AMFEIX

Establishment of the world's most technologically advanced blockchain bank

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The global monetary system is currently a mess of closed structures and debt fueled economies; so much so that it has curtailed the growth of the free market economy and left billions of people underserved financially. To solve these problems, the public is in need of a new monetary system that supports the kind of organic growth and innovation that the internet has brought, but which still ensures the integrity of financial transactions.

Historically, we have relied on high barriers to entry to ensure integrity. Blockchain technology, however, has no such barriers and has shown itself to be a viable platform for a new economy. It has promised a future where users control their own data and developers can build logical applications on a trustless distributed computer. Growth demands new, innovative participants who may possess only modest financial and computing resources. The public requires a new, global economy open to anyone, so that new organisations can join and extend financial access to underserved communities. The challenge for such a network is ensuring participants record transactions correctly. With low barriers to entry, users won't trust providers to police themselves. Such agreement hinges on a mechanism for worldwide consensus.

AMFEIX is a blockchain entity serving encrypted wallets in a decentralised digital economy. With the aim to grow the AMFEIX economy, users buy and sell AMFEIX tokens with the AMFEIX treasury. Assets in the AMFEIX treasury are used to invest in the digital and blockchain asset markets, with the aim of generating returns exclusively for the AMFEIX treasury. The internal calculation asset for the establishment of the treasury is Bitcoin, due to the fact that Bitcoin is the largest established global blockchain asset. This has the potential to change in the future in favour of the currency issued by AMFEIX.

AMFEIX Token

The "AMFEIX token" is a blockchain based free floating asset, with its own monetary policies. It is built on the Ethereum network's smart contract protocol which is a computer program that automatically executes, controls and documents events and actions. The token, also known as "AMF", "AMF Token" and/or "AMFEIX Token", is purchased by AMFEIX users from the AMFEIX treasury and vice versa. AMFEIX creates this supply and demand for the time being, with the aim of growing the token's economy.

To facilitate the trading between AMFEIX and its fellow users the swap/exchange structure was created, known as the “AMFEIX swap”.
The AMFEIX swap is a facility for users and AMFEIX to trade with each other. As a growing number of users enter the blockchain market demand will rise, presenting significant opportunities for early adopters. However, as the market is still in its infancy it is highly volatile, with prices moving sharply on a daily, and sometimes hourly basis. As AMFEIX is temporarily the main client in the AMFEIX token economy, daily AMF token prices are set by AMFEIX. This gives the AMFEIX token demand stability, unlike many other blockchain and non blockchain assets. As with any type of financial asset, however, stability in AMF asset prices cannot be guaranteed.

AMFEIX’s management operates in a similar way to a “DAO” (decentralised autonomous organisation). Layers exist within the organisation to enable collaboration between members and to direct collective efforts toward common goals. This facilitates effective division of management and allocation of resources. The essential structure of the layer protocol revolves around the distribution of power and trust permissions that govern groups within the organisation.

These two concepts jointly define the structure and security of a DAO layer and provide a flexible framework for creating new and diverse management groups. It is ultimately up to the members of a layer to decide how they wish to use groups. Some might only use them for categorisations, whereas others might use them to precisely group similar expenditures together, or multiple expenditures. Some might use DAO layers to represent established organisational departments, while others might use them to represent projects with start and end dates.

A DAO requires trust and honesty throughout its operations. The model is highly secure, nevertheless if all/most layers are directed together then theft is possible. The level of organisation required for such an attempt makes it highly unlikely.

Many AMFEIX staff are also users of AMFEIX, and so violation of its systems would be extremely counter beneficial. Having clear utility helps an organisation to ensure all of its staff and users are working toward the same objectives. These core objectives support the vision and every decision made must be aligned with these objectives. A movement without core objectives is a movement lacking direction.

AMFEIX’s core objectives make an impact on its strategies. They help to create a purpose, improve team unity and commitment among the organisation’s staff and users while helping them to make the right decisions. Objectives also help to improve communication, which also plays a central role in building user satisfaction and increasing engagement and motivation.

