DAO Democracy Event-flow Diagram

fix pothole
proposition

proposition
prediction
market

1) accepts and registers submitted proposals
2) for every proposal submitted, creates a "for" and "against" betting option.
3) takes bets on the proposal & escrows (holds) money by all market participants (aka, "betters")
4) pays out betters based on voter satisfaction poll results

After some time
market closes, results
are counted and
follow arrow based
on betting
majority

> 50 % of betters
believe voters will
be happy that
pothole is not fixed

> 50 % of betters
believe voters will
be happy that
pothole is fixed

pothole is
not fixed

pothole is
fixed

after time, voter
satisfaction poll
(1 to 100)

> 50%

voters are happy
that pothole wasn't
fixed

$ payout

market participants
that voted
"against"

OUTCOME #3

voters are unhappy
that pothole wasn't
fixed

>0.5

$ payout

market participants
that voted
"for"

OUTCOME #4

after time, voter
satisfaction poll
(1 to 100)

> 50%

voters are happy
that pothole was
fixed

$ payout

market participants
that voted "for"

OUTCOME #1

voters are unhappy that
pothole wasn't fixed

>0.5

$ payout

market participants
that voted
"against"

OUTCOME #2