The Birthday Party

The Four Facts

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Introduction

Written by Central Committee Member Nuxart on October 1st, 2026, this short document serves as a way to see into the way that Nuxart views taxation, currency and the speculative economy. This document is intended to provide answers as to why taxation is necessary as well as establishing the mutual acceptance between state and people when it comes to currency and the management of currency and the views on grants and the speculative markets.

Totemian Currency

When I first arrived in Totemia around June or July of 2026 I had discovered that the currency was that of one backed by resources. At the time it was gold, diamonds, and netherite. To me this had made no sense to me as the conversion rates allowed you to exchange them for ridiculous amounts which would lead to you being able to get a very quick amount of SL, specifically under the gold trade this was viable as one could attempt to establish a gold farm and then flood the currency. I later discovered that the Totemian Empire did not always wish to fulfill its legal obligations, it seemed as if the text acted more as a form of establishing an image of superiority and confidence into a false economy and a false backing. They seemed to know that they were providing money far too easily, but it was not changed as no one had really thought about doing crazy conversions, I did consider attempting it and I had pointed it out but no one had seemed to change it. This was until Glen was able to convert his gold into SL at the same time I had already either introduced or was writing and engaging in consultation on a bill that was called the Civil Code Reform Act of 2026 later introduced by me back when I was a workers reformist' acting as the single member and the leader of this party. This bill covered many things, but within it we had gotten rid of allowing gold and iron to be exchanged allowing only netherite and diamonds, while not a full abolishment of what I had wanted at the time, I felt that this was the most sensible solution in order to still provide a pragmatic approach which is limiting people from farming currency with no valid measure of productivity and still limiting it to rarer resources. The bill also introduced a provision which limited how much one could convert the minimum limit being 3,000 SL and a maximum of 15,000 SL set at a rate of one month limit. Under this operating law it was supposed to work this way since currency was backed. One would take their resources in exchange to get an amount and the Totemian Empire should have taken these resources and printed currency this newly printed currency would be provided to them as the money was backed.

I had realized that this approach is rather mistaken as the Totemian State had access to infinite resources, but limited skill and labor. The Totemian State and their access to infinite resources should not be confused with the Totemian people which do not have access to infinite resources. If one looks into the constitution today they will find that Totemian currency is no longer backed by resources as I spoke with those in the Higher Government of the Totemian Empire and consulted with them to encourage a removal of this backed currency while still not immediately stating that we had moved to a formal commitment to a fiat currency as this provides flexibility in ideology and state goals. I had also realized that the state is most likely not storing this as it has no true incentive to store resources and that they have unlimited resources and creates a hassle and puts to waste the limited labor that does exist.

The Totemian Empire should be allowed to mint currency as it does not face the same international limits that others might face, but I also do not encourage endless spending. Spending is necessary to pay for the limited labor and skill that does exist and should reward productivity that can come in the forms of construction or production which are beneficial to the Totemian people.

Mutual Acceptance of Currency

To me currency is a tool used to to cap what an entity can purchase as there are limits in three ways. These limits could be resources, labor power, and skill. Helpful to avoid needing to barter and to avoid justifying infinite amounts of purchases on things that can span come from farming, construction, mining, traveling and producing.

For this reason I propose that the Totemian people come to accept that for the reasons above, currency is used as a form to exchange limited things in supply and that only the state may create currency in Totemia and that if only the state may create currency it should be considered by both the state and the people that such currency is a temporary possession which can be held by the totemian people and the state, but ultimately its central management and ability for seizures and controls on how influential a currency can be is to be done by the state. As well as establishing that currency is used to avoid bartering and is intended to prevent an infinite extraction of limited inputs whether in the form of resources, labor and or skill, that the totemian people and the totemian state be open to taxation.

Taxation is beneficial for the purposes of recycling around existing currency without risking the need to mint more and of course acts as a form of draining the accounts of those who do not provide productivity to the totemian people or the totemian state. When it comes to labor and construction the income one makes can be seen as a form of generating income and being rewarded for their productivity. Productivity in my sense comes from the creation of something that is tangible. This might come in the form of construction, farming, mining and production all of which are productive.