AMFEIX objectives also direct all of its marketing and communication efforts, ensuring the purpose and principles are never compromised. Strong objectives also help AMFEIX to attract and retain top talent, as well as customers that share the same goals. Most importantly, having a clear set of objectives helps both AMFEIX staff and customers to understand what they should stand for as members of AMFEIX. Achieving the objectives set out by AMFEIX and its users requires leadership from skilled and efficient management. As an objective orientated, customer focussed organisation, users are central in holding the management to account, all of whom are required to work tirelessly in the best interests of AMFEIX. The primary function of the management team is to bring staff and users together efficiently and effectively to work toward the achievement of AMFEIX's vision and objectives. The Management is a layer within the AMFEIX DAO system. It has limited permissions to facilitate the production of useful outcomes for the organisation. There is not, however, one sole authority responsible for all management tasks. Rather, administrators of groups within the management layer oversee permissions that are in turn validated by the members of that group.

AMFEIX Application

The AMFEIX application, referred to as an "AMFEIX application" is the home to a user friendly, open source interface that can be used to manage AMF tokens. The clear and superior benefit of open source software is the security it provides to users, as the code can be checked by anyone. AMFEIX strives to lead the frontier in blockchain open source software for mass adoption. In the 1950's, researchers developing early internet technology protocols and telecommunication network protocols relied on an open and collaborative research environment. This became the foundation for the modern internet and, subsequently, blockchain.
An open source development model is the process used by an open source community project to develop open source software, or OSS. Open source software is code that is designed to be publicly accessible such that anyone can see, modify and correct the code as they see fit. It is developed in a decentralised and collaborative way, relying on peer review and community production. Open source has become a movement and a way of working that reaches beyond software production. The open source movement uses the values and decentralised production model of open source software to find new ways to solve problems in communities and industries. This is why AMFEIX has chosen to use an open source model for its project. Like many large open source projects, AMFEIX code is hosted on GitHub, where users can access and view the fundamental code.

AMFEIX Wallet

AMFEIX application hosts two blockchain non-custodial holding wallets: the “AMFEIX wallet” and the “Bitcoin wallet”. As all assets are held by users through their “Digital keys” on the blockchain, users are in control of their assets and responsible for adequately protecting their digital keys. Vulnerability is present largely at the user level, as AMFEIX users are solely responsible for maintaining the security of their assets via their own digital keys. Therefore, it is important that all users take security seriously.
This includes safely storing digital keys and only logging into accounts from their own devices. A user should never share their security information with anyone, including AMFEIX staff. Digital keys should not be saved online or on your phone/ computer, it is unsafe and prone to hacking. Digital keys should be kept offline and stored in a safe and secure place inaccessible to other people. Digital keys are linked to a wallet: it is not possible to change your digital keys on an existing wallet. The AMFEIX application hosts both an AMFEIX wallet and a Bitcoin wallet. Both wallets are accessible with your digital keys to buy/sell and/or send/receive/hold AMFEIX tokens. You may also view the transaction history of each wallet on the AMFEIX application. It is possible to send and receive AMFEIX tokens using your AMFEIX wallet.

The AMFEIX application code is hosted on servers for users to access with their devices. As the AMFEIX token is decentralised, it does not require a backend system. This is due to the fact that the Ethereum blockchain is used for data storage. A blockchain is composed of multiple computers working together to hold data, and this decentralised storage network makes this data immune to manipulation. Nodes form the infrastructure of a blockchain. They store, spread and preserve the blockchain data, so theoretically a blockchain exists on nodes. A full node is essentially a device (like a computer) that has a full backup log of all transactions and data. AMFEIX uses nodes to access such data from the blockchain for the AMFEIX application. In the future, AMFEIX aims in the future to create its own robust blockchain network for the AMFEIX economy.

Problem
The old monetary system

Problem
The old monetary system

A Global Monetary System in Decline

The catalyst for the creation of AMFEIX is the declining global monetary system. The recent economic collapse created by the global COVID-19 pandemic has revealed significant weaknesses and insecurities in the global monetary system. As businesses were shuttered all over the world to contain the spread of the virus, central banks were called on to support faltering economies.

