

# DAO as a Token Economy

## Front end

Web3 Wallets



Metaverse

SSI

Security  
/ NFT

Utility

Value

## Governance



Smart contracts

- DAO
- Apps
- DeFi

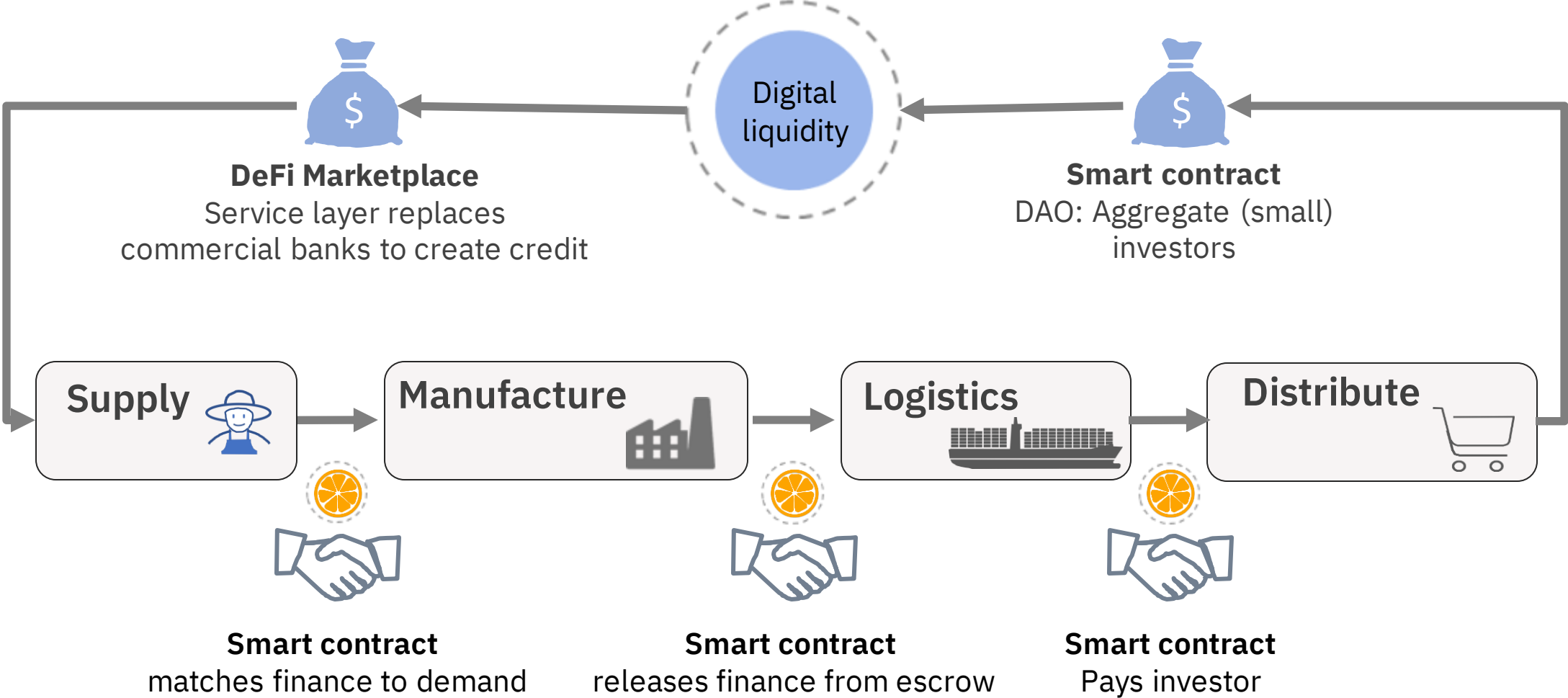
## Back end

blockchain

State Machine for Tokens

- Ownership
- Who did what, when?

