



PRO

DAO

Gaming Governance is Tricky, and Cosmos Begins Their Game of Chains

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DISCLOSURES: THE AUTHOR OF THIS REPORT PERSONALLY HOLDS MATERIAL OPEN POSITIONS IN BTC, ETH, GEAR, U... Show more

Discord News



We have a new farming update that will take place from the current week!



In order to bootstrap \$MIM liquidity on @optimismFND, we have migrated our farming incentives from our FTM pool towards bribes for the \$MIM / \$USDC pool on @VelodromeFi! 🧙‍♂️🍷🧙‍♂️

While we develop our first cauldron on \$OP, we will gradually increase our bribes to the velodrome pool weekly.

- Abracadabra Money shifts incentives from Fantom pools to Optimism.



ivangbi 🧙‍♂️🧙‍♂️ 10/07/2022

DAO Monthly Update: September 2022

- Community Round Part 2
- Finalizing assets & contracts for AllowedList
- Discussions on a possible 10% LM
- Financial Update

Check it out [@everyone](#) and catch up with the plans!

- Gearbox publishes its September 2022 update. Find the full article [here](#).



ekryski 🌱 10/07/2022

Yes, congrats everyone! I shared it out and have been discussing with some influential people (heads of countries). There is interest in discussing a similar bond structure for a renewable energy infrastructure project that is government backed and tokenized such that it democratizes investment access for local citizens and foreign/DeFi investors.

- MakerDAO discusses further involvement in the government bond market.



for accTOKE launch, other major updates, as well as Tokemak v2.

Let's start with accTOKE:

INTRO

Tokemak is excited to introduce the implementation of accTOKE, an important phase of Tokemak's development. This update will harness the power of the current POA to enable a new staking opportunity for the TOKE token, while simultaneously mitigating TOKE emissions to Liquidity Directors.

The launch of accTOKE locking allows the system to further align the interests of the different participants, increase the efficiency of TOKE reward emissions and is a further step towards governance controlled operations.

- Tokemak introduces the accTOKE token to Discord members. Find the full breakdown in Tokemak's Discord channel [#announcements](#).

Around the DAOverse in 10 Links

- [Aave](#) emerges as the DAO with the most active voters.






DAO Name	6mo Voters	Voting Power %	Active Proposals	Voters on Active Proposals	Liquid Assets	Assets Change 24h
Aave	19,266	3.6%	2	2,885	\$264,218,949	0.4%
Uniswap	7,026	12%	0	0	\$2,056,429,844	3.7%
Aavegotchi	3,529	0.4%	2	470	\$25,597,397	-0.5%
Gnosis	3,447	31%	2	546	\$136,219,322	-0.8%
Decentraland	2,265	0.1%	16	265	\$29,919,319	-0.4%
CowDAO	2,235	4.6%	0	0	\$47,411,100	-1.2%
Lido DAO	2,189	7.2%	1	161	\$277,702,091	-2.1%
ENS	1,941	11%	0	0	\$184,878,422	7.9%
SushiSwap	1,825	34%	0	0	\$20,621,275	6.6%
Gitcoin	1,699	0	1	190	\$66,941,048	-0.8%
ShibaSwap	1,694	9.1%	0	0	\$5,472,759	-0.5%
OpenDAO	1,674	0	0	0	\$6,119,099	-2%
Decentral Games	1,403	0.6%	2	20	\$24,704,174	-2%
OlympusDAO	1,378	6%	0	0	\$175,551,128	0.4%

- [GovernorDAO](#) talks about how they can reduce botting in DAO governance. You can find their full proposal to Aavegotchi [here](#).
- [MakerDAO](#) officially purchases its first short-term treasury and corporate bonds.
- [Messari](#) launches a governance-focused newsletter.
- [Morrison Cohen LLP](#) publishes a comprehensive document tracking ongoing regulatory enforcements against crypto entities.
- [PussyDAO](#), a DAO connecting NFTs to physical objects (like clothing), officially goes live.
- [ReidarDAO](#) publishes its second 'Reads' thread, which collects important articles on DAOs, crypto, and investing.
- [ReflexerDAO](#) authors a handy instructional article on voting in their 'ungovernance.'
- [TalentDAO](#) bets on modular governance based on soulbound NFTs instead of fungible governance tokens.
- [TokenomicsDAO](#) begins an article auction – users can bid for the right to choose the following article published by the DAO.