Low capital reserves combined with high levels of debt and outgoing costs means many businesses face severe liquidity issues, and some have been forced into administration by the crisis. However, as was the case during the financial crisis of 2008/09, some have found support from government and central banks keen to avert an economic depression. The problem, however, is not solved.

By continuing to bailout businesses with levels of borrowing that now eclipse what was seen during the last financial crisis, central banks are continuing to “kick the can down the road”. Quantitative Easing, also known as issuing new currency, is creating increasingly unsustainable levels of debt which, at some point, will need to be “repaid”. Repayment is not necessarily a difficult task in a growing economy, as the government bonds issued to finance state borrowing are often paid in national currencies. Rather, the issue lies in the fact that over printing/issuing currency results in the devaluing of that currency and consequently the value of bonds.

Consequences of Quantitative Easing

Solving this economic problem is one of the driving forces behind the creation of AMFEIX. Later in this white paper we will discuss how we believe our model offers a solution to some of the major issues currently facing the UK and global economy. To understand the severity of the current global debt problem, it is important to understand how the debt issued by governments affects the monetary system.

Quantitative Easing, or QE, is a form of unconventional monetary policy in which a central bank like the Bank of England purchases longer term securities from the open market. It does this in order to increase the supply and flow of money in an economy and to encourage lending.

Consequences of Quantitative Easing (cont.)

Central banks make these QE purchases using the currency of the country they operate in. This works to decrease the value of that currency (as increased supply means lower value) reducing the purchasing power of anyone that holds that currency. This means the cost of QE is ultimately paid by average citizens that have to use that currency to meet their daily needs.

The global banking system is also heavily reliant on debt. The operating principles of the current system means that debt always exceeds the physical currency held at a bank. Banks are required only to hold a certain ratio of their deposits in liquid funds such as cash in order to be able to withstand a sudden increase in withdrawals, otherwise known as a "run on the bank". A typical liquid holding requirement is around 10% of total deposits. The remaining 90% of a bank's deposits are then loaned out. This means that a bank with 100 million in deposits need only hold 10 million in reserve while it can lend 90 million out: a reserve ratio of 1/10. This effectively increases the bank's supply of money to 190 million.

As those that have borrowed money from the bank circulate this through the economy, often depositing it in other banks that do the same thing, this 1/10 "money multiplier" increases to infinity. The money multiplier can vary from country to country, however it is typically around 10 and always more than 1, and it means that global debt from bank deposits always exceeds physical currency, and this is a problem.

The capitalist economic system has enabled sustainable periods of prosperity for humanity. If left to its own devices, a capitalist model should ensure that unsuccessful companies and entities are removed as more successful ones prosper. This can be painful, but it is a necessary part of a healthy economy. Different countries operate different forms of capitalism. In most developed countries, however, capitalism is no longer operating like this.

Economies including those of the US, UK and Europe have become addicted to never ending government bailouts that does not allow the economic cycle to run it's course. Faced with the economic crisis created by the Covid-19 pandemic, many of these governments and their central banks are now bailing out companies with grants and loans in order to keep their current economies afloat. However, few are asking themselves whether continuing to pump debt into the already over-leveraged corporate sector is a sound long term strategy.

Consequences of Quantitative Easing (cont.)

Over leveraged companies take loans from a broken banking sector at the cost of inflation. This means that each individual who holds currency in a highly indebted economy pays for that over leveraged firm through the decrease in their own purchasing power. In this scenario, we see privatised profits and publicised losses. The failures of Keynesian economics are much discussed, and few solutions have been agreed upon. However, the fact that average citizens are paying for the losses made by corporations with which they have no involvement in must be seen as an inherent error in the monetary system.

The cost of this monetary and fiscal policy is currently being paid publicly by taxpayers, who are unwillingly bailing out private institutions and corporations. This false form of capitalism is not in the interests of the people. Never ending cycles of debt are forcing economies into a constant boom and bust cycle with systems that do not allow for true competition. In a healthy capitalist economy, every participant should have equal competitive business rights. However, government overspending, frequent corporate bailouts and a banking system heavily reliant on the constant cycling of debt is taking a toll on capitalism, our economies and our society as a whole.