# DAO is a Network Business



Key

Trade Finance & ST debt



Smart contract



Token, CBDC or Stable Coin or digital asset



# Token + DeFi + DAO = industry reinvention

	Innovation	Platform	Governance
Go to market	<ul style="list-style-type: none"><li>As a network</li></ul>	<ul style="list-style-type: none"><li>Network, market or industry</li></ul>	<ul style="list-style-type: none"><li>DAO</li><li>Zone of sovereignty/rules</li></ul>
Products	<ul style="list-style-type: none"><li>Buy &amp; sell data</li><li>Apps &amp; wallets earn value</li></ul>	<ul style="list-style-type: none"><li>Fees for activity</li><li>Professional &amp; foundation services</li></ul>	<ul style="list-style-type: none"><li>Store value in the market token(s)</li><li>Skill &amp; reputation</li></ul>
Tokenomics	<ul style="list-style-type: none"><li>Win-win-win</li><li>Behaviours</li></ul>	<ul style="list-style-type: none"><li>Composability of funding protocols</li></ul>	<ul style="list-style-type: none"><li>New funding / reserve model</li></ul>

# Token Economy governance is managed by the token holder in a fair and democratic way



Users owns, that is manages, access to their data and the process to update its state

Manages private keys where ownership of 100's of tokens can be accessed & atomic swaps initiated

Manages business model of value exchange (atomic swaps) of tokens for ownership or access for tokens for value

Tokens are used for fund raising and decision making by token holders as the digital asset value is managed for collective win:win:win outcomes

Tokens are used as rewards for helpful behaviour in providing the ledger updates & platform resources

