

Jaxism

AN IDEA FOR A
BETTER TOMORROW



“An Individual’s pursuit of Happiness in a UBI-Enabled
Meritocratic Democracy Built on the
Foundations of Justice and Anti-Corruption”

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JAXISM

JAXISM - An idea for a better society founded on the principles of Justice and Anti-Corruption

- Vinod Manoharan

Foreword

Every living being on this planet has the desire to live and survive, it is an innate trait that ensures the survivability of a species, including and especially the human race. But how do we transcend these primitive instincts and truly evolve as a species?

As it stands, a lot of in-fighting is present in today's modern societies, one that pits nations against nations and people against people. Human potential has been largely untapped due to the fragmentation of our societies which creates a narcissistic "us against them" mentality and therefore stifles scientific, technological, medical advancements and overall innovation. People in so-called "modern societies" are consumed by basic survival, career ambitions, consumerism, and other distractions that do not matter if the goal is the advancement of humanity.

The world has indeed become more globalized than it has ever been before, and so there is still hope. By and large, people who live in this modern era have a higher standard of living than previous generations. However, due to selfish human desires, the progress of the human race has decelerated and is nowhere near its full potential. How do we accelerate the development of the human race to make us stronger, more advanced, and more intelligent with every new day?



This handbook focuses on where we are now and the future we hope to secure through the philosophy of Jaxism. We will start with a brief overview of the main provisions of Jaxism, including UBI and meritocracy. We will also talk about the importance of a proper taxation system and life experience. Then we will shortly stop to discuss democracy, innovation, and equality before concluding with the description of a new global governance system.

Introduction

Jaxism as a philosophy was first developed in 2017 by Vinod Manoharan, a co-founder of the Jax.Network blockchain. As a libertarian, Manoharan believes that individuals should have the freedom to do whatever they choose, so long as they do not infringe upon other people's rights, freedoms, and liberties. He observed inequalities in virtually all societies in the world. Despite the considerable progress humans had made, inequality still seemed to be a major problem in the modern world. Why are people who are born in certain places or under certain circumstances given more opportunity than others?

This led to the genesis of the Jaxism philosophy and the Jax.Network blockchain, which aims to rid the world of the massive inequalities that hinder the progress of humanity and replace it with a more equal and meritocratic system.

What is Jaxism?

Jaxism is the philosophy of an individual's pursuit of happiness in a meritocratic democracy, built on the principles of justice and anti-corruption and enabled by universal basic income (UBI). People who adhere to the principles of Jaxism are called Jaxians, and any society that practices Jaxism is a Jaxist society.

Justice and anti-corruption are the core principles of the Jaxism philosophy. In fact, Jaxism stands for **Justice and Anti-Corruption** system (JACs or JAX). It is important to consider the definitions and implications of these principles and this can begin by expanding upon them and explaining their importance.

What is justice? Justice is an abstract concept that has always been open to interpretation. As a result, people can feel as if certain actions or outcomes can be justified when others vehemently disagree. It is impossible to apply a specific and intrusive definition of justice to blanket all situations; this simply won't work

Jaxism proposes a universally digestible and less intrusive definition of justice, borrowed from Plato's "The Republic," which is "a principle that requires that each person fulfill the societal role to which nature fitted him and not interfere in any other business." This is a very libertarian definition of justice and is an essential precursor to the rest of the Jaxism philosophy and the central tenets and doctrines within the philosophy. Choosing to adhere to this definition of justice means that individual freedoms and liberties are held paramount by the Jaxism philosophy.



Why should ideas such as “anti-corruption” be so highly championed?

If people are to consider our previous definition of justice seriously and apply it in their lives, they must have confidence that they will not be taken advantage of by those in positions of power or other members of society. Everyone must always respect the rule of law; otherwise, what’s the point of following the rules if others don’t?

Jaxism asserts that one way to ensure people within a Jaxist society respect the rule of law and refrain from interference in other people’s lives is to “level the playing field” by eliminating corruption. Whether or not you believe that corruption is innate within human nature is irrelevant. It exists in virtually every form of society, present, and past. Those in positions of power selfishly favor themselves and those close to them and therefore bend and manipulate the rules for personal gain. If this kind of selfish behavior is kept in check and perhaps abolished, people are more likely to follow laws and take them seriously.

In Hebrew, JAX means God is merciful, this was a prophetic coincidence that has some relevance to the Jaxism philosophy. An interpretation of this could mean only God is merciful and humans are not merciful. Hence, it’s necessary to promote a mindset or belief system where scientific advancement and progress towards becoming a Type-2 civilization as per the Kardashev scale are the major consequences of such a belief.

The fundamental duties of a Jaxian in a Jaxist society are to adhere to these five principles:

- II. Ensure that UBI is enabled;
- II. Ensure that Jaxians and their close circles always transact and accept payments in JAX, an energy currency that is part of a money-debt-free monetary system;
- III. Ensure that people of merit in the fields of science, technology, and innovation are cherished;
- IV. Ensure that justice is always upheld;
- V. Ensure that there is no corruption.

One of the central pillars of Jaxism is scientific advancement. The result of this broader goal leads to the survival of our species, becoming a Type-2 civilization, and colonizing the multiverse.

