

**Refer to the “Education” section of [Tokenomics DAO](#) for the most up to date resources/articles on tokenomics.**


## Introductory Content

- [All You Need to Know About Tokenomics](#)
  - Great starting point outlining the basics of tokenomics and overview of the key variables: supply, burning, monetary policy, token distribution and earnings
- [An introduction to token economics \(tokenomics\)](#)
  - Similar level of detail to link above, but with a bit more detail on token distribution
- [Tokenomics 101: The Basics of Evaluating Cryptocurrencies](#)
  - Breakdown of tokenomics through the lens of supply + demand as opposed to the underlying drivers (e.g. burning, monetary policy, etc.), with a high-level evaluation of Convex Finance
- [Economics Design Youtube](#)
  - Lisa JY Tan’s channel on tokenomics. She’s also authored [Economics and Math of Token Engineering and DeFi : Fundamentals of Token Economics](#)

## Sample Protocol Tokenomics Overviews

- Each example covers initial tokenomics, governing principles and the associated trade offs made when designing incentives compared to other protocols.
- [NEAR Protocol](#)
- [Harmony One](#) ([Initial Token Economic Model](#), [Updated Tokenomics](#), [Economic Model](#))
- [Florian’s substack](#)
- [Ethereum Tokenomics 2021: Impact of Eth2, EIP 1559, and L2 Scaling Solutions on Demand/Supply](#)
  - Slightly outdated, but helpful illustration of how changes infrastructure changes impact supply/demand dynamics for ETH (or another crypto asset)

## Advanced Content

- <https://ahitchhikers.substack.com/> - good deep dive substack on token engineering.
-  Chapter 3: Cryptoeconomic Patterns - Value capture and distribution of protocols.

## Tokenomics Evaluation Framework

### Supply

*Key Question: Based on supply alone, will this token hold or increase it’s value? Or will that value be inflated away?*

- [Total Supply](#)
  - How many tokens exist today?
  - How many will ever exist? (eg is there a supply cap)
- [Issuance rate](#)
  - Is the issuance rate fixed or variable?
  - If variable, what are the factors that determine (and can influence) issuance rate?

- Allocation/Vesting
  - How was supply initially allocated among investors, community, core team, etc? Are there any group(s) with a significant holding that could drive material selling pressure upon vesting?
  - What is the vesting schedule for the largest holders?

## Demand

*Key Question: Why would someone hold this token?*

- ROI
  - Excluding any price appreciation, what is the return generated by simply holding the token? (eg staking)
  - Is there an opportunity to earn additional return by yield farming?
  - Are earnings/fees generated from the protocol distributed back to token holders?
  - Does any “rebasing” take place as the protocol inflates?
    - *Rebasing works similar to a stock split, whereby holding and staking the token enables the holder to receive more, thereby offsetting any impact of inflation (eg % ownership remains constant)*
- Community
  - How active is their Discord/Twitter?
  - Has an ecosystem fund been announced? Grants? Hackathons?
  - How is the protocol actively working to drive additional community engagement?
  - Do one-time + ongoing initiatives drive additional token demand?
- Lockups
  - Is there a lockup program in place?
  - If there is a lockup program in place, what is the incremental value of rewards and what are the requirements to earn those rewards?
  - What % of total tokens outstanding are locked up?
  - How much selling pressure is generated upon lockup expiration (and when)?
  - Are there other non-monetary benefits to staking + locking up tokens? (eg increased voting power)

## DAO Specific Content

- Incentive Design & Tooling for DAOs
  - *How to match a DAO's goals with the right incentive mechanisms to achieve them...*