FDAO Whitepaper

A REVOLUTIONARY APPROACH TO COMMUNITY AND FINANCE IN AFRICA.

02.16.2022

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INTRODUCTION

Volume 1: Introductory Paper

ABSTRACT

We rejected Community Capitalism as a tool for social progress. It is no less than a Utopia with the State in the middle. An interesting argument shows up though, when the middleman is taken out of the picture. In 1979, Premier Deng Xiaoping named Shenzhen a Special Economic Zone. Free from the communist regime, the former fishing village embarked on pursuing private enterprise. Shenzhen is the Asian Silicon Valley today. Decentralized Finance offers a path to any community willing to replicate what became of the Shenzhen Experiment.

PROBLEM

Africa is not united. This hinders its overall welfare. We are going to use words like, 'most', 'almost' and 'few' because 'African' is so diverse that some simply cannot relate with this text.

Societies can never reach peak levels whilst in discord. From a historical perspective, Africa's economic development stalled when humanity's reason surpassed compassion. As thraldom became criminalized, widespread poverty ensued, throwing the continent in an abyss of economic shards. Certainly, owing to the reliance on a trade that could never be sustained.

Although there have been significant improvements in the lives of the dark skin society world over, most African countries still suffer a hungry deep state that holds the community at large hostage that almost everyone who makes it out of the bocardo feels accomplished enough never to return.

Africa is still haunted by a lack of solidarity.

PROPOSAL

We propose an egalitarian taste of democratic tenacity. A catalyzed boost to industrial development on the entire continent through a Decentralized Autonomous Organization (DAO) system.

It is a governance mechanism for making decisions in a more trustless and collaborative way. The FactoryDAO operates as an independent ecosystem focused on bringing Africa to speed with the rest of the world. Smart factories, agricultural transformation centers, on and off-chain based startups in African tech hubs are keys in the offing.

This ecosystem has no single leader or oligarch. An ERC20 token is used by members to govern the ecosystem through voting on the blockchain. Thenceforth, a native cryptocurrency for transactions inside the ecosystem is derived. Moreover, African capitalists who subscribe to this solution can go ahead and accept payments in this cryptocurrency.

All concerns and community resolutions are by way of proposal on the ecosystem's Syndicate.org forum. All disputes are handled at the Aragon Decentralized Dispute Resolution platform.

Crowd knowledge is a primary benefit upon which formidable conclusions are reached by this system. The community can further split into guilds that niche services internally; from trading analysts to blockchain lawyers. A Council, whether domiciled on or off the continent, is voted annually as signatories to the community's multisignature wallet. Anyone can be a Council member depending on their online presence and reputation. Summarily, we take the power back and give it to the people. Literally.

BACKGROUND

Sylvanus Olympio, the first President of Togo once noted that the dire effect of imperialism was the economic isolation of neighboring African societies from each other.

The challenge could have been cured after the 1960s but for the numerous languages. They forced politics to develop along ethnic lines instead of ideologies, severing friendly societies.

The 1989-91 collapse of the Soviet Union left African allies without bribes to fund their lavish lives anymore. Since most had been leaders back home, they found convenience in taking out loans on behalf of their countries. Naturally, the handouts came with strings attached. This is still evident in the way trends and norms adopted are only those endorsed by the western world. Fortunately though, this paper aims to show that Satoshi Nakamoto's solution to the money system problem indirectly puts an end to the Africa problem too.

When people do not have the skills to run a country. When communities do not connect with each other and prosperity is already rare, it becomes extremely difficult for the leaders of that society to bring prosperity to it.

The first system proposed was African socialism where governments owned the biggest industries in the country on behalf of the people. The government would then use all of those resources to industrialize. We note that the latter failed miserably. African dictators instead sold national assets to the highest bidder until their friends and families became the highest bidders.

The resultant social unrest causes a stampede to greener pastures leaving little to no buying power in Africa. Even worse, the intra-continental trade restrictions do not allow any single industry to compete, let alone outpace that of another continent.

In 2009, a public key cryptography combined with a consensus algorithm for proof-of-work became the new way to manage ownership. This liberated the world from systems and databases as we knew them. One has the option to remain anonymous all the while retaining control of their funds and voting power in a decentralized autonomous organization.

Our preponderant opinion is that Africa's situation can only change so much whilst surviving solely on states and corporations. They all suffer the same disease. This calls for reversal of power to the individual.

LEGAL STRUCTURE OF FDAO

Until states around the world adopt the legislation on DAOs like Wyoming -recognizing them as LLCs- decentralized ecosystems all over the world will continue to employ vehicle corporations for their off-chain investments.

Since the entity is bound to grow bigger and beyond BirdWing Capital Ltd. The founders will handover the vehicle corporation to the ecosystem as soon as the open community gets in. Following the Council election, BirdWing Capital is to file a Certificate of Conversion from 'Ltd' to 'LLC' with the URSB so as to offer the beneficiary community better protection and more corporate benefits.

International branch offices are to be established in any country of business interest. The CFO of the vehicle corporation must then remain a Council member for as long as their community-provided contract lasts.

On-chain transactions and investments have no need for a physical representative. Thus, they remain on the community's smart contract and controlled by the corresponding guild. No one can alter the code without being publicly noticed because everything is visible on the blockchain.

