

# Foundation Coin

L1 Crypto Designed for Mars, a Cleaner Earth, and Governed by AI Monetary Policy

## **Earth First**

The structure of mining Foundation Coins is going to put to rest the legitimate concerns of the environmental impact of wasteful electricity usage.

Successfully mined blocks will have the miner pay the estimated carbon offset of that block in dollars to the Foundation Institute within 30 days. Otherwise, there is a built in refund transaction that will return the minted coins to the overall Foundation. The carbon credit charged to the miner for a successful block is designed to be 20% above the actual carbon usage, so that each mined block is actually carbon negative, improving the environment here on earth.

## **A Blockchain Designed on Earth Today for the Challenges of Space Tomorrow**

Foundation Coin is designed for Solar System Scale. It has several simple but critical modifications to the blockchain design itself to take into account the various (and constantly varying) communication distances between Earth, Moon, and Mars right from the beginning. If Satoshi were to design a cryptocurrency that was designed to sync a common ledger among many planets, it would look completely different from his original white paper.

The protocol incorporates real time orbital mechanics to intersperse “transit blocks” that will build in various delays depending on the state of the solar system at the time. Those transit blocks will not accept regular TXs but will still have a coinbase transaction for the miners to incentivize strengthening the chain.

## **The Foundation Council – A Dynamic, AI Led “Monetary Policy” System**

As all astute market observers know, the real power over currencies and economies is the Federal Reserve. Its ability to expand and contract money supply has enormous impact as seen in dramatic fashion with the financial crisis of 2008 all the way to the overnight collapses of Silicon Valley Bank, Signature Bank, and Silvergate.

While Satoshi’s white paper introduced a novel integration of several ideas to become uniquely successful, the approach of minting coins, halving block rewards, and the cap of issuance at 21M coins strikes us as static and incomplete. Satoshi’s approach is an implicit monetary policy in of itself, however static it is.

The Foundation Council is a 7 member board consisting of the 6 largest holders at the time of Foundation Coins.

With the proven advances demonstrated by GPT4, we are now confident we can set a specialized LLM to be the 7th member, and “chair” of this board. It will be narrowly trained with every conceivable facet of financial history, GDP, macroeconomic theory, and have access to real time data as to its own coin’s price vis a vis all other crypto assets, traditional currencies, bonds, and commodities.

While some crypto is designed to be deflationary or inflationary, the purpose of the Foundation Council mechanism is to be adaptive to evolving global conditions in order to maximize the long term value of each Foundation Coin. Similar to OPEC, a cartel style organization of all interested “producers”/“miners”, it will work together to limit or increase supply as conditions shift. For example, the “rate” / “block reward” could be set to zero at certain times if TX fees are deemed sufficient and there is a desire to limit total supply of the coins.

Before a monetary policy (block reward decision) meeting, The AI Chair will snapshot all critical financial facets in the world that are quantifiable and draw on its historical understanding of macro economic dynamics. It will set the agenda by summarizing the environment and submit proposals with pros and cons for all 7 members to discuss and for a vote to be called upon. These “minutes” can be viewed in real time by all interested holders of Foundation Coins.

The AI can dynamically interact with all 6 members and explain the reasoning for its shifting block reward recommendation, answer questions, and take input from the miners.

This process will make monetary policy decisions far less opaque than the current Federal Reserve Board deliberations (and far less rigid than the Bitcoin implicit monetary policy), giving greater confidence to the holder of the coins. It will also inevitably be fun to watch unfold, as the dynamic ecosystem of AI central banker, relevant miners, and average holders discuss policy to maximize the value of the Foundation.