DXdao

Manifesto

DXdao is a decentralized collective that builds and governs decentralized products and services for the world. It aims to be an open community that reaches consensus in a transparent and fair way.

This document lays out the history, intentions and principles of the community to guide DXdao.

Genesis

DXdao launched on Ethereum Mainnet on May 19, 2019, through a collaborative effort of the teams at Gnosis and DAOStack. Reputation (REP) holders govern DXdao. REP is not a token; it is associated with an Ethereum address and cannot be transferred.

There were 3 major ways to receive REP during the launch phase:

- 380k in lock drops rewarded for depositing ETH (80k) or other ERC20 tokens (300k) for a two week period
- 500k from trading on the DutchX exchange and registering MGN
- 100k for purchasing REP with GEN

399 Ethereum addresses participated in the initial REP distribution. Since then, one address self-slashed theirs and an additional 27 addresses have earned REP by contributing to DXdao, which has inflated total REP by 30% to 1,297,845.43 REP as of August 2020.

DXD Fundraiser

After the initial REP distribution, DXdao moved to launch a token (DXD) to raise funds for the DAO. REP holders voted on April 25, 2020 to launch a bonding curve to mint DXD in exchange for ETH to be held in DXdao's treasury, which is controlled by REP holders. The price to mint DXD is

denominated in ETH and goes up linearly as more DXD is minted. DXdao has a 100k DXD pre-mint that unlocks continuously over three years. The full DXdao treasury can be seen here.

DXD holders are entitled to the financial value created from DXdao products. In its current configuration, 10% of all revenue from DXdao products is deposited into the DXD smart contract buyback reserve as ETH and thus supports the price of DXD. REP holders can raise, but not lower, DXD holders' claim to 10% of revenue.

DXdao is on-chain

- **No individual speaks for DXdao** - DXdao is a community with many voices that contribute to its permissionless, decentralized narrative. Anyone can claim to speak in the best interests of DXdao, but only formal proposals passed by REP holders on-chain speak for DXdao.
- **Openness and transparency** - The entire history of DXdao can be viewed on the Ethereum blockchain. Major decisions should be discussed openly and ultimately resolved by REP holders on-chain.
- **Holographic Consensus** - proposals are passed through a majority vote of REP holders, but in order to scale its decision-making, DXdao employs holographic consensus to pass proposals with just a relative majority. With holographic consensus, when a regular proposal is submitted, anyone can stake on the outcome of the proposal and if it reaches a certain threshold of staked tokens, it is "boosted" and can be passed with a relative majority.

Decentralization for the world

- **Scaling decentralization** - DXdao's governance design separates financial value (DXD) from voting power (REP), which allows for greater decentralization. DXdao's structure enables it to distribute REP and scale to be the largest organization in the world.
- **REP is earned** - REP is earned by community members who contribute to the DXdao. It is non-transferrable and can be slashed.
- **Global community** - DXdao is a collective that transcends borders as does its products, which are globally accessible and permissionless. DXdao strives to build an inclusive global community.

Governance is the solution

- DXdao relies on emergent structures and processes. Ideas, initiatives and consensus arise from the community and it's the responsibility of DXdao governance to gather these signals and guide the collective.
- At its core, DXdao aims to build tools, products and processes that allow decision-making to arise from large decentralized communities.
- Fearing central operators, some projects opt for no governance. This leads to stagnation from decision paralysis or it is co-opted by unaccountable off-chain governance. DXdao recognizes the need to adapt and build new systems that reach consensus in a scalable, decentralized and effective way. Consensus is not an end, but a process.

Open discourse and respect in reaching consensus

- DXdao strives to reach consensus after productive debate while respecting all members' input. Discussion should be based on facts and principles; arguments should not be directed at specific individuals and the DXdao community rejects harassment of any kind.
- DXdao governance and discussion should strive for transparency to all community members. It is incumbent upon DXdao community members to coordinate their actions and communicate with each other across the DXdao forum, online chats and community calls.
- DXdao encourages friendly and challenging discussions; this open discussion is valued and crucial to the workings of DXdao. Openness means building out in the open, and this bleeds into everything.
- DXdao expects community members to operate and communicate with integrity and respect for each other.
- DXdao builds space for communities, while honoring the individual, and accepts accountability and responsibility for the actions and influences of the DXdao, in order to further self-improvement.

This manifesto represents the current history, ideals and goals of DXdao.