

ARBITRUM CULTURE COUNCIL

NON-CONSTITUTIONAL

This proposal is the culmination of many conversations concerning the state of play on Arbitrum. From grass root degens to Arbitrum delegates, we have spent time discussing the best ways to move forward concerning the growth of memes on Arbitrum. We understand that many are hesitant to accept memes on Arbitrum, and ask that you read this proposal with an open mind. Viewing memes as exclusively devices for speculation misses the bigger picture.

Abstract

It is undeniable at this stage that speculation is the primary vector for attracting attention to blockchain ecosystems, overcoming the inertia holding new participants back from learning about and taking steps toward actively utilising these novel technologies.

With uncertain regulatory conditions weighing on the investment thesis for established infrastructure, and the majority of institutional funding raised towards “earliest stage” projects, the speculative meta has shied away from utility and looked towards participation in memecoin ecosystems. The space is dominated with enthusiasm for memes, which provide downstream adoption across the native chain infrastructure, boosting metrics, including revenues, and fostering ecosystem-wide growth.

For these reasons we suggest that the Arbitrum DAO creates a culture council to:

1. Support and collaborate with Arbitrum native infrastructure to drive the development of a vibrant meme and culture coin ecosystem.
2. Leverage the attention flywheel of a thriving meme and culture coin ecosystem to spread awareness of the Arbitrum ecosystem.
3. Establish an organic community of engaged Arbitrum supporters across social media and on-chain, accelerating Arbitrum's overall growth.

Motivation

All past crypto cycles have been catalysed by a speculation driven attention flywheel, and memecoin ecosystems manifest exactly these conditions. It is no secret that Solana and Base have gained lots of traction across these past few months on this basis, with memes having played a paramount role in their meteoric growth

The memecoin ecosystem native to Solana, warming up for some time prior, hit a fever pitch in the first week of December around the time of the Jito airdrop as substantial capital was injected into the hitherto beaten down blockchain. Many reading this will have remembered bridging over at this time, if they had yet to do so, as finally there was fun to be had on-chain again outside of farming incentives after a deep and brutal bear market. Subsequently, memecoining began to be adopted as a legitimate use case for the Solana blockchain, with support from all sides of the community. As of December 7th, the day of the Jito airdrop, the Solana ecosystem enjoyed [1.9m monthly active users](#) and [supported 700m USD in total value locked](#). Memecoining remains overwhelmingly the primary use case for the Solana blockchain today, and this activity, largely on its own, has catalysed its growth to 17.5m monthly active users and in excess of 5 billion in ecosystem-wide TVL.

[

1252×405 35.6 KB

](<https://global.discourse-cdn.com/flex029/uploads/arbitrum1/original/2X/8/8558e778e7abb59e18c07b1976eb9d1d8de4398e.png>)

Solana Network user growth - ~15,000 to ~750,000 daily active

Similarly, memecoining has accelerated the growth of the Base ecosystem, where a single meme represents ~25% of the natively minted value and [~17% of the total value on the chain](#). In the days prior to EIP-4844 on March 13th, the two largest memes on Base (Toshi and Brett) surpassed the 100m MC barrier, resulting in a subsequent surge of memecoining on Base. Throughout, monthly active users has [risen from 1.3m to 11.3m today](#), with TVL [rising from approximately 700m to over 1.6 billion](#).

[

1248×404 26.6 KB

](<https://global.discourse-cdn.com/flex029/uploads/arbitrum1/original/2X/2/2d5bb9f25174d3c22f0384a8d5aa264d215137f4.png>)

Base Network user growth - ~7000 to ~190,000 daily active

We have [developed a Dune dashboard](#) which tags leading meme price events on Solana and Base as compared to network

volume, users, transaction counts and fees generated for ease of reference. For this dataset, user numbers are calculated based on dex activity.

Throughout this same time period following the launch of EIP-4844, in contradiction to enthusiastic posts regarding growth in TVL, [Arbitrum TVL has simply stagnated, ranging from 3.2b to 3.1b](#) Additionally, although monthly active users have [reportedly grown from 2.6m to 5.7m](#) over the timeframe, comparing transactions and makers on [Base](#) and [Solana](#) with Arbitrum tells another story. Transaction counts average in the tens of thousands or higher across both Base and Solana on the top coins for any particular day, with maker counts in the thousands. [Arbitrum's](#) however, are orders of magnitude lower. Typically Arbitrum enjoys transaction counts on top pairs in the triple digits, with makers in the double or even single digits. Where are all the users on Arbitrum?

