire citizenship. According to the stockholder principle, every person who wishes to invest in citizens belonging to a given community or in whom the community invests is entitled to be a citizen. The rules of such an investment are fixed by the community. Notice that neither the birth place, nor the nationality of the family, nor where they live are relevant to acquire joint-stock citizenship. Theoretically, the community's investment in individuals should depend only on the willingness of those individuals or their families. But the possibility that a community restricts the conditions to be eligible for receiving such investments cannot be excluded.

Third, in order to choose which rules govern the level of specific investments and repayments, a fundamental issue is fixing who decides. Again, citizens' rights must be ruled by stockholders, exactly as decisions concerning human rights must be ruled by stakeholders. In

this perspective, citizens retain some very specific political rights essentially centered on the regulation of individual and firm subsidies, methods of funding and terms of repayment agreements. Restricted referenda or assemblies could be set up to rule those specific issues. Fourth, is joint-stock citizenship compatible with double citizenship? The answer is yes if this means belonging to several communities. But, it is no if it involves being *a full citizen* in several communities. Let's go over the "joint-stock" metaphor one more time. A stock-joint company can be owned by citizens from two or more countries. Similarly, a joint-stock citizen can receive several investments from several countries. For example, a person, say Sandra, has received a high level training in her youth in the country A, then public university loans in country B and finally, her firm is subsidized by a country C. Sandra can then obtain three nationalities, but she is only partially a citizen of each community. In the country A, she pays back only for the investment in her youth, and her participation in political decisions is restricted to this issue. And so on for countries B and C. More precisely, each community gives her a set of duties and rights, but they are not cumulative. This solution allows the promotion of the *right* to belong to several communities, while it avoids transforming it into a *privilege*.

These subjects are a sample of the main issues which could be discussed. Of course, the aim here is not to cover the question in its entirety, but only to suggest some concrete rules which allow us to see how joint-stock citizenship can concretely work.

8. Conclusion

The theory of joint-stock citizenship aims to provide a concept of citizenship that protects the psychological needs and the material advantages of belonging to a specific community, in a way that is compatible with the free movement principle and with a widening of human and political rights.

Of course, “compatible” has to be understood as “as compatible as possible”. As Pevnik (2011, 116-117) wrote “Because equality of opportunity and self-determination conflict with one another, insisting on wholehearted support for both is platitudinous”. Indubitably, joint-stock citizenship does not eliminate this conflict. However, it offers a fair compromise by accepting to slightly reduce both equality of opportunity and self-determination. Indeed, by keeping a kind of self-determination, it creates an incentive for communities to increase the opportunities of their members and, at global level, increase the opportunities for people as a whole. On the other hand, it offers a way to maximize free movement and individuals’ opportunities without depriving people of their need to belong to a community that takes care of them.

Finally, two general issues can be further discussed. The first is the question of who has a claim to citizenship status. According to the stockholder principle, benefiting from free special investment is sufficient to determine who the citizens are. The question can be addressed with regards to who decides who benefits from these investments. No univocal answer is provided in this article, but it can be reasonably argued that whoever desires to benefit from social investment can do it. Contrary to other theories of citizenship – and to the current situation - the joint-stock approach implies strong duties based on a specific taxation. Therefore, demand for citizenship of countries such as the U.S. or the European countries will probably decrease. In its current form, citizenship implies essentially advantages, so that demand for citizenship, especially in developed countries, is too high to be supplied for all the applicants.

The second issue is about the voluntary renunciation of citizenship by those who reside permanently abroad. Since citizens retain a life-long obligation to pay back for the investment their country of origin has made into them, they cannot remain entirely free to renounce their citizenship. I already discussed the compatibility with liberal principles of this claim. People are free to acquire a new citizenship and to renounce every future investment from their

former community. But they cannot freely break the past agreement, if it has been contracted under fair conditions. After all, this is true for all kinds of agreements and it remains unclear why this should be different for citizenship.

8. References

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