As citizens live longer and birth rates fall, we are facing a shrinking workforce. As such, our ability to bear an increasing debt burden is diminishing. The amount of demand that must be created to continue current levels of economic growth are unlikely to be met by Generation Y and Generation Z due to the decrease in the current demographic trend. These are important issues that must be addressed by a new economic model.

AMFEIX

Solution
A new monetary system

Solution
A new monetary system

Building a new economy

AMFEIX is working towards building a new investment-led economy, encouraging widespread adoption of blockchain, avoidance of hyperinflation, ending the debt fuelled “boom and bust” cycles, reestablishing equitable economic cash flow distribution and establishinga full reserve blockchain-led banking order.

To create a fair and sustainable global monetary system that works for everyone, the AMFEIX token economic market advantage is as follows: The leverage that an entity that issues a successful commodity has is a widely held belief that their issued commodity is worth more than other commodities on the open market. When the widespread belief is that the issued commodity is worth less than what it is widely trading against, (for example its value against the financial world commodities), the issued commodity goes down. In that scenario (which is the only real risk to any commodity), the issuer would need to step-in to protect the interests of its commodity. The only reliable way of reestablishing and/or increasing the perceived value of the issued commodity is through adding value back into the issued commodity. The process for reestablishing and/or increasing the value of the issued commodity is done by a means of demand (an insistent and peremptory request, made as of right).
Rights (a moral and/or entitlement to have or do something) can only be established against the opposition through demand. The final and most important part of this system involves determining how to inject demand into the issued commodity. Demand is represented in commodities that float against the issued commodity. These commodities are required to lose their value through ‘supply/over supply’ of the inherent commodity. This can only be done if the issuer has leverage against other commodities that represent value in the market. To protect the issuer’s commodity, the issuer can release only so much demand for the commodity into the market until that which is reasonably sustainable on a long term basis.

The AMFEIX economy is to be operated with a custom forked version of monetarism, with positive adjustments such as full reserve blockchain-led banking. Monetarism is a school of economic thought that maintains that the money supply (the total amount of money in an economy) is the chief determinant on the demand side of short-run economic activity.
The foundation of monetarism is the quantity theory of money.
This theory is an accounting identity that says money supply multiplied by velocity (the rate at which money changes hands) equals nominal expenditures in the economy (the number of goods and services sold multiplied by the average price paid for them).

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As an accounting identity, this equation is uncontroversial. What is controversial is velocity. Monetarist theory views velocity as generally stable, which implies that nominal income is largely a function of the money supply. Variations in nominal income reflect changes in real economic activity (the number of goods and services sold) and inflation (the average price paid for them).

Quantity theory

The quantity theory is the basis for several key tenets and prescriptions of AMFEIX monetarism:

1. Long run monetary neutrality: An increase in the money stock would be followed by an increase in the general price level in the long run, with no effects on real factors such as consumption or output.
2. Short run monetary non neutrality: An increase in the stock of money has temporary effects on real output (GDP) and employment in the short run because wages and prices take time to adjust as they are sticky, in economic parlance.
3. Constant money growth rule. The issuer should be bound to fixed rules in conducting monetary policy because discretionary power can destabilise an economy.

Many monetarists also believe that markets are inherently stable in the absence of major unexpected fluctuations in the money supply. They also assert that government intervention can often destabilise the economy more than help it. Monetarists also believe that there is no long- tradeoff between inflation and unemployment because the economy settles at long-term equilibrium at a full employment level of output.

Central to monetarism is the “quantity theory of money,” which monetarists adopted from earlier economic theories and integrated into the general Keynesian framework of macroeconomics. The quantity theory of money can be summarised in the equation of exchange, which states that the money supply multiplied by the rate at which money is spent per year equals the nominal expenditures in the economy. The formula is given as:

$$MV = PQ$$

M = money supply.
V = velocity (rate at which money changes hands).
P = average price of a good or service.
Q = quantity of goods and services sold.