This is a highly ambitious goal and one that takes much consideration to understand. To put it simply, humans make the most progress when they are working together towards a common goal. If this assumption is accepted, then one can argue that the aforementioned goal will require significant contributions and collaboration from all humans and in its wake, accelerate the advancement of technological, scientific, and medical innovations. Jaxism only reaffirms this chosen goal of progress as the ultimate goal of humanity.

CHAPTER



Universal Basic Income

Universal Basic Income or UBI, is a social program in which people receive an amount of money regularly to create a minimum income floor. It is an ambitious and potentially revolutionary social program, which has not been executed on a large enough scale, such as at the national level. UBI as the name suggests needs to be universal, meaning that unless an impactful amount of money is distributed to everyone on a large scale, with little to no barrier of entry, it cannot be considered UBI. Unless these criteria are met, it is simply another social welfare program.

UBI is an extremely important part of Jaxism since the philosophy wants to move humanity forward as a race and abolish primitive emotions which hinder this progress. Humans cannot be expected to work towards this common goal effectively if basic needs such as food, shelter, security, etc. are not taken care

of. The point of UBI in a Jaxist society is to provide people with the necessary funds needed to pay for these necessities to improve the productivity and well-being of Jaxians.

Manoharan strongly believes that “humans are always the most productive and happy if basic human needs are taken care of and they can pursue what they are passionate about. UBI is necessary for a meritocracy and to enhance equality of opportunity. The goals of a basic income system are to alleviate poverty and replace other need-based social programs that potentially require greater bureaucratic involvement.”

One important reason why existing welfare programs doled out by governments do not work is that they do not scale. Again, many different variables come into play when state actors consider who deserves welfare benefits and who

gets left out. This results in a cumbersome and expensive bureaucratic process that cannot get it right all the time. Furthermore, it does not provide a minimum income floor to take care of people’s basic needs, this results in unforeseen and usually more dire consequences down the line. An apt analogy to understand the difference between social welfare programs and UBI is that the latter is spending money on maintaining one’s health, whereas the former is spending money on treatment when it could have been avoided.



How will UBI be distributed under Jaxism?

JaxCorp is a DAO community founded by Vinod Manoharan and governed by UBI beneficiaries. We fully expect more communities, companies, and societies to participate in the maintenance of the UBI program as Jaxism becomes more widely adopted.

Under the JaxCorp model of distribution, the funds allocated to the monthly UBI payments will come from transaction fees collected from the Jax.Money platform. Jax.Money is a decentralized, energy-backed crypto swaps platform, where users can lock up their WJAX coins to produce stablecoins denominated in various currencies, such as USD, INR, etc. As more people begin using Jax.Money and its energy-backed stablecoins for transactions, payments, commerce, remittances, etc. The amount of funds collected for UBI distribution will increase. Donations could also be made to the UBI pool.

UBI funds are automatically distributed through transparent smart contracts after proper KYC verification. UBI governors are appointed by the DAO for carrying out this verification process. The governors oversee the KYC process which must be completed by anyone who wishes to receive a UBI, this is to ensure that UBI funds are not abused by any individual.

UBI recipients can then collect their monthly UBI by claiming it via the blockchain. It is the Jaxist vision that everyone moves to this energy-standard monetary system and begins using JAX as their transactional currency of choice. This is because JAX can only be printed when energy and precious resources, such as BTC and JXN are expended. This leads to a more trustworthy monetary system, one that cannot be easily manipulated, one which is directly pegged to energy - an indicator of human progress, and so, trust is strengthened.



CHAPTER



Democracy

Aristotle famously said that “Man is a political animal. A man who lives alone is either a Beast or a God.”

The need for social interactions and communal aims appears to be a core trait of humans. Over the years, people have come to support monarchical, authoritarian, totalitarian, and democratic regimes. Many political philosophers who questioned the status quo rose from these evolving forms of governmental authority.

Jaxism seeks to constructively aid humanity by ensuring that our decentralized organization is always controlled by democratic means for the good of humanity, on this planet and beyond. It is the goal of Jaxism to ensure that the future progress of our civilization is never thwarted by constraining

potentially great minds due to bias. So, how can we expect the advancement of society if people’s views aren’t represented?

Enter democracy: a system of government whereby the people readily take equal responsibility to ensure that equality of opportunity, representation, and their inalienable rights are safeguarded. It is a political construct by the people, for the people, to ensure their voices are heard. Indeed, democracy is an important part of the Jaxist philosophy, one that is important to the core tenets of Jaxism.

Jax.Network was created to facilitate fair, decentralized, and censorship-resistant financial transactions that cannot be manipulated the way fiat currencies are by central banks. This will avoid economic inequality which is the leading cause of political and social instability. Jax.Network ensures

the security of institutions that shelter freedom of expression, assembly, petition, and religion—vital components of a long-lasting democracy.



The will of the people should supersede the aims of the representatives or a leadership council, no matter how meritocratic they may be, this is Jaxism's vision for democracy and why we support the one-person-one-vote (OPOV) scheme. The true representation of the people and the application of their will should lead to more accountability and a government that is less corrupt and more efficient.