[

1250x403 39.1 KB

](https://global.discourse-cdn.com/flex029/uploads/arbitrum1/original/2X/3/311d96f5ca3d4773c761f4cc0b74685987a91af1.png)

Arbitrum Network User stagnation - ~15,000 to ~8,000 daily active

In any case, all of us have observed how Solana and Base lead overwhelmingly in attention and discourse across crypto native platforms, and this is borne out as generalisable when looking at Google trends which show searches for Arbitrum as compared to Solana have flatlined, [resting at single digit percentages of relative interest](#)

As well noted by many, the nascent memecoin ecosystem on Arbitrum has already showcased its potential for positive impact on the broader Arbitrum ecosystem even prior to any form of support from the DAO. Note the outsized impact on daily active users of the micro meme season led by Boop in March of this year, which was able to catalyse as much dex activity as the ARB airdrop itself. Moreover, weekly update posts from the official Arbitrum account with the adoption of the Boop logo have received markedly outsized engagement metrics in comparison to the same posts previously, which radically improves the potential reach and subsequent impact of such information campaigns across the platform. [Arbinaut Weekly 51](#) has received 117k views to date, and [Arbinaut Weekly 49](#) has received 256k views to date, while the Arbinaut Weekly posts which don't feature a meme community have each averaged approximately 30k views over the last 3 months.

[The April Fool's post with many Arbitrum memes at a poker table](#) is one of the single most viewed posts on the official twitter account, competing with the announcement later in April that [BoLD was going live on testnet](#), a development at the forefront of innovation and of industry-wide significance. There is no denying that memes are loci for attention and engagement.

Speculative investment into an ecosystem naturally manifests the motivation to publicly support that host ecosystem in its goals and ideals. If we actually want to see a trustless, permissionless internet, we need the chains building that future to actively meet the public where they are, and take advantage of available mechanisms for attention to support bringing these ideals to fruition.

Toward these ends, we can further the latent partnership established between Arbitrum and Robinhood to everyone's benefit by meeting the market demand of Robinhood traders for highly speculative, socially engaging, memetic plays. We have an ideal opportunity not just to tell but to actually show this highly engaged and engaging investment community the benefits of permissionless markets, at a time when they are collectively yearning for structural fairness in the wake of alleged manipulations by traditional market incumbents against their interests.

Further, as an example of how readily memes could potentially benefit the broader DeFi ecosystem on Arbitrum, we note at the time of writing that Bonk and Wif each have open interest [exceeding 3m notional](#) on the top five Solana perps protocol Drift. Each of these memes see [equivalent open interest to ARB](#) on Arbitrum's leading perp dex.

We, the Arbitrum community, have every motivation to employ a small portion of our massive warchest to court attention for our industry-leading ecosystem, just like everyone else. In order to onboard the next billion users, we need to be willing to meet the market where the demand exists.

Let's work together to make Arbitrum great again.

Rationale

The establishment of a culture council is a suitable method to provide DAO support to this crucial sub-component of our industry which remains as-yet nascent on Arbitrum. We, the Arbitrum community, need a small group of dedicated community members to source and provide the DAO with information concerning the efficacy of funding and support for memes as a vector for ecosystem growth.

One of the most impressive emergent features of the Arbitrum ecosystem has been the deep cooperation and collaboration between DeFi protocols, we believe that this Arbitrum spirit could also be effectively fostered between meme communities, and between meme communities and the broader Arbitrum ecosystem. This would be encapsulated in a new narrative: MemeFi.

With proper incentivisation, an abundance of exceptional DeFi and SocialFi infrastructure already built on Arbitrum could be

effectively leveraged as the best-in-class memecoin and community-building tooling in the industry. Such a collaborative effort could facilitate onboarding, contract development, competitive pre-sales, liquidity provision, collateralisation and socials, using existing infrastructure, while accelerating on-chain adoption and supporting Arbitrum native builders all at once.

We would like to provide small grants to existing DeFi to further encourage meme integration, and we would like to provide incentives to use this memeFi infrastructure. This would address all our attention and Arbitrum user growth goals whilst also supporting the existing DeFi ecosystem.

We anticipate that this proposal on its own will bring a lot of activity back to Arbitrum; if accepted this will be a green light to many that the Arbitrum DAO is interested in bringing in more new users. The community is in a broad chorus of agreement that this is exactly the sort of action we need to propel Arbitrum towards the growth goals it deserves to achieve, so, shall we begin?

