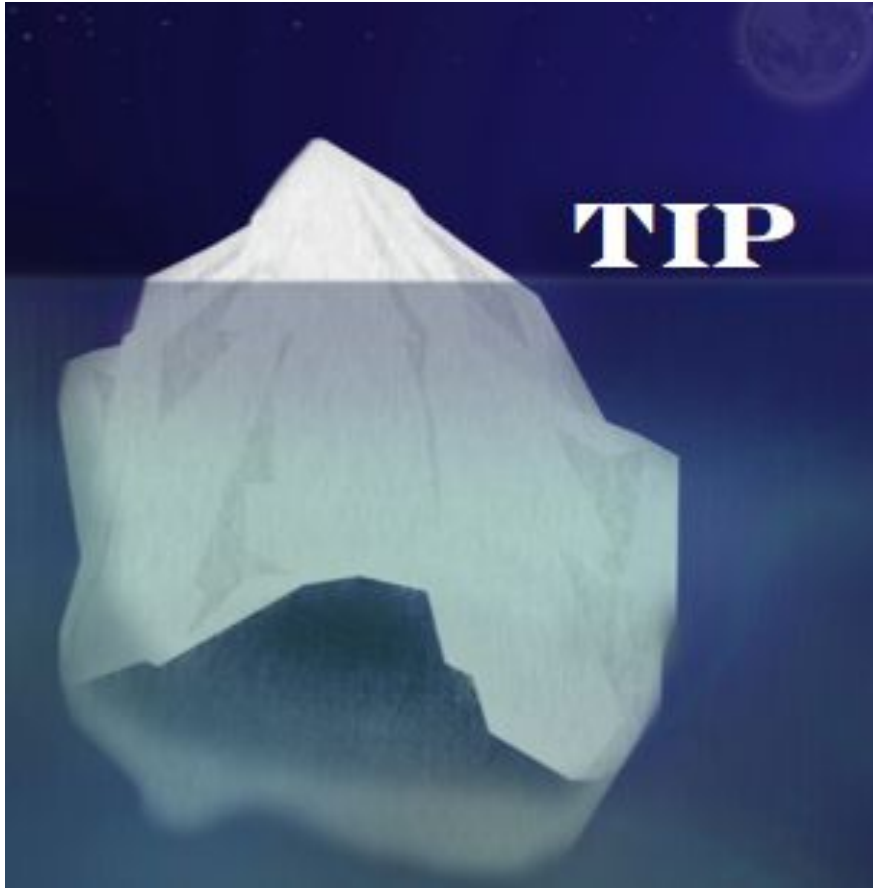


THE INGENESIST PROJECT



The Innovation Bank

Why don't engineers just
print money?