Previously, in times of economic instability, citizens strayed from the path of democracy and opted for charismatic despots to aid in times of financial ruin. One case in point was the appointment of Adolf Hitler to lead Germany out of its economic depression after WWI. Stable economies that provide financial support equitably across the globe directly participate in preserving freedom by ensuring stable democratic discourse.

The U.S. Federal Reserve currency, the U.S. dollar, was decoupled from the gold-backed system under Nixon. While gold-backed currency constrained economic undulations during times of recession or instability, it also provided a source of tangible value and cap (Ghizoni, 2013). JAX coins will generate economic growth within democracies by providing the economic ability to adapt to inflation, growth, and temporary volatility while remaining appraisable with energy linkage. This differs from previously restrictive mineral-based banking systems or the lack thereof, which makes currencies unmeasurable.

As Christine Lagarde of the International Monetary Fund (IMF) stated, crypto “puts a question mark on the fractional banking model we know today.” (Tucker, 2017). Jaxism argues that the Jax.Network will promote true democracy by chipping away at centralized financial ecosystems.

By establishing a uniform democratic socialist environment, Jax.Network creates a world more suitable for unilaterally applying justice, which strengthens the bonds of democracy. We have taken full advantage of the web-gear'd financial transition that arose post-pandemic to ensure Jax.Network is a key solution to the rapid growth of online financial transactions whilst being securely merge-mined with the Bitcoin network.

Under Jaxism, elections and referendums can be held in a more transparent and swift manner which will mean that leaders are held more accountable to the people than in past iterations of democracies. And because of these checks, it is unlikely that elected officials will do anything to displease their electorate because; 1) more referendums will mean the will of the people is clearer, so there is no excuse for not executing upon them 2) elections that are transparent and effective mean that leaders who do not satisfy their electorate will be removed very quickly.

Jaxism envisions a future where pursuing further advancement through innovation is commonplace and not merely a zeitgeist of times when economic stability makes it an affordable pursuit of the few. This can be achieved by supporting Jaxism as fellow Jaxians and our *vita finis* of creating an enduring global impact on economic efficiency. It is brought about by democratic socialist communities where JAX coins are used daily. Thus perpetuating the advancement of justice, political development, and the evolution of our global citizenry towards a Type-2 civilization. Once civilizations master the flame, they always go for the stars.

As famously stated “Money isn’t the root of evil. It’s the lack of it that creates evil intentions”. Jaxism’s refurbished definition of democratic socialism is a system based on a UBI tax and principles that favor a meritocracy. Jax.Network supports and intends to introduce democratic socialism within the organization and beyond it.

CHAPTER



Meritocracy

Building a meritocracy is one of the most important goals of Jaxism. A meritocracy is a political system in which economic and/or political power are vested in individual people based on talent, effort, and achievement, rather than wealth or social class. Jaxism strongly believes that it is the best system that a society can choose to live in. It is part of the Jaxist vision to move away from systems that promote people based on connections or some other arbitrary reason that has no bearing on the progress of humanity. And so, to incentivize progress, meritorious people should be rewarded and championed in a Jaxist society.

The Jaxist vision of meritocracy shouldn't be taken for one which doesn't champion democracy. Meritocratic councils / institutions should always have provisions to be replaced by a democratic vote if people don't see them fulfilling the purpose of the society to serve people at large.



Governments and other institutions of power have a significant influence on the life of the common person. Therefore, it should be composed of the smartest and most meritocratic representatives of society. In a perfect world, scientists and physicists would facilitate the progress of humanity as a species and occupy the upper echelons of state power.

Some may argue that dividing people by merit will only facilitate the problem of inequality. That may well be the case in the classical interpretation of a meritocracy. We as Jaxians are introducing a system based on UBI.

Tenets of the Jaxist UBI system

- I. All citizens should pay a tax.
- II. Taxes are subsequently divided between the citizens in the form of a UBI payment.
- III. These payments should ideally be spent on self-education and self-development.
- IV. Under such conditions, the human race can grow and develop tremendously.

As mentioned in **Chapter 1: Universal Basic Income**, funds are collected and distributed to everyone under the UBI system so that people can have a minimum income floor to cover their basic needs. Thus, they will have more time to learn and develop new skills, as well as bring substantial value to our society and enable a more meritocratic society.

This system does not intend to deprive the wealthiest class of their earnings. It is the goal of Jaxism to introduce a society where everyone has an equal opportunity to learn, invent, develop and follow their passions. Jaxism asserts that there won't be a need for all people to work hard to earn a living in a job they don't like. In the future, people should be able to concentrate on things they enjoy and unleash their scientific and creative potential, without having to think about money for food, clothes, rent, etc

We are moving to a new era, where robots will do all the routine and tedious work, leaving people with lots of free time. It is up to every individual to decide what to do with that time. This futuristic concept really is not far off, already many jobs have been automated with many millions more jobs next on the chopping block. Societal transformation has already been going on for some time. Automation, autonomous driving cars, AI, and blockchain — are only a few examples. UBI is a concept that we can't ignore. The sooner we will implement it, the better.