Specifications

We propose to establish a culture council composed of 5 members elected from the Arbitrum community by DAO vote for a 6 month term subsequent to the approval of this proposal. We propose the council operate and be funded on a 6 month cycle, offering frequent opportunity for assessment of efficacy by the DAO and modification of the programme as necessary. We envision a roadmap for council objectives consistent of two stages:

Stage 1 - Immediate Term

- Initiate the council
- Establish funding for incentives to use burgeoning memeFi infrastructure
- Business development support for integration of qualifying memes across the DeFi ecosystem

Stage 2 - Long Term

- Stage 1 initiatives plus:
- Establish funding for grants awardable for integration of Arbitrum native memes into existing DeFi and the cross-integration of MemeFi infrastructure towards an interoperable ecosystem of dapps
- Establish funding for grants for the development and integration of memeFi infrastructure into a communal front-end
- Establish funding for expanded liquidity support in ARB for memeFi
- Ensure the ARB token becomes integral to the resulting Arbitrum native meme ecosystem, providing utility to the ARB token and locking liquidity
- Develop relationships with market makers to support the acceleration of a trial run of memes to showcase potential

As the groundwork progresses, we will return with proposals to engage each of stages 2 and 3

***THIS PROPOSAL SEEKS APPROVAL ONLY FOR IMMEDIATE TERM OBJECTIVES**

Creation of a Culture Council

a) Create a culture council composed of three (3) members

- One (1) coordinator
- One (1) data scientist
- One (1) business development specialists

b) Establish a multisig to hold funding

- 3/5 including all council members and two members of the Arbitrum security council or other trusted parties

Goals of the Council

The council explicitly needs to work towards these goals and all members are to be held to contract to fulfill these duties:

1. Funding and coordination between qualifying memecoin communities with the rest of the Arbitrum ecosystem to support and accelerate integrations of culture coins as degen collateral
2. Offer grants awardable for meme integration across the local DeFi ecosystem
3. Offer grants awardable for cross-integration of MemeFi infrastructure

4. Provide grant funding and BD support for tools and products that will drive the growth of a memeFi
5. Offer grants to incentivise the use of memeFi products and tooling
6. Public communications regarding
7. Newly qualified memes
8. Integration announcements
9. Notification of events
10. Ecosystem metrics and milestones
11. Foster the growth of Arbitrum and its related socials
12. Negotiations around opportunities for airdrop allocations from protocol launches on the chain to chosen meme communities
13. Provide the DAO with a quarterly report on supported meme ecosystem metrics
14. Social media engagement
15. Transaction counts
16. Volumes
17. Daily active users
18. Fees generated, including breakdowns of the same per DeFi integrations
19. Maker counts
20. Handle a transition of power to the next council members, ensuring that they are operating at the same capacity and with the same information as the retiring council.

Election Process

- Two (2) week election period
- Six (6) month tenure for elected members
- Subsequent two (2) week election period overlapping with the final two weeks of tenure
- Two (2) week handover period through the first 2 weeks of following term
- Full duration in role per term amounting to six (6) months and two (2) weeks (26 weeks in total)
- No limit on re-election for members proven effective in the role

Applicants must be willing to fully dox to the DAO in order to be approved for election

Accountability

A vote of no confidence in individual members or the entire council from the DAO should be stipulated to return the relevant members places for early re-election for the remainder of the current term, or dissolve the programme entirely

Key Performance Indicators

The council will look for specific metrics to ensure the efficiency of its efforts in growing onchain activity. We believe that these KPIs should be evaluated during the council's first term in order to get a better gauge of what our target metrics should be. The data scientist of the first council will determine these KPIs. We believe that KPIs should be determined down the road because many of these metrics are easily faked or inflated by unrelated activity. We would like to build out a dashboard that is specific and able to filter for the data that the council influences.

Example KPIs:

- Social media engagement
- TVL within integrated platforms
- Number of Integrations

These examples are data points that are easily measurable with certainty. Any other metric such as transaction count or

amount of deployments is easily faked due to the nature of Arbitrum's cheap fees to transact and deploy.

Allocation Breakdown and Limits

Funding total of \$200,000 for per 6 month cycle

- Up to \$50 per day per meme per protocol in incentives for users to deposit liquidity into integrated platforms
- Up to \$50 per day per meme per protocol in incentives for users to use (long, short, borrow, etc) meme liquidity in integrated platforms

Overall Cost - Stage 1 - immediate term

1. \$3k USD/month worth of \$ARB for each council member
2. \$500 USD/month to cover variable costs like Twitter, Dune, etc. (Excess returned to the DAO on a monthly basis)
3. \$200,000 USD worth of \$ARB for grants toward incentivising use of MemeFi
4. \$3k USD worth of \$ARB writers bounties for [@CloudSea_Pirate](#), [@lech77eth](#) and [@whale_hunter](#) for extensive time dedicated to developing this proposal.
5. Any remaining unutilised balance to be returned to the Arbitrum treasury upon the end of each 6 month cycle

Total cost: \$266,000 USD worth of \$ARB

*THIS PROPOSAL SEEKS APPROVAL AND FUNDING ONLY FOR IMMEDIATE TERM OPERATIONS OUTLINED