A key point to note is that monetarists believe that changes to M is the driver of the equation. In short, a change in M directly affects and determines employment, inflation (P), and production (Q). In the original version of the quantity theory of money, V is held to be constant and is easily predictable.

Japan is the country with the most experience of Keynesian Monetarism, which is the form that supports the use of quantitative easing that is so widespread throughout developed economies today. Yet, in spite of the supposed benefits, the policy has not produced a significant economic expansion. Something else is needed to stimulate the economy and produce economic growth.

Infrastructure building, often a central outcome of QE, is something that deserves some attention. Whether it provides a stimulus or not depends on whether the net present value of the projects is positive or not.
If the net present value is positive, wealth will be created and the increased wealth will result in an increase in aggregate demand for goods and services. More infrastructure would presumably result in a higher level of output and employment. Selecting positive net present value projects is not a slam dunk, however. Government regulations and other restrictions, as well as the economics of the project, come into play. In the aftermath of the financial crisis of 2008/09, most developed countries embarked on an infrastructure kick that did not work out, and so there seems little reason to expect a different result today.

Supply and demand

Because Monetarists dislike big government and tend to trust free markets, they do not like government intervention and believe that fiscal policy is not helpful. Where it could be beneficial, monetary policy could do the job better. Excessive government intervention only interferes in the workings of free markets and can lead to bloated bureaucracies, unnecessary social programs, and large deficits. Automatic stabilisers are sufficient to stabilise the economy.

The laws of supply and demand are microeconomic concepts that state that in efficient markets, the quantity supplied of a good and quantity demanded of that good are equal to each other. The price of that good is also determined by the point at which supply and demand are equal to each other.

Supply and demand are usually expressed in a line graph format, with Quantity (the independent variable) on the y-axis and Price (the dependent variable) on the x-axis. Generally speaking, the supply of a good and its price are directly proportional to each other and follow a linear relationship. In other words, as price increases, the supply of that good also increases.

At the root of everything is supply and demand. It is not at all farfetched to think of these as human characteristics. If human beings are not going to be totally self sufficient, they will end up producing certain things that they trade in order to fulfill their demands for other things.
The specialisation of production and the institutions of trade, commerce, and markets long antedated the science of economics. One can fairly declare that from the very outset that the science of economics entailed the study of market forms that arose quite naturally (and without any help from economists) out of human behavior.

People specialise in what they think they can do best. They trade their services and/or the products of their specialisation for those produced by others. The price and quantity that equates the quantity demanded and quantity supplied; equates the demand price and supply price; and achieves market equilibrium. In other words, the market is “cleared” of shortages and surpluses. When demand and supply are in stable equilibrium, if any accident should move the scale of production from its equilibrium position, there will be supply and demand forces tending to push it back to that position; just as, if a stone hanging by a string is displaced from its equilibrium position, the force of gravity will at once tend to bring it back to its equilibrium position. Movements in the scale of production will follow a similar pattern, typically falling back into equilibrium.

Conclusion and learn more
How to achieve solution

Conclusion and learn more
How to achieve solution

The AMFEIX Token Solution

Blockchain presents significant early investment opportunities. As a growing number of investors enter the blockchain market, demand rises and so too do the values of individual digital assets. By joining AMFEIX you are part of a vision for a more stable and sustainable global economy.

Many blockchain enthusiasts look forward to a time when blockchain is used as an everyday method of payment. However, the current monetary system in which currencies are being constantly devalued in order to prevent indebted corporations from failing is stifling financial innovation.

In order for the AMFEIX Token (AMF) to overtake other currencies, it must be widely traded and available, which will encourage widespread adoption. The supply and demand systems of AMFEIX provide a pathway to realising this future. Countries around the world are facing economic crises. Significant falls in economic activity (due to the Covid-19 pandemic) has already prompted unprecedented lending from central banks.

In coming months and years, it is likely governments will continue to push their economies into narrower situations with continued borrowing that devalues their currencies. This could potentially lead to hyperinflation, where the rapidly rising cost of goods and services outstrips the value of a national currency. Fast adoption of AMF is a potential solution to this problem that could preserve wealth for future generations.