Tokens

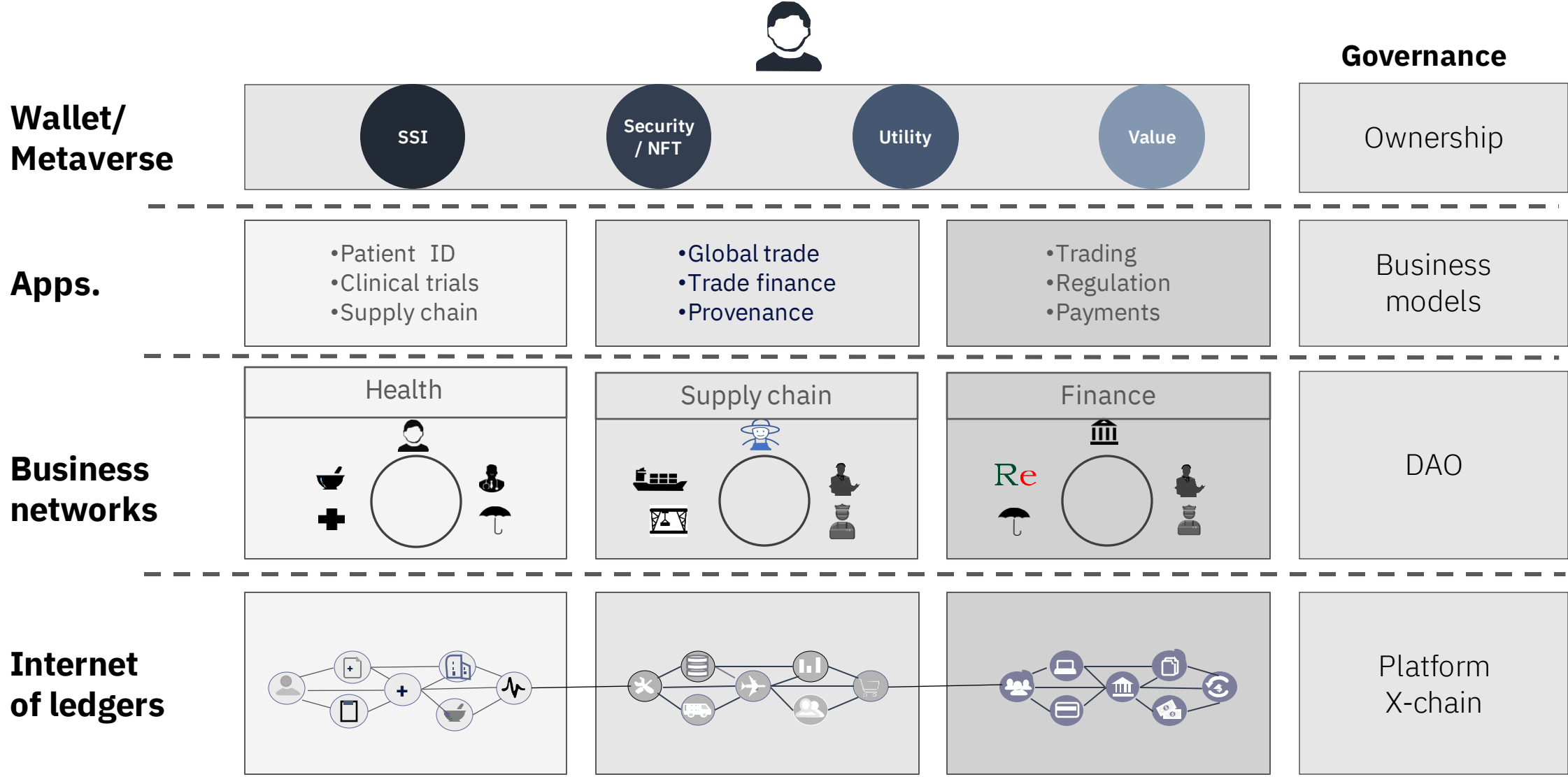
Wallet / Metaverse

Apps

DAO

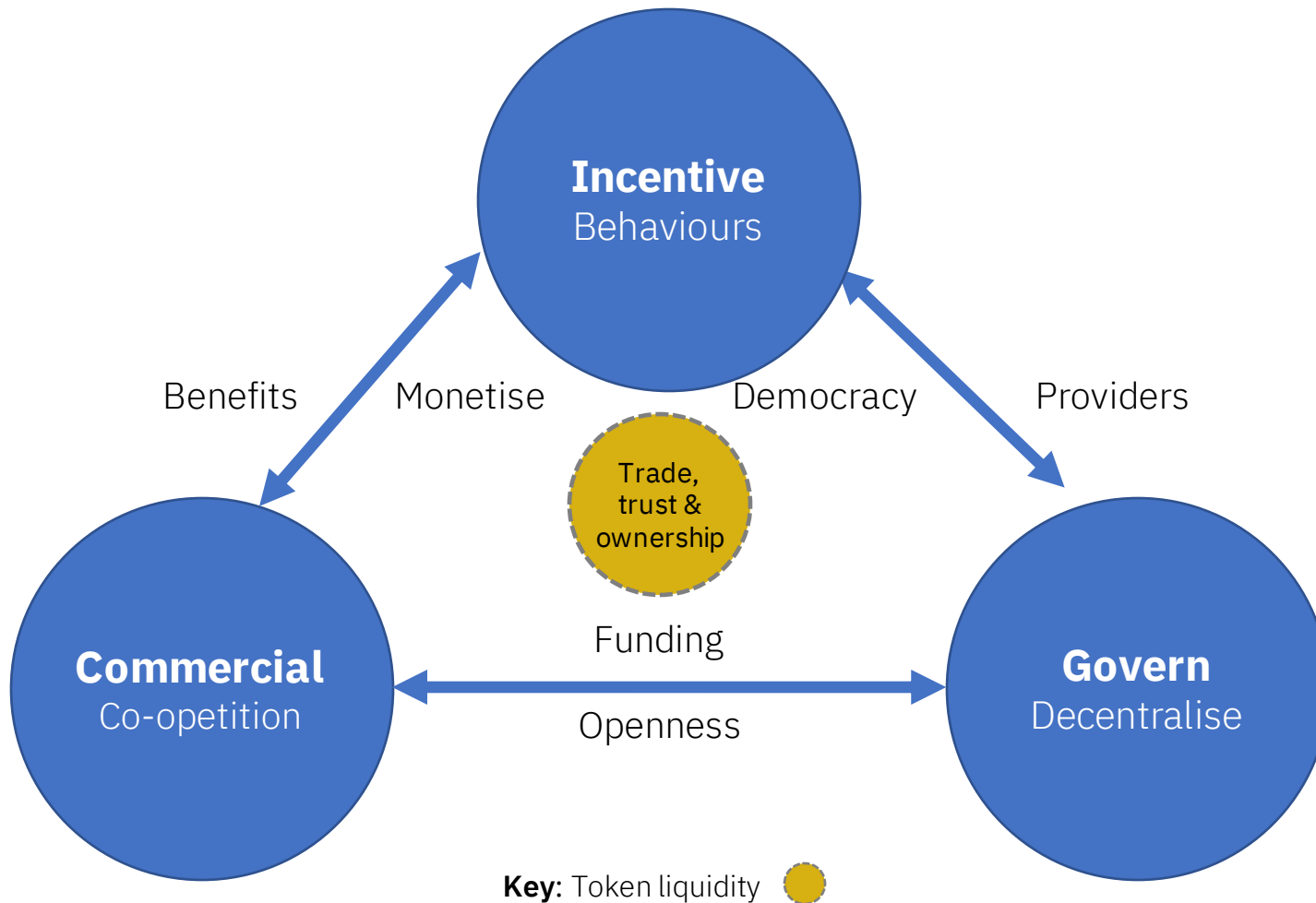
Ledgers

# Governance model levels



Source, Andy Martin, IBM