IEEE Seattle Conference June 17, 2022

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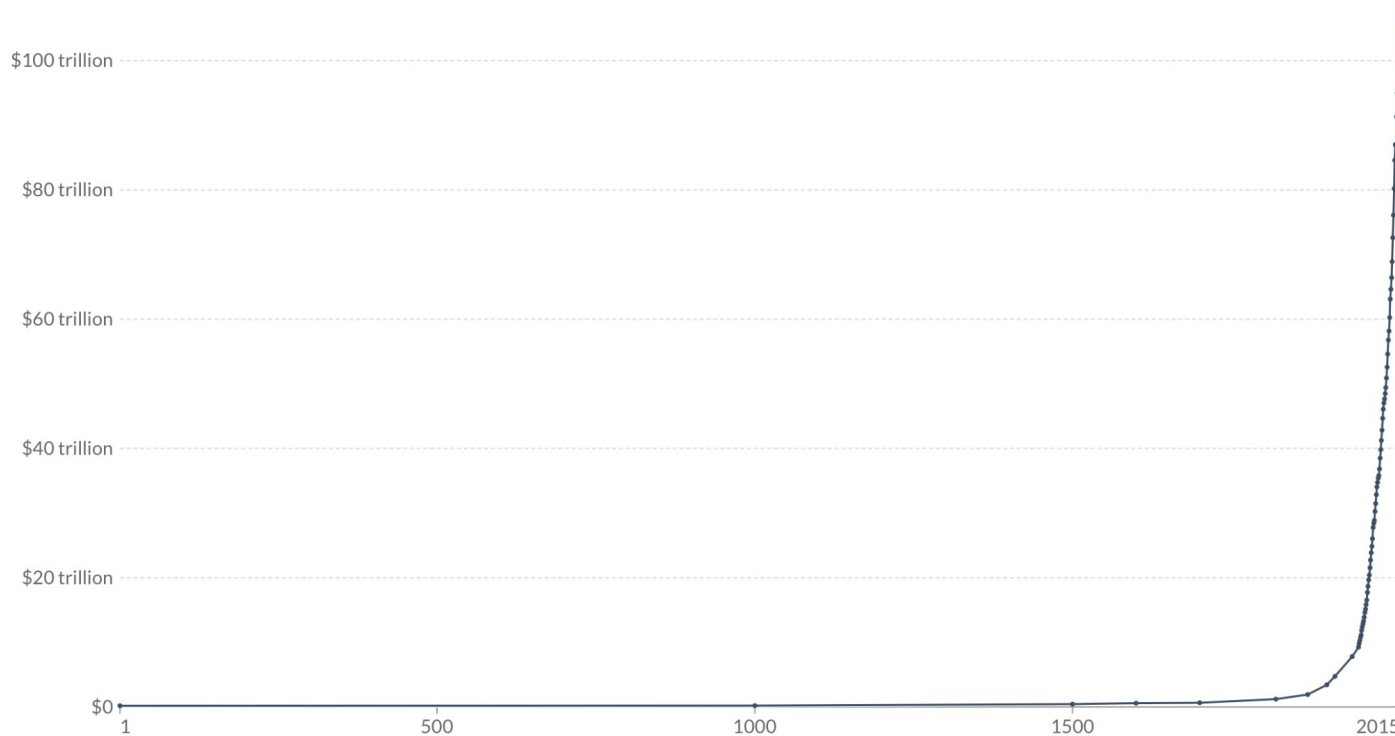
GDP: Money is Measured Into existence by the things we produce.

World GDP over the last two millennia

Total output of the world economy; adjusted for inflation and expressed in international-\$ in 2011 prices.



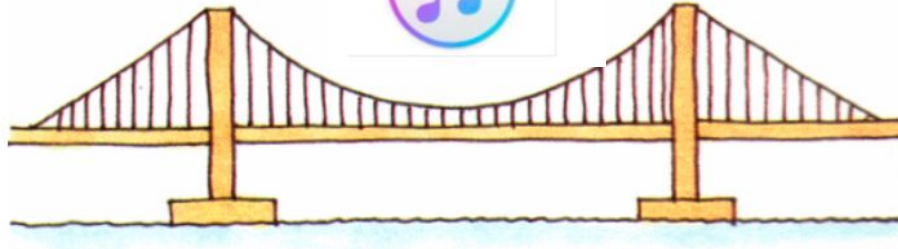
LINEAR LOG Relative change



Source: World GDP - Our World In Data based on World Bank & Maddison (2017)

OurWorldInData.org/economic-growth • CC BY

Market Valuation:
**CAPM: Capital Asset
Pricing Model**



Network Valuation:
**Share Price
proportional to N^2**



Like a check valve - controls flow of information

Why not build a network platform from a real bridge?



Classical Economics: Land, Labor, and Capital



Easy to measure

80% of Economic Growth is attributable to technological change but is incorrectly attributed to allocations of Land, Labor, and Capital



**Why does a public discussion
of economic policy so often
show the abysmal ignorance
of the participants?**

-- Robert Solow

**Technological Change is the Domain of Engineers and Scientists
Not Easy to Measure**



A firefighter has very little value until there is a fire. Then, the fireman is worth a million dollars per hour.