Users have already witnessed growing demand for blockchain assets in the face of global market turmoil: a trend that is likely to continue. As this demand increases so will the value of blockchain assets and subsequently their attractiveness to ordinary people. The AMFEIX Token will play an important role in this journey. Considering this significant potential, AMFEIX is potentially hugely undervalued at the current time.

Fluctuations in stock markets are a normal part of their functioning, however today these fluctuations are being abnormally magnified by debt. Debt has become the central pillar of the modern economy and few have challenged this system, until now. There are two main ways to finance businesses and individual projects. The first is to use debt. This involves taking out loans to pay for things such as University education, to buy a house or to launch a business. The second way is to use investments. Unlike taking out a loan where borrowers pay interest to lenders on top of what they borrow, investments allow capital to grow in an economy.

The AMFEIX Token Solution (cont.)

Banks prefer to take as little risk as possible, and so they prefer to extend easy credit to borrowers and businesses who, in turn, appreciate the ease with which they can access this money. However, this can cause problems for the economy. For example, in their pursuit of growth many businesses over leverage by borrowing too much. If a company has too much debt it will struggle when business conditions weaken, as they have during the Covid-19 pandemic. During these times, heavily indebted businesses may default on their debt.

This has a trickle down effect to the wider economy, often causing a wide scale collapse and putting pressure on national currencies. This could all be avoided if banks were to invest their capital, rather than lend it. The current debt fuelled “boom and bust” cycle has deeply impacted the middle classes in developed economies, plunging them into a debt cycle rather than encouraging responsible, long term investment. AMFEIX plans to provide a model for a new type of banking system in which investment, not lending, is the core principle.

The AMFEIX Token offers a solution to the questionable economic policies implemented under the current global monetary system. More than this, the token provides a pathway to rebuilding equitable cash flow distribution within the economy. AMFEIX will be focusing on increasing adoption of the AMF token. Increased adoption of AMFEIX will provide upward price support for the asset which can further boost growth and lead to larger capital inflow into the AMFEIX economy. For those holding and using AMF, this price growth would lead to a rise in individual wealth that could help to alleviate the devaluing of national currencies caused by QE.

However, this alone is not enough to fix the problem. The future accumulation of debt must also be avoided through educating citizens and businesses and encouraging them to choose long term investment over easy credit. It is also important for people to use their purchasing power to defund the institutions that actively participate in the devaluing of the wealth of individuals and the wider economy. Withdrawing capital from these businesses and frameworks can prevent them from wiping out generations of wealth through debt. Blockchain technology is at the frontier of the fight against unsustainable banking practices, and AMFEIX utilises it for this very reason.

In the future, AMFEIX plans on establishing a new independent blockchain for its operations. This public ledger will comprise small, integrated mining/validating centres that, through fibre optic and satellite connections, will approve transactions on its very own private blockchain. This is a powerful model that, when realised in the not too distant future, will provide one of the most advanced blueprints for a truly decentralised economy.

The AMFEIX Token Solution (cont.)

Taking the power of financial and economic book keeping away from banks is a more sustainable economy that has transparent and fair balance indicators. An investment, rather than debt-led model, also has the advantage of offering a potentially more sustainable rate of inflation that could lead to steady prices and increased productivity. These management methods are not new. In fact, they predate the current monetary system. We have, however, deviated from the path of sustainable growth to a less ethical model that strongly favours the wealthy and leads to the financial stagnation and suffering of average citizens. Contrary to the claims of those in financial power, we can have growth that benefits all members of society in a sustainable way.

It is essential that when the next financial crisis arises, which if current trends continue is likely to be deeper than any seen before, that people find an alternative to the debt fuelled system that has brought us to our current situation. AMFEIX plans to demonstrate such an alternative through the AMFEIX token and its economy. Holding and/or using AMFEIX tokens stands for more than simply making a financial gain. Rather, with every transaction in and into the AMFEIX economy you are actively supporting its founding principles.

AMFEIX