Meritocracy, or rule by the accomplished, is outwardly sensible. It is good for those with talent and abilities to use their gifts for the greater good. The best and most qualified people should make use of what they have, and they ought to be recognized. After all, if someone merits a given role, they are perfectly equipped to fulfill that role. The alternatives to a meritocracy are ugly and, in some cases, criminal. Should a hospital administrator's cousin without professional training treat patients? Would you seek out a surgeon who had no capacity for surgery, but who felt he had been appointed by God? Most people would prefer a qualified physician.

Why then is meritocracy only “outwardly sensible”? What is problematic with meritocracy?

The trouble lies in the fact that meritocracy as practiced today is only partially legitimate and partially functional. It is an intermediary, flawed system that, despite its numerous disqualifications, is frequently mistaken for something better. An inferior “meritocracy” should be exposed for what it is - mostly a fraud.

As physicist Albert Einstein once said “Everybody is a genius. But if you judge a fish by its ability to climb a tree, it will live its whole life believing that it is stupid.” Though intellectual excellence ought to be cherished, there are countless other fields that contribute to a better society. Humans are vastly different from one another and so, it is unrealistic to expect a “one-size fits all” interpretation of merit. Under Jaxism, it is the hope that people have the freedom to choose their paths and are encouraged to pursue them, which will lead to a more favorable outcome.

CHAPTER



Enhanced Equality of opportunity

It is true that modern technologies and innovations have made the lives of people in the modern world better, and more comfortable, whilst reducing unnecessary suffering. Automation and computers have improved the rate and efficiency at which goods can be manufactured, and modern medical practices have added decades to our lives. Overall, there is more abundance in the modern world than ever before. It is arguably better to live as a poor person today than as an aristocrat in the 12th century. But still, despite our great progress, why is there still so much suffering and so much inequality in the world?

Equality of opportunity is an idealistic concept that suggests that people, regardless of their background, ought to have the same rights and freedoms and be granted the same opportunities as everyone else. It is a very popular concept in the modern era and one that most reasonable people subscribe to, especially in

the west. The roots behind equality of opportunity are to prevent as much unnecessary suffering as possible by ensuring that the inequality that drives it is limited.

Despite being an obviously virtuous concept, it is rare to see equality of opportunity practiced on a large scale. But why is that?

There are multiple reasons why equality of opportunity is ineffective, but a flawed institutional framework is critical in explaining such failure. Monetary policies and mandates of central banks are expanding, especially in the west, to tackle these issues. Indeed, the Federal Reserve's (Fed) goal is not only to manage the money supply, but also "to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates." Besides, the Fed needs also to ensure sound financial institutions. The ever-expanding clout of the central banks in our daily lives has unintended consequences, one affecting equality of opportunity.



Suppose you assume that money can be used to pay for people's time and efforts voluntarily, then effectively, money is an instrument to control people. From this assumption, you can then make the argument that whoever controls the supply of money controls the people. This is especially true when a legal tender is enforced by governments and competition in printing money is nipped in the bud through legal means.

We also assume here that a central bank is fully independent of any government influence. The central bank behaves in the best interest of all the people, as per its mandate. For the sake of our argument, potential ties and connections between government officials and central bank appointees are disregarded. Thus, we posit here that central bankers are benevolent public servants and public choice theories do not come into play. This is to show that even then, money mismanagement can arise. A labor currency such as JAX, which is printed when expending energy and which thus has a relatively high cost of production, is the answer to a more egalitarian society.

Can an automatic assault rifle unit outdo a unit of swordsmen? Can a tank unit outdo a unit of chariots? Can a modern artillery unit outdo a unit of bowmen? Can a nuclear weapon outdo a barrack with tens of thousands of garrisoned units?

Similarly, a technology that could facilitate decentralized governance and decentralized progressive money pegged to energy could outdo a delegated democracy based on physical elections and boundless sole monopolistic power held by the government over the most primitive emotion of people - money.

Unfortunately, until the advent of cryptocurrencies, the free market of money was a black market. As a true social convention, the use of monetary units should emerge from people's need and willingness to use it globally, and not by force.

For example, central banks in the west have loosened their rules to support sluggish economies in the aftermath of the 2007/8 financial crisis. As a consequence, interest rates have hit all-time lows, allowing commercial banks to borrow central bank money at a preferential rate.

The economy is a network and there is some latency at play. \$1 that is issued by a commercial bank for a loan will spread into the real economy, on average, at the rate of velocity. This can have dire consequences for those who do not have easy access to the banking system or are way down the line to benefit from monetary base expansion.

Suppose a bank issues a debt of \$10,000. This new debt is money creation that will add to the total supply. Ideally, this extra supply should be in the hands of the people who need it the most and contribute to the economic growth through their work.

In reality, this new debt has been issued, most likely, to a financial institution, which will use these \$10,000 to speculate on the financial markets. This money never goes to the real economy but inflates instead the price of shares, which deviates from their fundamental price.

Therefore, the unconventional monetary policies have favored those who have the capital to buy and sell shares and pocket the profit, cutting smaller companies and individuals from the credit market. The financial system has become highly unequal. Opportunities are lost for billions of people who don't have access to the system.