The value of the fire fighter is measured by the severity of the fire.

Fire Protection Engineer can design 100's of buildings that will never burn.

In the absence of a fire, engineer can only be described as an “intangible” asset.



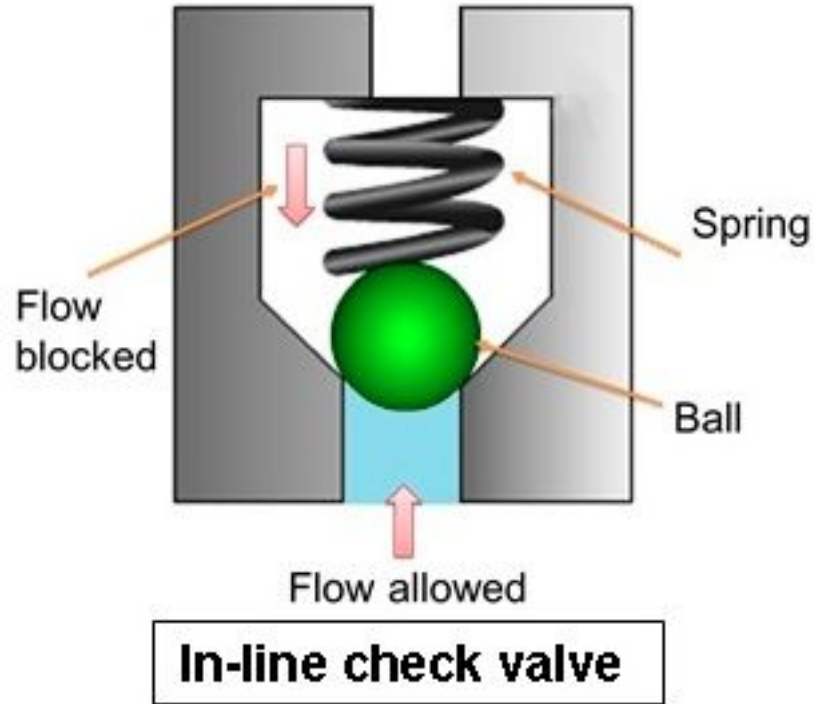
Problem with engineering.

- Anyone can see how the engineer solved the problem and just copy it. One solution fits all cases.
- Engineers put themselves out of business.

Computers have a similar problem.

- They are real good at copying stuff, but they are real bad at not copying stuff.
- So computer engineers invented Blockchain.

A Blockchain is Like a Check Valve for Information



Fundamental Flaw in Market Capitalism

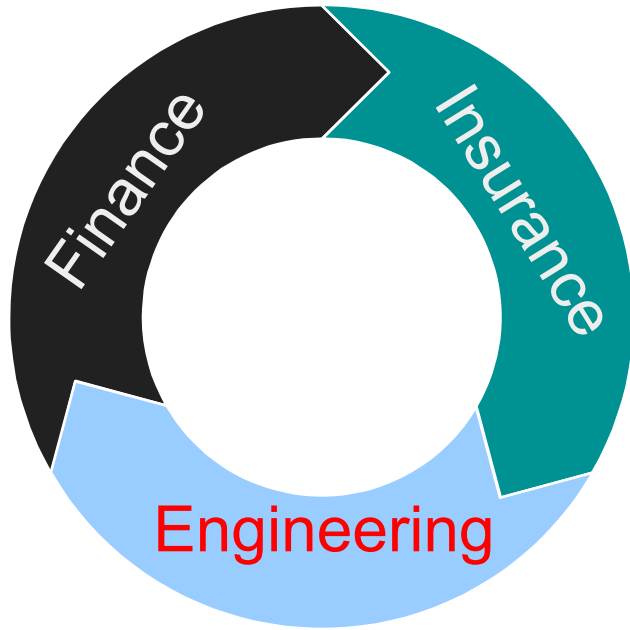
Technological change must precede economic growth. We are going about the business of civilization as if economic growth can somehow precede technological change - we've gotten it backwards.