Speculative Markets

What I do not consider productive would be that, that might be seen in speculative markets, while speculative markets can produce things that are seen under me as productivity but rather an indirect productivity. Indirect Productivity is of something that is by itself also speculative. Indirect Productivity is when currency is generated and this currency can be used to later generate productivity and it requires that this currency is generated from speculative markets. This can come in many forms as currency can be spent in many ways. Some examples include this, an enterprise might open up on the stock market and need funding so private investors would invest into this enterprise and this enterprise then takes that funding and might be able to prop up markets that are productive and when these markets get propped up construction is of course needed leading to the first form of productivity when establishing these new markets and meeting their physical needs. Investors who need to receive their funding are also engaging in indirect productivity as receiving their funding allows them to either invest in other enterprises which may then do the same cycle. This is a very simple concept and of course not all markets may require physical needs.

Without getting too dogmatic, if and when the speculative markets are established in Totemia they should focus on these primary things. They should be used as a tool for

business organizations to raise much needed currency which they might not otherwise be able to get from the totemian state. It should be used for the creation of productive markets even if the upper one is that of an indirect productive market. It should serve the totemian public and state interests that can come in the way of developing markets which the state may lack or engaging in niche sectors. Now, we must establish some hard limits on what may come. The speculative markets should not be bailed out if they fail, and it should be expected to fail as a speculative market such as that of a stock market requires a buyer and a seller. If there is no constant entity willing to buy the stocks which are being sold, this could lead sellers being locked out and not being able to leave with their money. Businesses Organizations should also be required to provide reasonable dividends to their investors while providing sensible income to those who are productive. I must however warn that at this time Totemia seems to lack scale with its population of potential investors and this could of course lead to either a stagnating or a losing market.

Now that those have been spoken about, I want to establish that the speculative economy should not create an AI market simply because one seeks for it to be more "realistic" or produces fake reactions to news. News is news and people are people, they will react however they wish to react. Creating an AI Market is not in any way sensible unless it is purely for the purposes of optics. To reiterate, the speculative markets should be used as a tool in order to build up productivity and business organizations use these speculative markets as a form of generating income when it is needed for their growth. The concept of implementing a fraudulent AI driven speculative market and to have fraudulent reactions from news to affect these false companies and their stocks as some have proposed should be rejected and denounced as a reckless form of generating currency for one self as it misses the cores I established above which defeat the purpose of what a speculative market should be used for. Those being to create productivity, provide funding for companies, and to allow for some personal financial gain which could be later used to indirectly fund productivity. To put the fraudulent speculative market concept to rest, it is likely that if this fraudulent sector appears within the speculative market it could create a distrust of the speculative markets.

This speculative market was proposed and I was told this is because they can make money but don’t know what to do with it and this is why it is necessary that productivity is set as a primary goal of the totemian state. The only reason there is nothing to do with currency has to do that without the totemian state markets there is no true incentive to do anything productive. This being a cycle of course leads those who are productive or attempting to reach productivity to no longer be productive.

One of the benefits of the speculative market is that it allows us to view a portion of the totemian economy as growth can tell us if there is a scaling issue. I personally prefer for no speculative market to be established but if one is established my pragmatic approach is listed above.

Grants & Expenditures

State spending is beneficial during times where there is no true productivity to allow for construction and activity within the community, while at the same time providing currency to those assisting with the projects and the belief is that this currency should allow others to exchange and develop other productive forces privately. It appears that this is not the case. For this reason the approach should be revised to allow for the allocation of resources instead of purely providing a grant to repurchase resources from the state through the imperial market established by the State in New Totemgrad.

Grants should of course allow grantees to get paid for the selling of their labor power. On paper if the previous approach had remained it would have allowed totemia to increase its GDP numbers as there were technically purchases, but we should not focus on pure numbers and focus on what is actually productive. The State should reduce the hurdle of having to shop around for items with this grant and directly provide grantees with the materials for these national projects while focusing on payment for the costs related to labor power.

There can however be a change regarding the project, if there is to be established a grant for subnational governments and localities they should of course be able to request funding for both labor power and materials as we cannot necessarily know exactly what they might wish to build as it is not a national project. Communication with the subnational governments and the localities should be at a constant especially during times of grants being provided, to not only have responsible expenditures, but to provide materials directly where possible, to preserve as much funding as possible to either reuse the currency for future projects or to allow others who want to take out the same grants.