This is just an example, which assumes that the central bank is working just fine, as per its mandate without disturbing the pricing system. The state also benefits from this, since it can borrow cheaply and roll over its debt forever, depriving future generations of good economic prospects.

The market for US treasuries has grown significantly without any positive impact on sustainable economic growth over the last 14 years. This should be a good enough indicator that monetary policies don't work as intended. They may save a system in the short term, but at what price? Favoring financiers over the real economy. If this new money starts shifting and spreads into the real economy, consequences for the poorest will be even worse, as price increases will slash their purchasing power.

For all these reasons, one should move away from this debt-ridden monetary system, which doesn't help the real economy anymore. A digital currency pegged to energy will always create the necessary monetary mass that is corresponding to economic growth forecasts based on the volume of energy (as the two are correlated) that can be produced in a given period. JAX is a transactional coin that requires productive work to be printed. Thus, society is fairer and less prone to manipulation by individuals with connections which goes against the principles of equality of opportunity.

CHAPTER



Smartness & Wisdom

Alfred Lord Tennyson once said, “Knowledge comes, but wisdom lingers.”

The debate between smartness and wisdom has gripped our society for centuries. What are the key differences and what is the more desirable trait?

Growing up, people seldom hear our peers or teachers call us wise. We are perhaps told that we are smart, but very rarely will someone call a young person wise. Smartness is linked to intelligence and the ability to understand complexity. Smart people are automatically perceived to be very knowledgeable in their areas of expertise. The correct application of smartness often leads to success, by actively making logical decisions and executing them.



Wisdom, on the other hand, is only obtained through time and experience, it cannot be reached in a rushed manner. Wisdom only comes with active living and experiencing different struggles, achievements, and downfalls with growing age. Wisdom is also directly linked with having better emotional intelligence and emotional awareness. Unlike smartness, wisdom is multifaceted in a way that provides knowledge, area expertise, and the ability to understand a situation with emotional awareness, something that can only be nurtured with time.

Obtaining a bachelor's or a master's degree, or even a Ph.D., is enough to demonstrate that you are an expert in your field. However, the same logic cannot be applied to wisdom. There is no limit or requirement to be wise. Simply put, the more you age, and the more seasoned you are, the wiser you get. Wisdom enables and provides you with

intuition to determine when to act, where to act, and how to act. Smartness will provide you with the fundamentals to solve specific problems, but not with the in-depth analysis of deconstructing them differently.

The ideal scenario is for people to become wiser over time, whilst simultaneously getting smarter. Individuals should allow their thinking to be challenged to become sharper and smarter; they should avoid routines and mundane tasks and mentally push themselves to think outside the box, actively and consciously. They should apply what they have learned from this process to their everyday lives and work tasks to turn knowledge into wisdom. Simply knowing is not enough. If you only know but do not do anything, you will only be considered a smart person. But if you learn and apply knowledge, without the fear and hesitation of making a mistake, and you consistently work towards gaining and applying experience, you will already be on the path to achieving the perfect blend of smartness and wisdom. By doing so, there will be a visible difference in the way you handle people, overcome challenges, resolve issues, manage money, and increase your value to society.

Alan Alda said, “Be as smart as you can, but remember that it is always better to be wise than to be smart.” There is no doubt that a wise person will make the best decisions, but not always the most accurate ones. Now and then, smartness tends to produce better results than wisdom. This is purely because having up-to-date knowledge and field expertise strikes the perfect chords. The wise may be left behind in the race to gain knowledge, especially in the modern technological fields due to the fast pace at which things change. The wise who are significantly ahead in age have to put in more effort to ensure a well-balanced perspective that is a mix of expertise and wisdom and not merely wisdom.

The best way to practice both of these attributes in perfect balance is to allow wisdom to lead the way and choose smartness to navigate the path. Organizations should actively involve good decision-makers when it comes to setting up or designing processes or strategies for the community. Additionally, they should allow and involve smart young minds to ensure that these processes and strategies are executed and applied perfectly, managing any level of consequences and risks that may arise. That is why many leading organizations and companies have a mix of shareholders and individuals in their executive teams to balance out smartness and wisdom in their decision-making process. That is why most team leads in any organization are hired solely on their experience and the years they have put in, and less attention is given to where they graduated. It is the years of experience and wisdom churned out from smartness that will help an organization grow.

CHAPTER



Innovation

Innovation can be considered the cornerstone of humanity's path to advancement as a species. To a large extent, humans have been defined by our innovations which help us live longer and better lives. This is why innovation is an integral part of the Jaxist philosophy and why Jaxians have chosen to encourage and support innovation.

There are many different verticals that require innovation, however, it is the belief of Jaxism that everything can be led back to energy and therefore the innovation in the energy sector will trickle down into everything else. This is because everything requires energy, from boiling a kettle to riding a bicycle to jet propulsion, energy is not an abstraction but the very thing that enables all operations. Even a monk meditating on a cliff is consuming energy, even if at a negligible rate. Overall, the economy is running on the

volume of energy that is produced within a year.