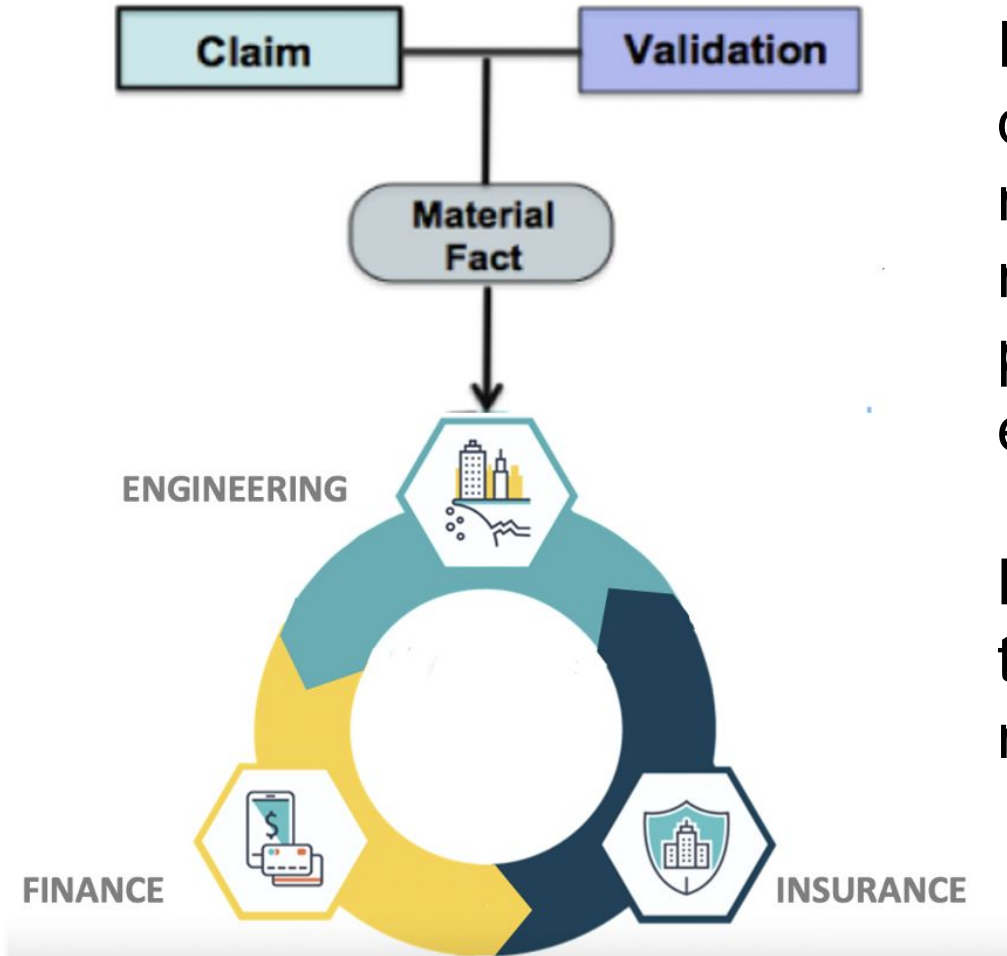
First commercially available integrated circuit used on the Apollo Guidance System

As The World Turns

Engineers Remove Risk from Complex Systems



1. Bank will not Lend Money unless asset is insured
2. Insurance Company will not insure asset unless it is properly engineered
3. Proper engineering must be financed (cover sunk cost)