NFTs are used in this project as a utility for entry into the exclusive discord ecosystem. They serve no security purpose whatsoever as it is a member of the DAO that gets the benefits and not just a holder who never exercises their access rights.

FDAO GOVERNANCE TOKEN ($VELD)

A yardstick quorum of 67% of token holders have the right to cause a withdrawal from the community wallet or to modify the code running the ecosystem.

The $VELD therefore, is a deflationary token on an ERC-20 smart contract where the ecosystem's agenda is to be implemented. A given number of these tokens are airdropped to the wallets of all verified members in the ecosystem. The actual voting power will therefore lie in the amount of those tokens one has staked in the voting contract.

The combination of DeFi and NFTs is primarily the power of this ecosystem. Members benefit from locking up their digital assets in a stake pool whilst retaining ownership in the underlying asset. The rewards from the staking are in the ecosystem's native currency.

The governance token will not only be available for trading on the secondary market but also swappable into local currencies or actual digital dollars to be withdrawn in any of the following ways; Visa, PayPal, mobile money, airtel money or chipper cash.

VOTING

Supposing there is a vote of no confidence in one of the Council members, their private key will have to be removed from the multisig and replaced with whomever's the community votes in. That will be implemented by way of this simple smart command to the ecosystem's smart contract:

1) [0,i,U,B] to register a proposal with index i to change the address at storage index U to value B
2) [1,i] to register a vote in favor of proposal i
3) [2,i] to finalize proposal i if enough votes have been made

To be able to vote on such a proposal, members who own the governance tokens in their wallet go to FactoryDAO's Snapshot space, login and cast their vote. One either approves or rejects the transaction. There is no gas fee to this. One must select extremely carefully though, because the action cannot be reversed.

COMMUNITY WALLET

This is the ecosystem's primary fund. The fund will be secured by a series of private keys belonging to the Council members. Four out of five of them can spend everything, three out of five can spend up to 10% per day, and two out of five can spend up to 0.5% per day.

At the completion of milestones by projects of business interest, funding will have to be released for the next. This calls for the cooperation of the Council members to ensure a transparent funding series.

All tokens will be backed by a surplus of collateral escrowed into audited and publicly viewable Ethereum smart contracts. Anyone with an internet connection can monitor the health of the system anytime, anywhere.

SCALABILITY

Africa is the least prepared for climate change and ESG has not affected much in the way capital is distributed yet. 33% of all children are malnourished, some of whom suffer water-borne diseases.

33% of all teens do not finish high school so they become prone to extremist recruitments. Rebel groups and pandemics are rampant making economic success a reserve of the few countries that can sustain them.

As of 2009, a new generation of Africans much more educated and exposed than any generation that came before are now emerging. This creates a booming middle class economy with a boosted buying power. The huge gap in the demand and supply is already apparent.

OFF-CHAIN

Africa has a mind blowing potential for manufacturing but the trajectories are yet to be depicted in the number and quality of factories on the continent.

This limited industrial development signifies a missed opportunity for economic transformation and quality income generation that alleviates poverty. All these make way for smart factories, industrialized agriculture and tech centers around the continent.

Diseases like Onchocerciasis where one has worms living inside one's eyes will be eradicated from Africa completely with major changes in industrialized access to sanitized water. Famine too will go, as household incomes tend to be uplifted.

These problems are not the concern of central governments anymore. Munitions are. As a decentralized ecosystem, there is room to still act through vehicle corporations for such off-chain investments.

ON-CHAIN

An internal guild will self-organize and have a panel of day traders and analysts designed to sustainably develop a diversified portfolio of crypto-assets that accrues value for DAO members.

This kind of arrangement allows for fractional ownership of digital assets on the blockchain. It's trite that the community can never be dragged into an unaudited project as the assumption is that every vote is an informed one.

HOW TO JOIN THE REVOLUTION

Everyone is a leader and a follower all in the same. The collective whole is the singularity. One's individual role then becomes important for the success of the whole ecosystem.

The color of the skin does not determine the strength of the spirit. One therefore only needs to resonate with the text, then download a crypto wallet. Both Ethereum and Solana because;

1. Initial NFT Offering 1

The early adopter will mint utility tokens; a collection of 911 Rubik's Cubes. Intended to usher in a vetted community, the holder of each of these NFTokers will have minted double voting power in the ecosystem's forum. This will be dropped anytime from the launch of this whitepaper.

2. Initial NFT Offering 2

A collection of 10,000 items will be issued at a later date to give the open community a chance to join the ecosystem. 80% of this offering is what will make up the community wallet and the implementation of the ecosystem's tokenomics.

Discord bots verify proof of ownership of the utility tokens in a user's wallet and automatically assign the necessary roles.

CONCLUSION

We have exposed the missing link in the development of Africa. It is not uncommon that some lines of thought refer to a DAO system as centralization reinvented. We have made a case for guilds inside the ecosystem as a way of circumventing any such form of concentrating power to a few whales. The principle of individual rights cannot prevail without that of community rights here.

Further Reading;

1. [The Shenzhen Experiment](#)
2. [Decentralized Dispute Resolution Platform](#)
3. [Decentralized Governance Space](#)
4. [Our Decentralized Communication Space](#)
5. [Decentralized Guilds Example](#)
6. [Yield Farming Project Sample](#)
7. [Demand supply gap](#)