Enter JAX, the native coin on the Jax.Network blockchain, which is rewarded to miners in proportion to their hash power. Jax.Network argues that since hash power is mostly energy costs, the JAX coin is therefore pegged to the energy spent to produce it i.e Kilowatt Hours. This is the basis of an energy-standard monetary system, which is a combination of John Nash's Ideal Money and Henry Ford's energy currency.

Over time, a Kilowatt Hour currency would appreciate versus all known currencies as it's less inflationary, hence providing a better standard of living for humanity as a whole. Not only that, but the universal language of money would now be tied to a well known indicator of human progress - energy.



Jaxism promotes JAX as its official currency and if adopted by the people of the world and beyond, will result in vast innovation and productivity in every sector.

Why an energy-standard monetary system is needed

Any discussion of innovation, especially related to energy, must include blockchain technologies. Of course, a computer-based asset class relies on electricity to sustain itself.

Though many cryptocurrencies have moved away from more energy-intensive methods of minting new coins, there are still many undeniable benefits derived from Proof-of-Work blockchains such as Bitcoin, Ethereum, and of course Jax.Network.

Proof-of-Work is a consensus mechanism in certain blockchains that involve computers having to solve complex cryptographic problems before receiving the right to add blocks to the blockchain. Money or “coins” printed on Proof-of-Work blockchains have intrinsic value due to the fact that resources (mostly energy) have been sacrificed to produce them. This is in stark contrast to the existing fiat monetary system, which is largely controlled by central banks and governments.

Furthermore, the benefits of this system, among other things include censorship resistance, decentralization, security, transparency, and trustworthiness. These are all very important attributes that have many benefits when applied to money.

For traditional Bitcoin mining, computers are programmed to run increasingly complex calculations according to strict protocols. In 2012, a modest mining operation could succeed using kilowatts of energy. Today, gigawatts are required, even terawatts, an amount sufficient to illuminate 1.7 trillion light bulbs.

Backed by energy, the value of Bitcoin is determined by two factors: the energy required to mine it (energy input) and its supply growth rate. The supply growth rate diminishes due to the intentionally imposed difficulties in mining an increasingly scarce, and ultimately finite, asset.

Bitcoin has largely succeeded in becoming the world’s first truly decentralized form of digital cash. However, due to its volatility and limited supply, people treat Bitcoin as an asset, rather than a unit of exchange for goods and services, money.

A new, energy-related monetary system, based on the stable reference of kilowatt-hours should be mutually comprehensible to both economists and scientists. Additionally, it could correct the disconnect between the economy and the dynamism that animates it by concretely grounding the nature of that dependence. What we propose is, in truth, nothing new. The gold standard is archaic. Localized fiat gives excessive power to the issuing government, which, in turn, is self-serving and vulnerable to monetary policy abuse and manipulation.

In 1921, Henry Ford sought to depose gold as a repository of value by reassigning currency value to energy, specifically in a kilowatt-hour denomination. Energy was and is simply a better measure, it is instantly appreciable value to the extent that it is applicable in every conceivable context. As mentioned above, everything requires energy.

Ford's speculative theory may be somewhat naive, though. The sun shines everywhere, even at the poles, but we don't all have the technological means to harvest it. As much as we might like to think so, exploitation will not necessarily vanish once the species adopts a sane means of powering its systems. Be that as it may, Ford was no fool. He should be celebrated as the genius he was.

Luckily, human beings have a natural incentive to innovate, even if it requires embracing an increased risk. Therefore, blockchain has become the technology that provides an alternate way of governing money. Cryptocurrencies based on Proof-of-Work represent a perfect balance between flexibility and precision, allowing people to transact easily and stimulating free trade. Thus, the world economy at large will benefit from such technological innovation maximizing the welfare of every individual. That is exactly what we at Jax.Network have been working on for the past several years, to build an energy-standard monetary system that will help to move humanity to a Type-2 civilization, as per the Kardashev scale.

What Jax.Network created in the JAX coin is a coin that is rewarded to crypto miners in proportion to the amount of computational power (hash power) they contribute to secure the network. And since the cost of mining cryptocurrencies is almost entirely the cost of electricity, JAX coins introduce a new energy-standard (debt-free) monetary system. This is what distinguishes JAX from any other cryptocurrency. JAX coins are indisputably electricity (kilowatt-hours) as money, that is, energy as a form of exchange and store of value.

As long as humans are driven by profit, Jax.Network becomes the most obvious monetary system for people to innovate and create more energy-efficient technologies in order to maximize profit margins when printing JAX.

Today, it's possible through the Jax.Network blockchain to bring about a collateral-less-debt-free energy standard monetary system. This energy currency could help people by guiding them to make better decisions.

This is a key requirement for practicing Jaxism. Today's collateral-less-debt-facilitating monetary systems, such as the fiat system, are prone to high-level manipulation, which could erode the value created/energy expended by individuals. This is extremely profitable for manipulation-driven businesses that really don't add any significant value to the economy rather than to ensure a shortage of resources that keeps everyone working. This game theory-based artificially-engineered shortage of resources is what creates the existing gaps in society, and this manipulative behavior can be eradicated simply by everyone accepting payments in JAX. Accepting JAX also ensures that Jaxians are always on the side of progress rather than in a manipulation-based monetary system.