DAO Insights – Votes to Follow

Governance Activity (Oct 3rd - 10th)

	Description	Voting Dates	Vote Status	Results
	Aave v3 Ethereum. Approval Of Path Forward	Oct 4 th - 11 th	Live	99.96% New Deployment
	Fund Incentives for Game Of Chains	Oct 5 th - 19 th	Live	99.97% Yes
	Liquidity Mining Proposal For Kinesis	Oct 4 th - 9 th	Closed	88.81% Yes
	FIDU Purchase With USDC Reserves	Oct 3 rd - 6 th	Closed	100% Yes
	Request To Spend \$OP Grant Incentives	Oct 3 rd - 6 th	Closed	100% Yes

Data as of October 10, 2022
Source: Mintsan and Snapshot



- **Aave** is voting on a proposal on how to deploy Aave v3 to Ethereum. Broadly, this vote will decide if BGD Labs should deploy a standalone version of Aave v3 or upgrade the existing Aave v2 contracts to a v3 version. Each decision has its strengths and weaknesses, but the community is leaning towards a new deployment.
- **Cosmos** is currently voting on incentives for its Game of Chains testnet. The proposal asks that Cosmos release 20K ATOM as an incentive for participating in the testnet. The testnet will be open to the public, and Cosmos expects it to begin in November 2022.
- **Evmos** has voted to spend 99K EVMOS as liquidity incentives for the Axelar, Celer, and Gravity Bridges to their chain. Evmos has chosen to use these incentives for the stablecoin pools of each bridge. Evmos will distribute the tokens over 2-months.
- **Goldfinch Protocol** has voted to use some of its treasury USDC to purchase FIDU on Curve. Notably, the purchases will only occur while the tokens are trading at a discount to NAV. The proposal predicts they



Goldfinch's deposit tokens that represent its Senior Pool.

- [Synapse Protocol](#) has voted to spend the OP tokens granted to them through the OP generation event. Synapse will use the 1M tokens to incentivize various stakeholders in their ecosystem. The distribution is as follows:
 - Developers [150K]: Developers can propose to use OP from this basket to fund the development of tools or apps to help other chains connect with Optimism through Synapse.
 - Liquidity providers and users [450K]: Synapse will use these tokens to incentivize the existing stablecoin pools on Optimism.
 - Token holders [400K]: A little confusingly named, Synapse has allocated these tokens to incentivize a SYN/Stablecoin pool on Optimism. Synapse decided on this as current ETH fees may make acquiring SYN tokens untenable for smaller trades.

Forum Threads To Follow

- [1inch](#) and [CowDAO](#) propose claiming and delegating their SAFE token allocations.
- [Aragon](#) and PrimeDAO are considering a token swap.
- [BendDAO](#) drafts a proposal to increase BAYC collateral rates to 50%.
- [GMX](#) debates adding wstETH to their GLP Arbitrum pool.
- [GoldenTree](#) publishes a forum post introducing themselves to the Sushi community and outlining their focus areas in working with the DAO.
- [Lido](#) publishes its October 2022 budget – requesting 4.3m LDO.



- ## Forum Spotlight



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asset prices – something which the proposal thinks will slow the market.

All in all, the proposal seeks to establish that the Aavegotchi wearables economy is struggling. To combat this, Stedari proposes a game mechanic called the Forge. Simplifying, the Forge is a crafting system where players can melt items down into a game token called Aalloys and sacrifice Gotchis for an item called Essence. Players can use Aalloys and Essence to craft new, higher-level items that require better skills and item input. This system will sound familiar if you've played any MMO game in the last decade. Stedari believes that this system can help revitalize the struggling Aavegotchi economy. The proposal asks that the DAO fund the development of the new game system – but doesn't ask for a specific amount.

Pro Arguments: Most responses in the [forum](#) are [positive](#), with users offering feedback and asking for clarifications. One [user](#) points out that the system described gives the DAO many levers to fine-tune the economy. This mechanic also provides a much-needed supply sink for the Alchemica token. Crafting is a popular mechanic for online games and could offer players a new avenue to explore and enjoy gameplay.

Con Arguments: As we mentioned, the community is largely supportive but has offered some valid criticisms. First and foremost, the system proposed is decidedly [complex](#). Balancing in-game items and economies is no easy task. Games with economies often hire economists on staff to keep things balanced. With so many moving pieces, the system could fall apart. Complexity could also hamper the onboarding experience of new players who may struggle to get over the initial entry hump. Additionally, if users know the result of crafting in advance, there will be inflation in high-quality levels. At the same time, users will most likely burn all the low-quality



Our Position: On the surface, we like this proposal. We are not experts in Aavegotchi's mechanics and economy, but this proposal seems like a workable solution to a struggling market. We think there are some exciting possibilities in the intersection of NFTs, fungible tokens, and in-game crafting, and we are excited to see how this system works in practice. However, we think this is an interesting thread for another reason as well: game governance. Usually, these reports focus on DeFi DAOs. As we have seen, DAO governance in DeFi is complex and challenging. Stakeholders often make decisions using incomplete information on complex issues that have consequential outcomes. The same is true for gaming DAOs, which may encounter even higher complexity and risks.

Multiplayer game economies are hard to balance in an effective manner. The teams at established games like League of Legends and World of Warcraft are constantly tinkering with in-game mechanics to achieve this objective. This is especially true with games that have complex and massive economies. Eve Online has an economist on staff and even issues monthly [economic reports](#) on the game economy. Game governance is fraught with peril, as new mechanics and changes in item supply can kill your player base and make the game unplayable. This level of complexity calls into question the idea of modifying game mechanics through governance. Most people play games as entertainment and will hesitate to have their game's parameters determined democratically. DeFi users only want the protocols to make money for them; most won't participate in governance. In our opinion, like DeFi, most game players only want to have fun; most won't engage in serious governance.





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