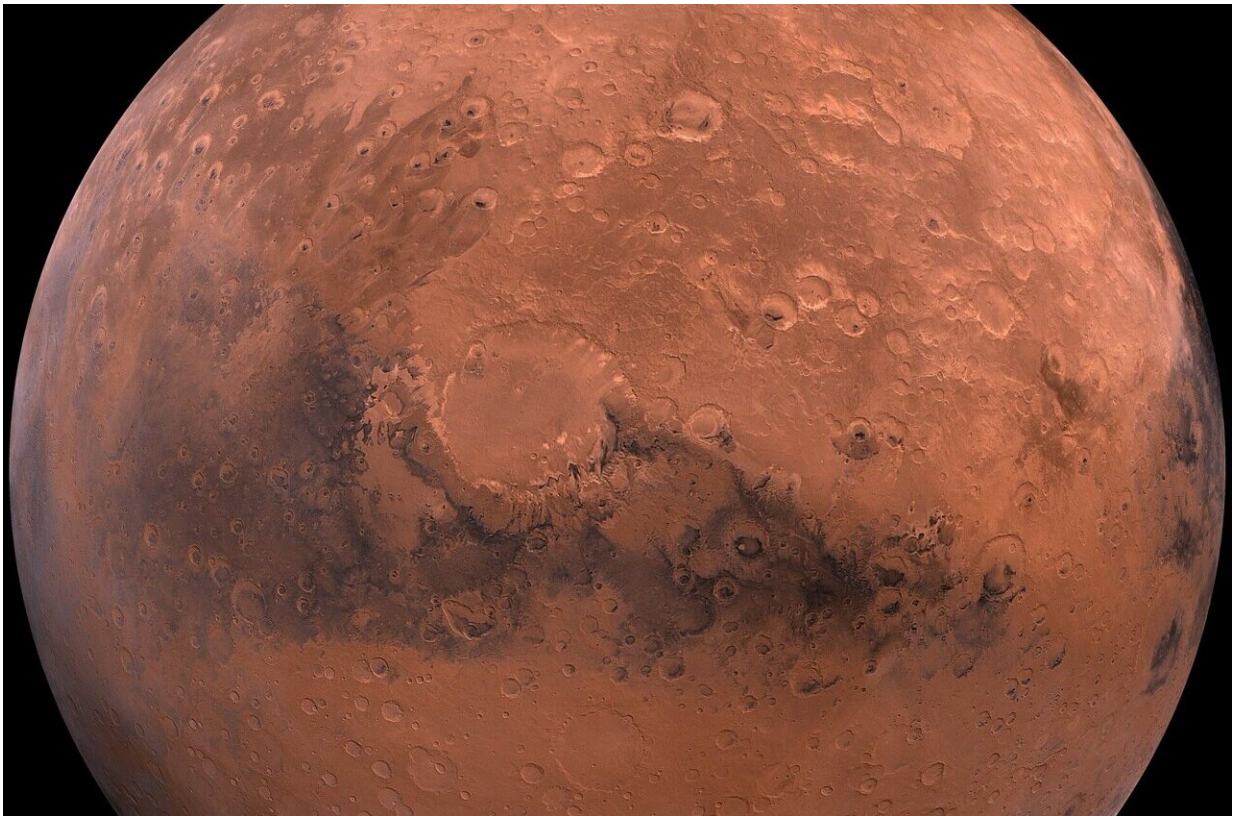


# What could a future sovereign Mars economy look like?

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What would the economy of a future Mars society look like, and how could it be self-sustaining while being completely sovereign from Earth and its own economy? This is what a recent study submitted to *Space*

*Policy* hopes to address as a sole researcher discusses a model that could be used for establishing economic freedom on Mars, enabling both monetary and political stability across all Red Planets settlements.

This study, [posted](#) on the *arXiv* preprint server, holds the potential to help scientists, economists, and world leaders better understand plausible governmental systems used by human settlers on other worlds while maintaining sovereignty from Earth and its own governmental law and order.

Here, Universe Today discusses this incredible study with Dr. Jacob Haqq-Misra, who is the Director and a Senior Research Investigator of Blue Marble Space Institute of Science (BMSIS) and sole author of the study, regarding the motivation behind the study, significant ideas presented in the study, the importance of establishing a sovereign [economic system](#) on Mars, eliminating capital exchange between Mars and Earth, how Mars can become a sovereign entity from Earth after humans settle there, and how an economic system can be established on a sovereign Mars. Therefore, what was the motivation behind the study?

"My motivation was to build on the idealistic framework for an independent Mars that I developed in my book *Sovereign Mars*," Dr. Haqq-Misra tells Universe Today. "In my book, I describe five conditions for enabling Mars to be an independent planetary state, a juridical peer to Earth. In this new study, I develop a possible economic model that would be consistent with these five conditions."

These five conditions outlined in *Sovereign Mars* include all permanent settlers on Mars completely acquiescing Earth citizenship and interests; Earthlings being unable to interfere with the Mars affairs, including financial, political, and social aspects; Earthlings requiring permission from Mars to conduct scientific investigations on the Red Planet; only Mars citizens can own land; and all resources brought from Earth,

including technological or other items, will remain on Mars permanently.