CHAPTER



Taxes

Anyone who thinks that taxes only create debt for regular people with no result or benefit has never been to countries that collect and spend tax money effectively. The fact is, collecting taxes is a necessary mechanism that must exist for modern societies to function. Taxes are typically spent on infrastructure, defense, security, education, healthcare, social welfare programs, and various bureaucracies which run important functions in the greater community.

Often taxes are seen with negative connotations by individuals. Money subtracted from people's incomes is very apparent, but what this money is then spent on is not always clear to the taxpayer.

One reason for this is that oftentimes, the spending of taxpayers' money is not transparent, and so it is

difficult for taxpayers to have any kind of confidence in the allocation of funds. This is especially true under governments that are notoriously corrupt and/or spend money in ways the people disapprove of. This has created a popular and well-subscribed meme that governments are terrible when it comes to the effective spending of taxpayer's money.

The present tax payment system and tax redistribution across the globe is a common method that has proven to be inefficient and unfair, especially in corrupt countries. Inequality between people is something that the current tax system helps to create and does little to improve. The wide variance in tax structures is not as efficient as the alternative method we propose. The most unfair aspect of taxes is still the way that all individuals do not pay taxes equally. No matter what country in the world, there are accounting loopholes that

allow those with more money, business owners generally, to pay less tax than those who work hard but never earn enough to create wealth of their own. For a fair society, everyone needs to pay their fair share of taxes, regardless of how much that might mean they contribute.



The Jaxist philosophy asserts that it is very important to have a UBI system where all citizens pay taxes, and the taxes are then divided between citizens in the form of a UBI payment. These payments would ideally be spent on self-education and self-development. With this method, the human race can grow and develop more efficiently, broadly, and fairly. UBI is a way to give all citizens a basic income to pay for their basic needs, funded by a tax structure that taxes people fairly, according to their input in addition to a flat tax collected from transactions facilitated by JAX coins.

Taxes can be collected and UBI can be distributed transparently through blockchain technology, which is open-source and easily auditable. This will improve the confidence of people living in Jaxist societies and increase the likelihood of people becoming more willing to pay taxes.

Simply put, Jaxism proposes a system where no one needs to work at a job they don't like just to pay for basic necessities. Instead, they could be free to create and develop better opportunities. The fair collection of taxes and UBI would eliminate the 'hand-to-mouth' way that a significant portion of the global population is forced to live and move towards a more advanced society.

CHAPTER



Global Governance

The invention of blockchain technology started a whole new era in human development and opened the door to revolutionizing many aspects of our lives, including payments, real estate, and fundraising. One of the most prominent examples of blockchain technology is decentralized autonomous organizations (DAOs).

The rise of DAOs

Initially introduced in 2016, the DAO concept is currently disrupting the market, with new projects popping up all over. Why have they gained popularity only now? Did people realize the brilliance of decentralized structures overnight?

Blockchain and other decentralized technologies offer a way to eliminate human factors and let the system

handle all matters error-free. In simple terms, DAOs are pieces of blockchain code created to govern an organization in an automated manner, allowing most management processes to be executed by a smart contract.

DAOs can be operated by a group of people who share the same idea and work together in order to achieve a common goal. DAOs are transparent and auditable on-chain, but humans can let their emotions or lack of skill get in the way, putting the entire community and everyone involved in jeopardy.

It's important to remember that a DAO is ultimately governed by people who vote to agree on all critical decisions. But the voting process, as any other piece of a smart contract in a DAO, is automated and fully transparent, so the ability to cheat or conduct any other misdemeanor is very low.

Therefore, Jaxism asserts that a DAO is arguably the best organizational structure that currently exists to run a truly meritocratic system.



JAX CORP DAO

To infinity and
beyond

In this series of philosophical chapters, we mentioned the UBI concept, which implies that all people have the opportunity to do what they love without worrying about making ends meet. Instead of boring processes that sooner or later will be automated anyway, people should be able to focus on developing interesting skills, discovering new things, and creating a better future for us as a species.

JaxCorp DAO is responsible for governing a UBI system. The system's main provision is that a portion of fees collected for transacting in WJAX, or any other derivative soft-pegged to WJAX, goes to a special UBI pool. The collected funds are then distributed equally among all people registered in the UBI program. The goals of a basic income system are to alleviate poverty and replace other need-based social programs that potentially require greater bureaucratic involvement.

Thanks to the decentralized nature of blockchain, the code is open-source and can be audited by anybody, putting an extra check on the system and eliminating the risk of misusing funds and corruption. Also, anyone who donates funds to the UBI program can check exactly where the money went.

It's true that UBI payouts will be higher in the beginning, as there are not so many people eligible for UBI, and it will gradually decrease as more people join the program. However, we argue that transaction volumes should skyrocket with the mass adoption of our coins, allowing for a decent amount of UBI to be paid to those in need.

JaxCorp DAO Governance

We would like to shed some light on JaxCorp DAO governance. As an organization, it's governed by two councils, who agree on different critical matters of the DAO. The governing entities are

Jax.Network miners, (W)JAX burners, and (W)JXN burners. All forms of governance tokens are non-transferrable.