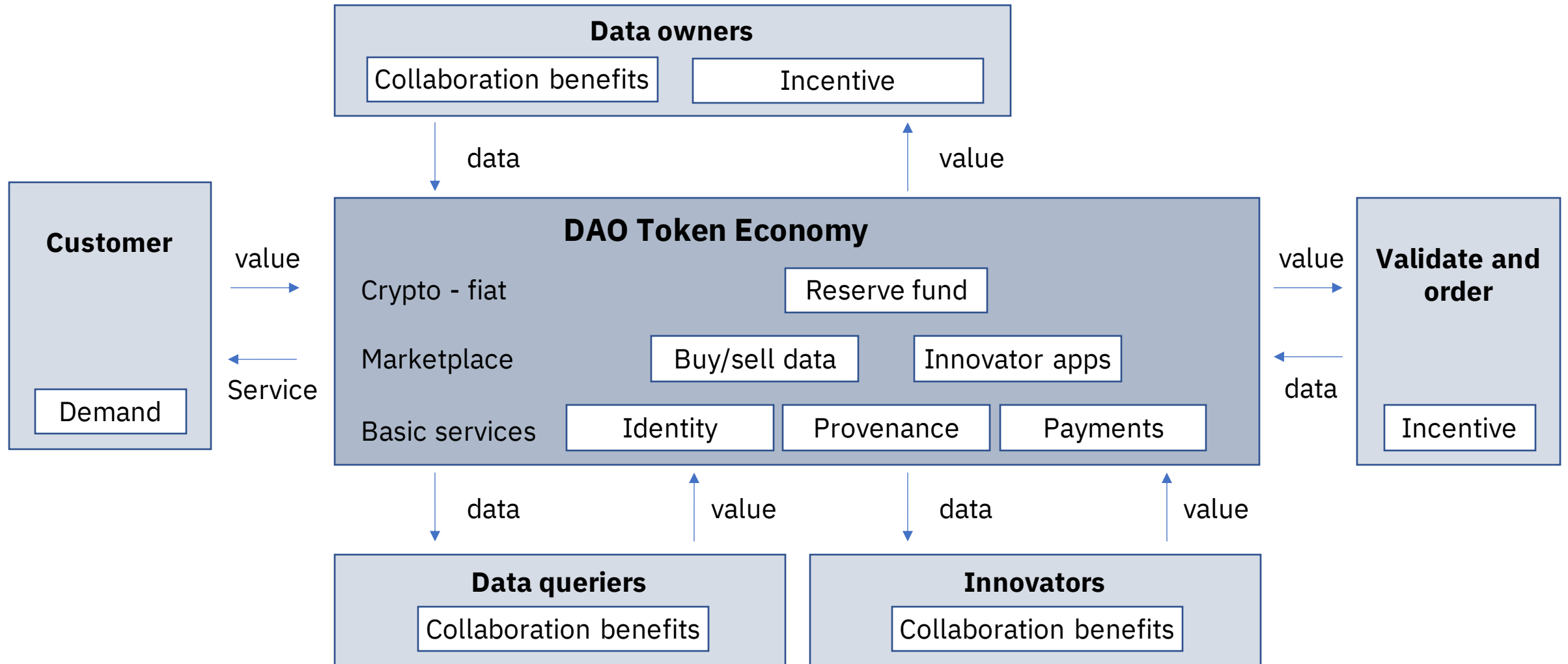
# Business model parts at each level



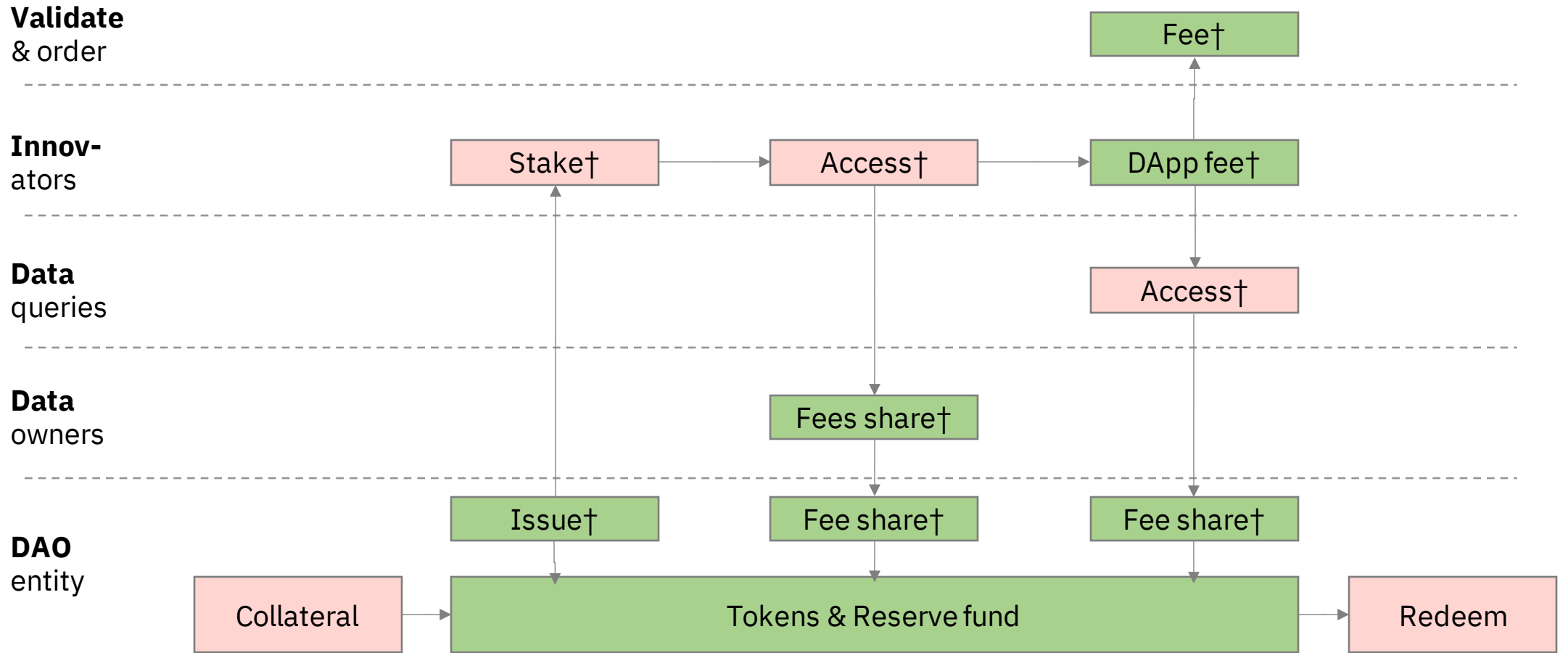
## Business model

- **Economic model**, incentives, disincentives & behaviour changes
- **Governance model**, how decisions are made onchain via tokens & voting or offchain & guiding principles of fair, democratic & open
- **Commercial model**, of monetisation & fees