For the study, Dr. Haqq-Misra dives deeper into the economic facets of a future sovereign Mars government while embodying these five conditions, specifically focusing on the financial aspects of such an economic system, including banking, currencies, capital ownership, and Earthling tourism.

He emphasizes how such a system builds off the mistakes from Earth's present-day economic systems that could potentially lead to both financial and political stability on Mars. He notes this is an "idealistic but feasible model" with the goal of establishing full economic freedom for future Mars citizens from Earth. So, what were the most significant ideas presented in this study?

"The first idea is 'full reserve banking,'" Dr. Haqq-Misra says. "Our banking system today allows banks to loan out more money than they hold as cash in reserves, which is known as a 'fractional reserve' system. This can lead to problems such as a 'run on the bank,' where too many people try to take out their deposits all at once, only to find that the bank does not have their money."

Dr. Haqq-Misra continues, "The second idea is the diffusion of capital ownership. Many visions of space settlement imagine something like a world space agency or other centralized authority that could ensure justice and perhaps even serve as a way to redistribute wealth. But the centralization of sovereign power also carries significant risks for the abuse of such power.

"Some arguments even suggest a somewhat Marxist approach toward the centralized or government ownership of wealth-producing capital, which is then redistributed equitably, but this again carries significant risk of abuse and corruption. An alternative idea is to widely diffuse the

ownership of capital, instead of wealth. This means that ownership of companies, equipment, and anything else that can generate wealth would be held in a wider range of hands than today—ideally, by everyone."

Along with the five conditions of a sovereign Mars noted above, requirements will also be established by the full reserve banking system on Mars, including all transactions staying on Mars, no currency exchange with Earth, and currency issuance will be based on changes in population.

All tourism on Mars will follow three conditions that coincide with the conditions of both a sovereign Mars and the Mars full reserve banking system, including tourists being unable to own capital on Mars, the prohibition of Mars currency from being returned to Earth, and no currency transactions from tourists while services would only be provided from the exchange of goods.

On present-day Earth, currency exchange is the primary method for purchasing goods and services, with a total of 180 currencies being recognized across 195 countries around the world. While the value of each currency across the globe varies daily, this system allows individuals from separate countries to own capital in other countries with minimal government interference. But what is the importance behind the complete lack of capital exchange between Earth and Mars?

"This is part of the idealistic framework in Sovereign Mars," Dr. Haqq-Misra says. "Preventing exchange between the two planets would enable Mars to retain its maximum potential to develop new ideas in civilization, such as this economic model. In practice, these ideas could still be attempted on Mars even if there is some exchange between the two planets, although this may lead to different results."

The prospect of sending humans to Mars has been the purview of

science fiction and countless scientific discussions for over 100 years. This began with the Danish silent film "A Trip to Mars" and other films continuing throughout the 20th century while incorporating current Mars inhabitants or remnants of past Mars civilizations. While films of the last few decades of the 20th century and into the 21st century conveyed the first human trips to Mars, most recently with the film "The Martian," little has been discussed regarding permanent human settlements on the Red Planet.

The closest this notion came was in the television series "The Expanse," which depicted the Martian Congressional Republic on Mars being a sovereign entity from Earth, complete with its own military and political hierarchy. However, the economic system within this government wasn't discussed in detail. But what steps need to be taken for Mars to become a sovereign entity after humans settle there?

"The biggest challenge is having sufficient infrastructure and resources to become self-sustaining on Mars," Dr. Haqq-Misra says. "Some resources could be used on Mars, but not right away, and actually enabling an independent Mars may require benefactors with long-term visions for humanity or even Earth, without the need for an immediate or near-future financial return. I call this 'deep altruism' in Sovereign Mars."

Additionally, regarding the importance of establishing a sovereign economic system on Mars and the steps required for this economic system to take hold, Dr. Haqq-Misra says, "We have many examples even in recent history of economic recessions and collapses. If space settlement is really to be a long-duration venture, then we need economic ideas that can remain sustainable over long timescales."

Dr. Haqq-Misra continues, "The best way to establish this economic system would be for any initial settlers to agree on a method for



implementing such a system prior to actually arriving on Mars. Part of the value in thinking about Martian governance today is to anticipate such possibilities prior to the actual landing of humans on Mars. And thinking about governance on Mars can also help us gain better insight into our governance and economic systems on Earth."

Sending humans to Mars could happen within the next decade, but sending humans to live there could be decades away, and establishing a sovereign Mars could be at least 100 years away, along with establishing and maintaining a sustainable economy separate from Earth. However, establishing protocols well in advance could lead to a smooth transition into an economic system on a sovereign Mars that is completely separate and free from the Earth's systems.

Dr. Haqq-Misra concludes by saying, "I am working with a talented group of students this summer through the BMSIS Young Scientist Program to examine historical analogs for sovereignty on Mars. We hope to have some new studies finished in the coming year."

**More information:** Jacob Haqq-Misra, A Model for Economic Freedom on Mars, *arXiv* (2024). [DOI: 10.48550/arxiv.2406.10380](https://doi.org/10.48550/arxiv.2406.10380)

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