Mission

Our mission is to create a platform to support decentralised artistic creation.

Artistic projects, even of great social and cultural value, often happen at a loss, and therefore depend on donations by centralised actors, such as individuals, foundations and companies. This creates an allignement of incentives between artists and the so-called “art market” stakeholders, namely big auction houses, foundations, governments and private entities. This causes the quality of artistic creation to become detached from any organic community and become expression of narrow and centralised views of the world, when not an outright instrument of cultural propaganda. We want to employ the power of DAOs to create an economy where the incentives of the artists and those of the community represented in the DAO are alligned. This will encourage artistic creation which will be qualitatively distinct from that produced for the legacy art market, in that it will be aimed at a community of decentralised, geographically distributed stakeholders.
Thanks to blockchain, we are now able to experiment with autonomous governance for culture in ways that were never before possible, creating programmable economies around cultural work that can encode shared sets of values, while contributing towards protecting and improving shared resources. Blockchain technologies may be presenting us with a new window of opportunity; an exit strategy from a system that is built to serve the interests of the 1%. The art world is ripe for disruption!

TARGET

We want to structure a system to coordinate decentralised decision making on artisitc proposals, in which artists and individual investors will be rewarded for their activity and their financial contributions. By designing an economy which incentivises governing members to assign artists a number of shares we empower a comprehensive decision making procedure, in which both sides of artistic creation, the creator and the community of the art’s utilisers, are represented.

We aim to harness the untapped willingness of small to medium retail investors, such as private individuals, to invest in the creation of art pieces, catering for their need to feel “ownership” of the artistic creations they contributed to. This is acheived through the salient characteristics of the Trojan economy: transparency and

accountability. Whereas the legacy financing of art bundles together inestments for different factors entering artistic production (e.g. artist's compensation, raw materials, costs of processing, services, marketing costs), Trojan DAO will allow to come to retail investors with a specific and traceable demand for funds. An individual investing in Trojan will know that his €100 financed the purchase of the paint that was used to create a specific murales. This increases the sense of social ownership and responsibility for art and the wilingess of small investors to commit money to artistic creation. We are devising the platform in order to allow a gradual inclusion of institutional investors, such as foundations, banks, companies and governments, to contribute to the DAO with capital or work.

Participants, creative teams, artists, and patrons can collectively fund cultural work, and the creation of shared infrastructure for cultural practices, while all participants can be involved in the decision-making for the distribution of funds through voting, organizing around common interests, values and artistic ideas of its evolving community.

Techinical overview

The platform operates on two levels:

a. Token level: funding
b. Share level: decisions

The system is a Moloch with a bonding curve token which implements mechanisms to direct funding into the DAO pool and incentivise pro-social behaviour. The goal is to design an economy which will encourage socially relevant artistic creation.

The bonding curve is set as a constant

$$P(S) = k$$

Mint Investors provide ETH in exchange for tokens. The amount of tokens they get is worth *less* than their investment in ETH, since two fees are applied, a DAO pool tax of 2%, which goes to replenish the DAO pool, and a redistribution tax of 1%, which is redistributed to all existing token holders in proportion to the proportion of tokens held by each holder.

$$\Delta D = \theta_1 b_t + \frac{\theta_2 b_t D_t}{k M_t}$$

$$\Delta R = b_t$$

$$\Delta x_i = x_{t,i}\frac{b_t\theta_2}{kM_t}$$

$$\Delta x_j = \frac{b_t}{k}(1-\theta_1-\theta_2)$$

Where D is the DAO pool, R is the bonding curve reserve and x is the number of tokens of an individual, i being any generic member in the DAO apart from the member which is minting, namely j. Theta1is the DAO pool tax and theta2 is the redistributive tax.

Burn token Token holders can burn their tokens to get back an equivalent amount of ETH minus a DAO pool tax of 3%

$$\Delta D = c_t\theta_3$$

$$\Delta R = -kc_t(1-\theta_3)$$

$$\Delta x_i = 0$$

$$\Delta x_j = -c_t$$

Where c is the number of tokens burned by the user, i is a generic member and j is the member which is burning the token. Theta3 is the DAO pool tax on burning.

Governance Members willing to acquire a stake in the company by supplying work/artistic creation or financial means can acquire shares.

$$\Delta x_j = -d$$

$$\Delta x_i = 0$$

$$\Delta y_j = z$$

$$\Delta y_i = -zy_{t,i}$$

$$(*) \qquad \Delta B = d$$

Where z is the number of shares assigned to the contributor by the governing board according to a social decision function f, such that z=f(Q,E), where Q is the amount of tokens offered and E is a measure of the value of the artistic creation. The function f is decided by the guild board members in an arbitrary fashion. In the above equations, d is the deposit required by the Guild Bank to those willing to acquire a share. B is the amount of tokens inside the Guild Bank. And y is the number of shares of a guild, i being the old members and j being the member which is joining or is increasing his ownership of shares.

In case of a financial distribution, equation (*) is to be substituted by equation

$$\Delta B = d + Q$$

Where Q is the amount of tokens the financial contibutor is putting inside the guild bank.

Burn share

$$\Delta x_j = \frac{h_t}{Q_t}(B_t + D_t)$$

$$\Delta x_i = 0$$
$$\Delta y_j = -h_t$$
$$\Delta y_i = 0$$
$$\Delta B = \Delta D = -\frac{h_t}{Q_t}$$
$$\Delta Q = -h_t$$

Where h is the number of shares burned.