All decisions are made with a 51% majority.



The general council is comprised of:

- 1) aJaxian committee - i.e., people who burn energy (JAX);

The general council elects an aJaxPrime who is responsible for running the DAO. This vote takes effect in 7 days.

There is also an ongoing continuous referendum where people (UBI beneficiaries), by a method of one person one vote, can replace this elected leader which takes effect in 48 hours.

The financial governance council of the DAO is comprised of, in equal parts ($\frac{1}{3}$ each):

1. aJaxians or the aJaxian committee, i.e., people who burn energy (JAX);
2. iJaxians or the iJaxian committee, i.e., people who burn assets (JXN) and contribute equal assets to the DAO's growth fund; for example, a person burns 50 JXN and contributes 50 JXN resulting in 50 iJaxian votes;
3. eJaxians or the eJaxian committee, i.e., people who defend JaxNet as the global ledger that preserves people's scalable profit motivation (miners). 1 unit of hashrate (2^{60} hashes) equals one vote.

The general council controls:

- 1) All of the external and internal policies of the DAO
- 2) All of the UBI program
- 2) 50% of the DAO transaction taxes

The financial governance council controls:

- 1) 50% of the DAO transaction taxes
- 2) Funds contributed by the iJaxians

The parties of the financial governance council are:

eJaxians — Miners receive votes in proportion to their hashrate; all the miners can get up to $\frac{1}{3}$ of the total votes, which are then subdivided in accordance with the units of hashrate (2^{60} hashes) expended in securing the global ledger.

aJaxians — aJaxians get their $\frac{1}{3}$ share of votes for burning (W)JAX. They need to burn (W)JAX tokens first and only then they can get governance votes. 51% of the aJaxians can elect an aJaxPrime to delegate the day to day operations. However, this aJaxPrime key can be overridden by the community through a 51%+ majority vote of UBI beneficiaries. Electoral fraud must be prevented in all cases in this voting mechanism.

iJaxians — (W)JXN burners are entitled to the remaining $\frac{1}{3}$ of the votes. They need to deposit (W)JXN tokens to the DAO so that 50% of the tokens are burnt and iJaxian governance tokens are issued in exchange at a 1:1 rate for this half, while the other half is contributed to the DAO. These funds should be used for community projects. The funds can only be spent when the WJXN contributor approves its spending for a certain project + the majority of the DAO's financial governance council (51%) agree upon the use of funds. Those funds once pledged to the DAO, cannot be withdrawn by the (W)JXN contributor.

To summarize, the DAO operates as a meritocracy, electing a leader to the general council through the aJaxian committee, where you may obtain a seat at this council by excelling in the energy sector, earning (W)JAX and burning it. If people are not happy with their meritocratic representatives or leaders, new leaders can be elected by a democratic vote. Only those who verify their identity using an IRIS scan are eligible to participate in elections, this is to prevent voter fraud. If a leader or a coalition of 2 or more leaders (through a multi-sig) gain more than 51% of the vote, this will result in an override of the leader chosen by the aJaxian council. Ultimately, the people through a method of one person one vote govern the DAO. Privileged care should be provided for people who are unable to participate in the IRIS scan based voting system.

Reiterating an important distinction, the management of JaxCorp DAO iJaxian contributions are automated and strictly regulated, with spending allowed only if the contributor and 51% majority of the financial governance council votes are in favor.

If you believe in our technology and share our values, you know how to help us fulfill this mission and become a Jaxian. From using our coins constantly to donating directly to the UBI pool or contributing (W)JXN to the DAO for community projects, you help this world become a better place not only for us but for many generations to come. The person you helped today with UBI may build a technology that will save millions of lives tomorrow.

It's also important to ensure that you always get paid in JAX and pay the UBI and transactional taxes properly to fulfill your role in our emergent civilization.

As a Jaxian, it's extremely important to ensure that a liberal pursuit of happiness is allowed as long as one person's pursuit of happiness does not infringe the rights of another. Merit should be championed, justice should be upheld, and anti-corruption should prevail across all walks of life.

Conclusion

Today's world is full of opportunities not taken and innovations not discovered. We are so concerned with earning money to secure the nearest future for ourselves and our families that we miss out on our desires and ambitions. This narrow framing doesn't allow us to see the bigger picture and work on the development of the human race as a species for centuries to come. Instead of reaching for the stars, we are stuck with hands full of mud.

In this handbook, we have tried to introduce the philosophical basis for Jaxism along with its main tenets. Jaxism encourages an individual's pursuit of happiness, which should transform society as a whole into a more advanced civilization. Indeed, if everyone has basic needs covered thanks to UBI and enough time to dedicate to their passions such as science and art, there would be no wars, corruption, or any other man-made vices. People would be just too busy doing what they love and too happy to get down to old manipulative schemes that evoke nothing else but repulsion.

A Jaxist society based on principles of meritocracy and innovation would quickly harness enough energy resources to become a Type-2 civilization thanks to an energy-standard monetary system outlined earlier.

For those of you who wish to embark on a new journey with us to transform the mindset of humanity, we wish ourselves bon voyage!