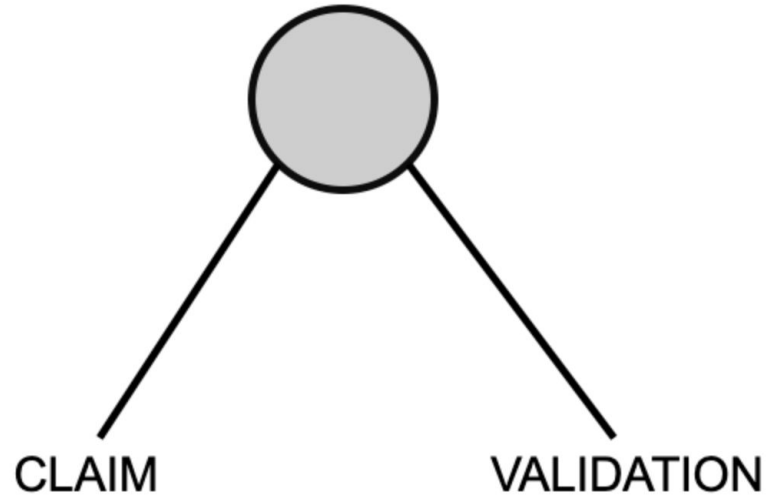


Finance and insurance depend on a steady, reliable and validated set of material facts in order to perform their role in an economy.

Biggest problem today is the corruptibility of those material facts

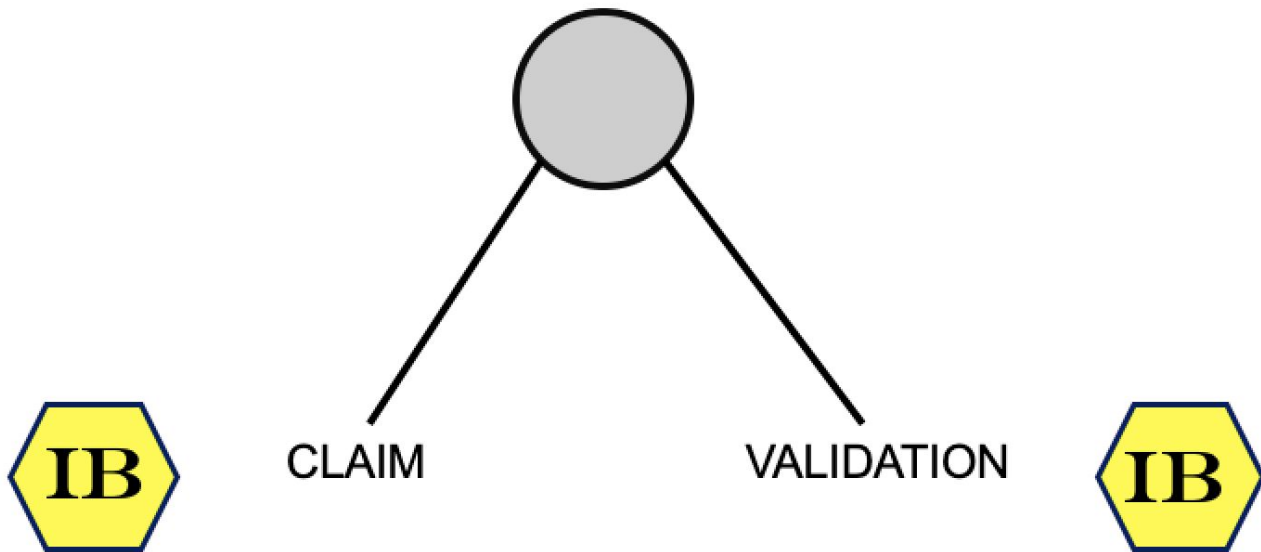
The Innovation Bank is a very simple device

