

# DAOs, Q2 2023, KAIST

# Short Intro

## *Investing*

- Cultur3
- MetaCartel Ventures DAO
- Material

## *Researching*

- Ph.D. from INSEAD, Tokens and Organizations
- Writing a book on DAOs
- Published NFT Revolution in 2021, >100k copies sold

## *Organizing*

- "100x Conference: The Convergence", on Blockchain + AI + UnrealEngine in Seoul, ~Sep4-9.

# Agenda

1. What is a DAO?
2. DAO History 101
3. DAO Primitives and Trends
4. What DAOs Need
5. Potential Low Hanging Fruits

# **1. What is a DAO?**



# DAOs as Blockchain Leviathans

BALAJI SRINIVASAN

BUSINESS NOV 22, 2013 9:30 AM

# Software Is Reorganizing the World



steve circa 1990

**What problems do  
DAOs solve?**

# 1. Problems with traditional orgs

- a. inefficiencies in orgs as they scale
- b. high cost of orgs

# 3. Internet phenomena

- a. simping
- b. shitposting
- c. memes

# 2. Problems on the internet

- a. internet platform governance at scale
- b. internet community governance

# 4. Crypto problems

- a. onchain protocol governance
- b. sufficient/progressive decentralization

**So... what are  
DAOs?**

# DAOs are primarily

1. A new legal structure
2. A type of organizational design
3. A type of governance
4. Hyper digitalization

# DAOs are

1. ~~A new legal structure~~
2. ~~A type of organizational design~~
3. ~~A type of governance~~
4. **Hyper digitalization**

# **2. DAO History**

## **101**

## Skeuomorphic Era (2015-2016)

Very fragmented and more flexible discussion that centered around possibilities.

Ethereum Subreddit] was the main place where people held conversations and it was the source of truth. Classic tech trajectory: skeuomorphic first, then experimentation into new things.

# Code Is Law Era (2016-2017)

Moved from new to weird. Narrative and experiments were very practical.

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How do we certify bylaws and vote using bylaws?  
How do we make onchain shareholder  
organizations?
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Code is Law was a reaction to the Bitcoin community about what DAOs could be.

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"A DAO should be a relatively strict  
organization."
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World Computer was the driving meme. People weren't talking about DAOs as organizations.

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"DAOs as Code."
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Heat of the Code is Law debate with The DAO as this era's posterchild.

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[The DAO (Hack)]  
(https://www.gemini.com/cryptopedia/the-dao-hack-makerdao#section-origins-of-the-dao)
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**Rube Goldberg Era (2017-2019)**

Overengineered,  
complicated,  
monolithic onchain  
DAO structures.  
MakerDAO, DigixDAO,  
Aragon, DXdao

**Minimum Viable DAO Era  
(2019-2020)**

Mo1ochDAO,  
MetaCartel DAO,  
MetaCartel Ventures

**DAOs as Governance Era  
(2020-today)**

Compound, \$COMP  
yield farming,  
Governor  
Alpha/Bravo,  
Reflexer

# DAO Types

- TradOrg to DAO: Shapeshift DAO, Bankless DAO
- Financial Flash Mob DAOs: ConstitutionDAO, Ukraine DAO
- NFT Collection DAOs: PleasrDAO, SquiggledAO, Flamingo DAO
- Fashion DAOs: MetaFactory
- DAO as Co-op: SporkDAO
- Legal Engineering DAOs: Tribute Labs, LexDAO, The LAO, Kali
- DAOs as Software Outsourcing Services: Raid Guild, dOrg, VectorDAO
- DAOs for Cities: CityDAO
- Investment DAOs: MCV, and Hydra as a DAO exclusively funding DAOs
- DeFi DAOs: Yearn, Curve, [Lido
- DAOs as Guilds: YGG
- Internet Phenomena DAOs: IreneDAO
- Social DAOs: Friends With Benefits
- Protocol Politician DAOs: Fire Eyes DAO
- Standards DAOs: DAOstar

# **3. DAO Primitives and Trends**

# Primitives

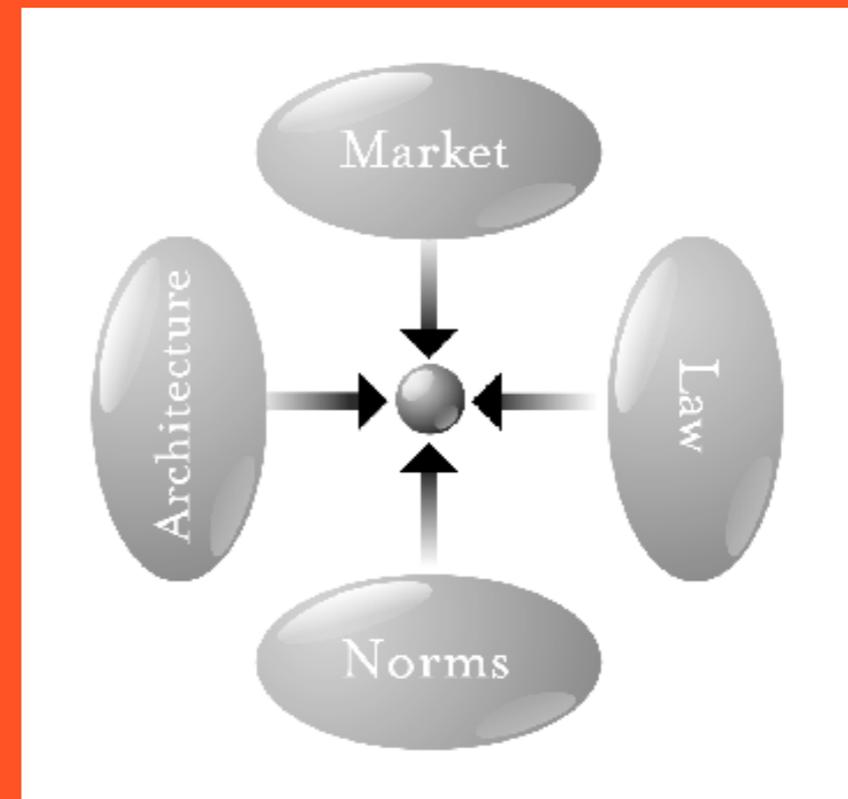
## Monolithic Modular

-  Safe, Snapshot
-  Discord, Telegram
- Roles: Hats Protocol, Guild, Collab.land
- Sub-organizations: Metropolis
- Standard for composable dao tooling: Zodiac

- Legal primitives, e.g. Kali'a Series LLCs
- Accounting primitives e.g. Coin shift, Gilded Finance
- Legal x Accounting x Auditing: primitives are hard because we can't separate transfer of value w/ transfer of information

What are we building for  
anyways?

# Pathetic Dot Theory.



# Trends

- Governance Problems: ENS, Merit Circle, Tribe DAO
- Governance Attacks: flash loans to buy votes, oracle attacks
- Move away from Coin Voting: Optimism
- Novel Incentive Mechanisms: Nouns DAO, JokeDAO

## Delegation Models Rising

- DAOS and the Law: functional or even regulatory equivalence
- US Regulation Lawsuit against bZx DAO, Ooki DAO
- Non-US, DAO-friendly regulation: DAOSquare, Yamakoshi Village DAO, da0

# **4. What DAOs Need**

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 *It's not about decentralization or autonomy but rather building collectives that reliably and legitimately produce valuable goods and services*

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**Q&A**