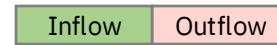
# Value by buying and selling of data tokenised into digital assets



# Token value designed to stay inside DAO, but may be converted to fiat (1 of 2)

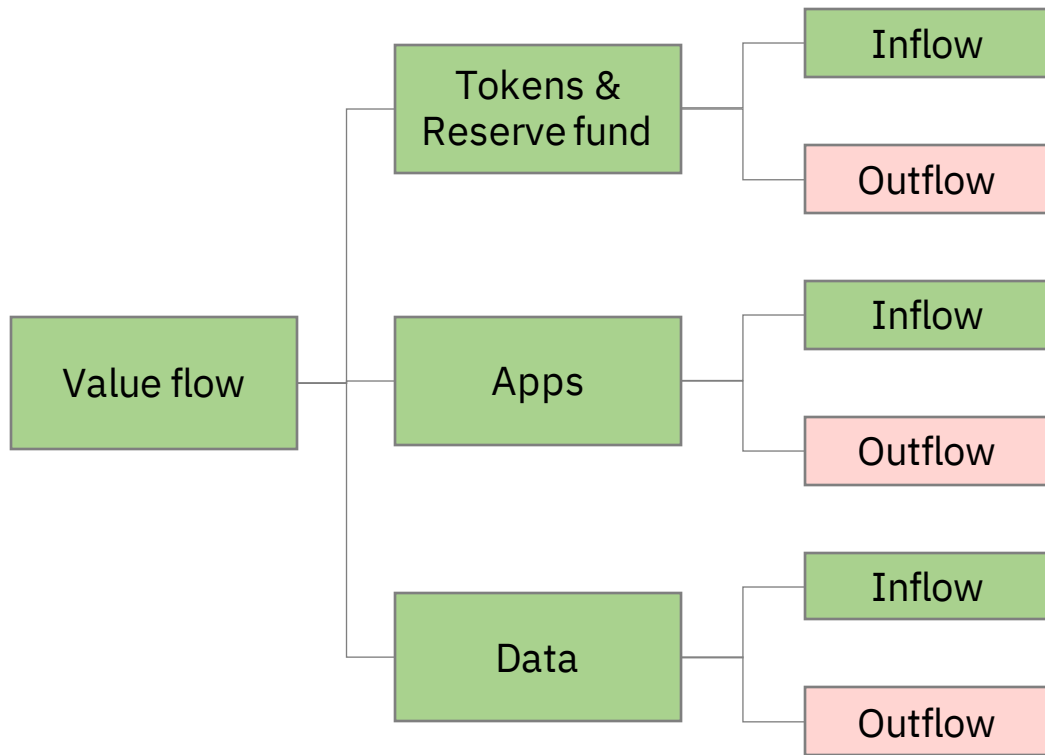


**Key** † All fee, access and stake value settlement in (utility) tokens





# Token value designed to stay inside DAO, but may be converted to fiat (2 of 2)



DAO entity	Data owners	Data queries	Innov-ators	Validate & order
Issue <sup>†</sup>	-	-	-	-
Redeem <sup>†</sup>	-	-	-	-
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Fee share <sup>†</sup>	-	-	DApp Fee <sup>†</sup>	-
-	-	-	Stake <sup>†</sup>	-
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Fee share <sup>†</sup>	Fee share <sup>†</sup>	-	-	Fee <sup>†</sup>
-	-	Access <sup>†</sup>	Access <sup>†</sup>	-

† All fee, access and stake value settlement in (utility) tokens

# References

- Martin, Andy, The Token Economy (October 16, 2021). Available at SSRN: <https://ssrn.com/abstract=3972111> or <http://dx.doi.org/10.2139/ssrn.3972111>
- Martin, Andy, 5 Laws of Tokenomics (January 26, 2022). Available at SSRN: <https://ssrn.com/abstract=4018141> or <http://dx.doi.org/10.2139/ssrn.4018141>