Formation of the K-Asset

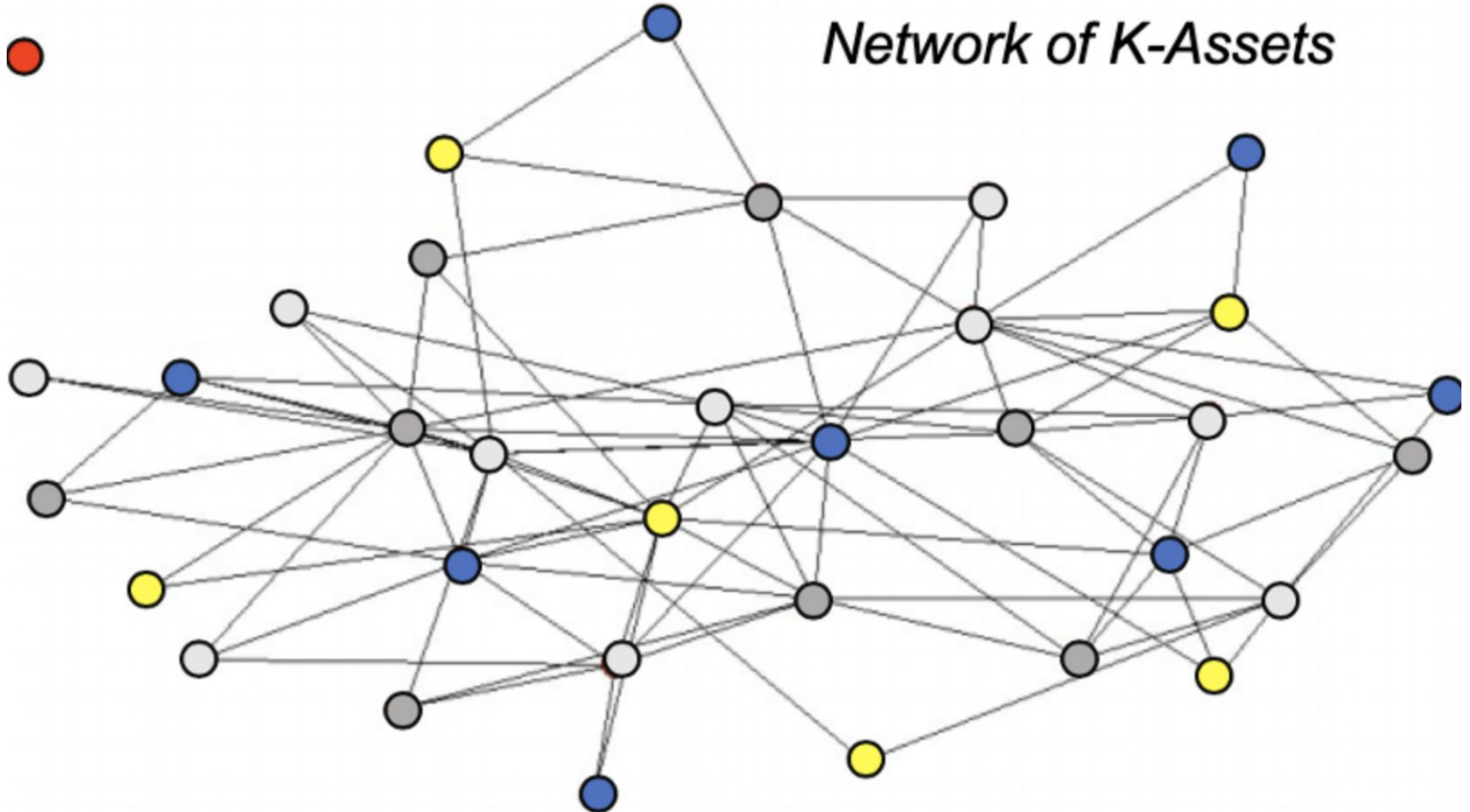


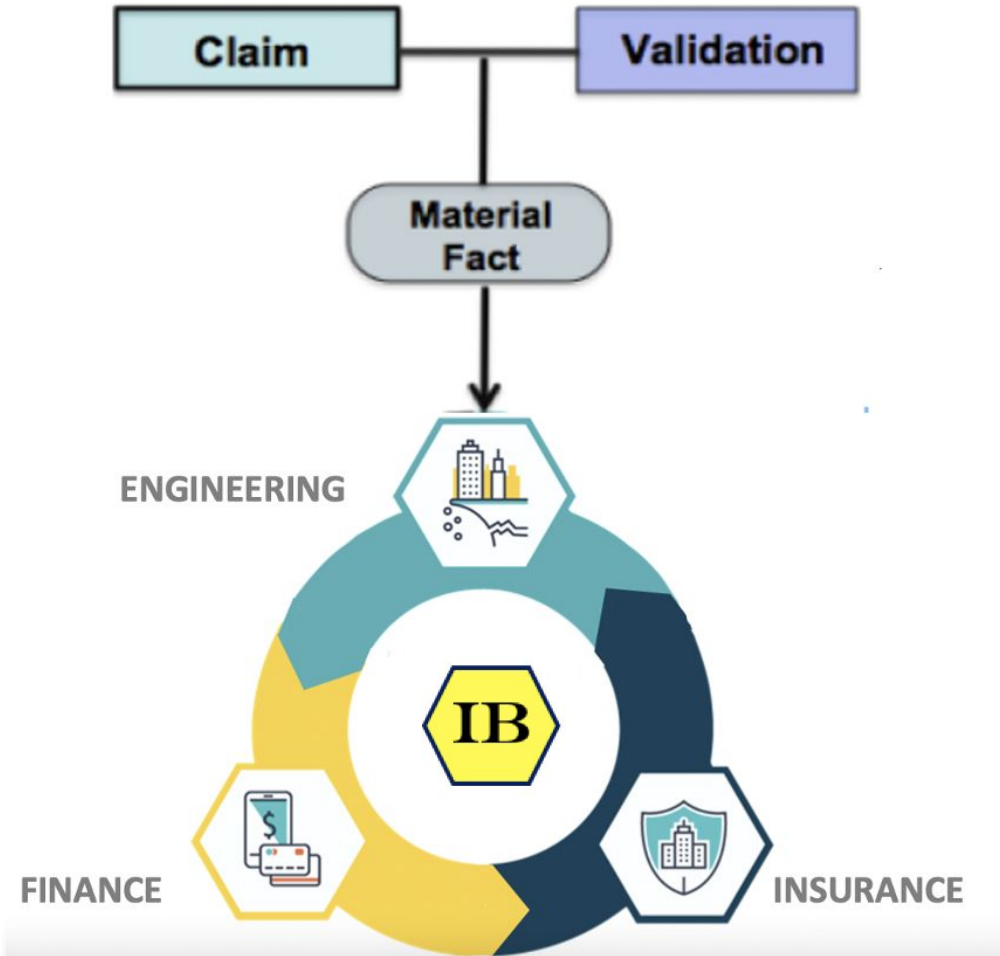
A Cryptographic Token is awarded to the claimant and the validator

Formation of the K-Asset



All K-Assets are represented in a Network Graph





Banks, Insurance, and corporations must purchase tokens from the holders as a means of accessing validated material facts and risk mitigating information.

And THAT is how we PRINT money

Results

- Reverses the fundamental flaw.
- Token backed by human productivity
- Enjoys mutual reciprocity.
- Runs in parallel with existing economy
- No need to disrupt existing institutions
- Stable token valued by supply and demand
- Tokens are dynamic and measurable
- Engineers can be paid royalties by the platform.

Recap:

- Money is measured into existence
- Money could be measured in differering ways
- Economics are backwards
- Blockchain; check valve to reverse backward economics.
- Finance and insurance depend on material facts
- This is the domain of engineers and scientist
- Cryptographic token tracks validated material facts
- New Money is measured into existence

Questions:

- Why is it called an Innovation Bank?
- What are some of the use cases?
- How do the Game Mechanics work?
- How is actuarial math applied?
- Data analytics; discerning innovation
- Next Steps



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Finance and Insurance – Different use case for Blockchain. Immutability is an Entirely New Concept



Science and Engineering – Immutability is something that we are very familiar with.



The Crutch of the Financial Industry is a Superpower of the engineering profession