It is a little dissapointing that on the chain that “real yield” was pioneered, the token released does not implement a mechanism to fall into that category.

Token holders want to OWN the protocol. And that means getting a cut of its revenue…

Governance is also a JOB, wich should be compensated for. if not, its prime for bad actors to take care of governance.

If they are not getting a stream of revenue, token holders have bad incentives to participate in governance. Their incentive basically rn is “make price of arb go up”.

This all is resolved with value accrual for the token from the sequencer fees and it has many more pros:

- permisionless and decentralized validators, making the network more secure and fair.
- real yield and value accrual for token.
- part of the fees generated by the sequencer can also be directed to the treasury, creating a sustainable funding source for the network’s development and maintenance. This can help to ensure that the network remains healthy and robust in the long term, without having to rely solely on funding from current ARB holders.

I also feel like Arbitrum would further differentiate itself from its main competitor this way (Optimism).