

Design and Analysis of Tokenomics Processes

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| TOKENOMICS

Tokenomics refers to the economic analysis of cryptographic tokens, encompassing supply management (emission and burning mechanisms), distribution strategies, value determination, and functional utility within blockchain-based systems ¹

¹ Young Sook Kim, Seng-Phil Hong, and Marko Majer. Validation of value-driven token economy: focus on blockchain content platform. Future Internet, 16(5):178, 2024.

RELATED WORK

Already existing approaches allow to model and analyze an economy textual languages. **CadCAD**¹, **CasCAD2**², **Tokenomics-Simulator**³ and **Machinations**⁴

- Require **technical** expertise
- Not specific for tokenomics
- No automatic **translation**

¹ <https://cadcad.org/>

² X. Liang et al., "From cadCAD to casCAD2: A Mechanism Validation and Verification System for Decentralized Autonomous Organizations Based on Parallel Intelligence," in IEEE Transactions on Computational Social Systems, vol. 11, no. 2, pp. 2853-2862, April 2024.

³ <https://crates.io/crates/tokenomics-simulator/0.1.1>

⁴ <https://machinations.io/>

TATAMI

TATAMI is a platform-independent workflow-based visual modeling language specifically tailored for tokenomics

Canvas

- **Interactive workspace** for arranging blocks
- Blocks interconnected in **token flows**

Model State

- Aggregates **inputs, variables, mappings, and constants**
- **Dynamically** read and modified by flow blocks

Independent Elements

Elements that need to be managed through token flows.

- **Fungible Tokens:** Identical tokens
- **NFTs:** Unique assets with distinct identity and custom metadata
- **Pool:** Key-based containers for accumulating tokens

 Non-Fungible Token + -

Name

 Pool + -

Name

Token

 Fungible Token

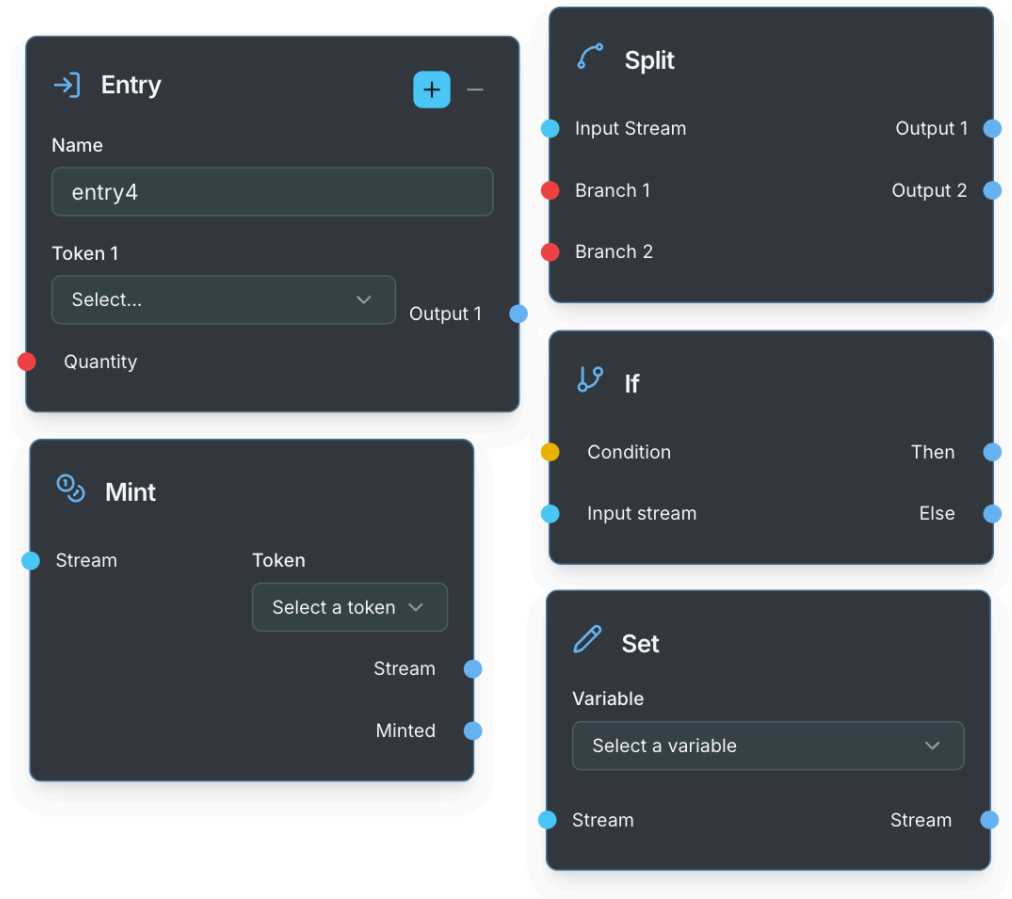
Name

Symbol

Flow Blocks

Blocks interconnected through token streams.

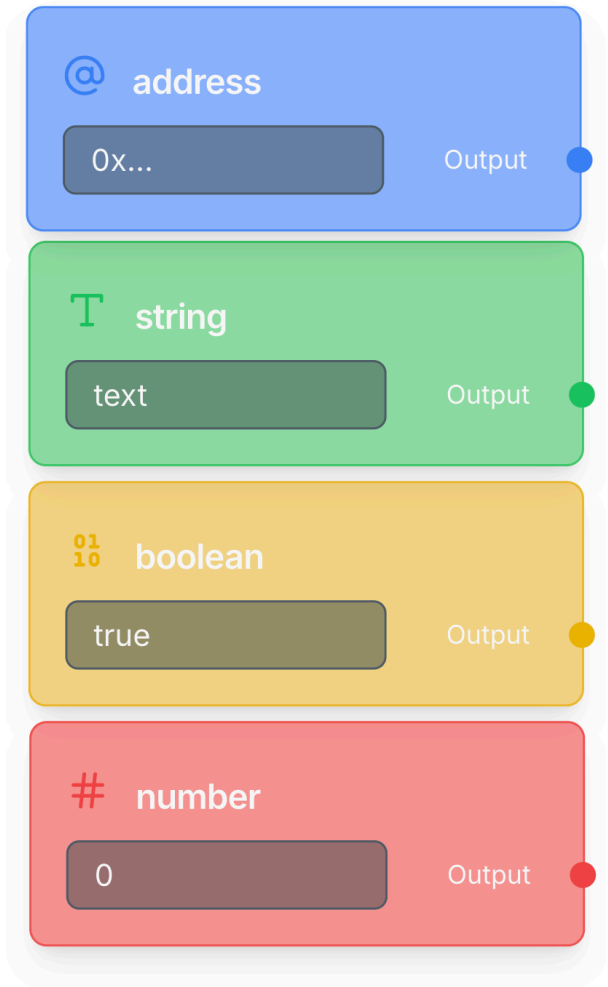
- **Entry**: Mandatory starting point for every workflow
- **Withdraw / Deposit**: Interaction with Pools
- **Mint / Burn / Transfer**: Token lifecycle management
- **If / Split / Join / Set**: Token streams and model state manipulation



Type Blocks

Blocks to cast some text or reference to the model state to a specific type.

- **Numeric:** Math expressions
- **Boolean:** Boolean expressions for conditional blocks
- **String:** Value for names, or descriptive attributes
- **Address:** Identifiers for accounts interacting with the tokenflow



Model State Component

The Model State manages the **data layer** of the system, including both generated and custom elements.

Auto-generated

Elements created by the system:

- **Sender** and **BlockNumber**
- **FT/NFT** attributes
- **Pool** balances

Custom Elements

Defined by the user:

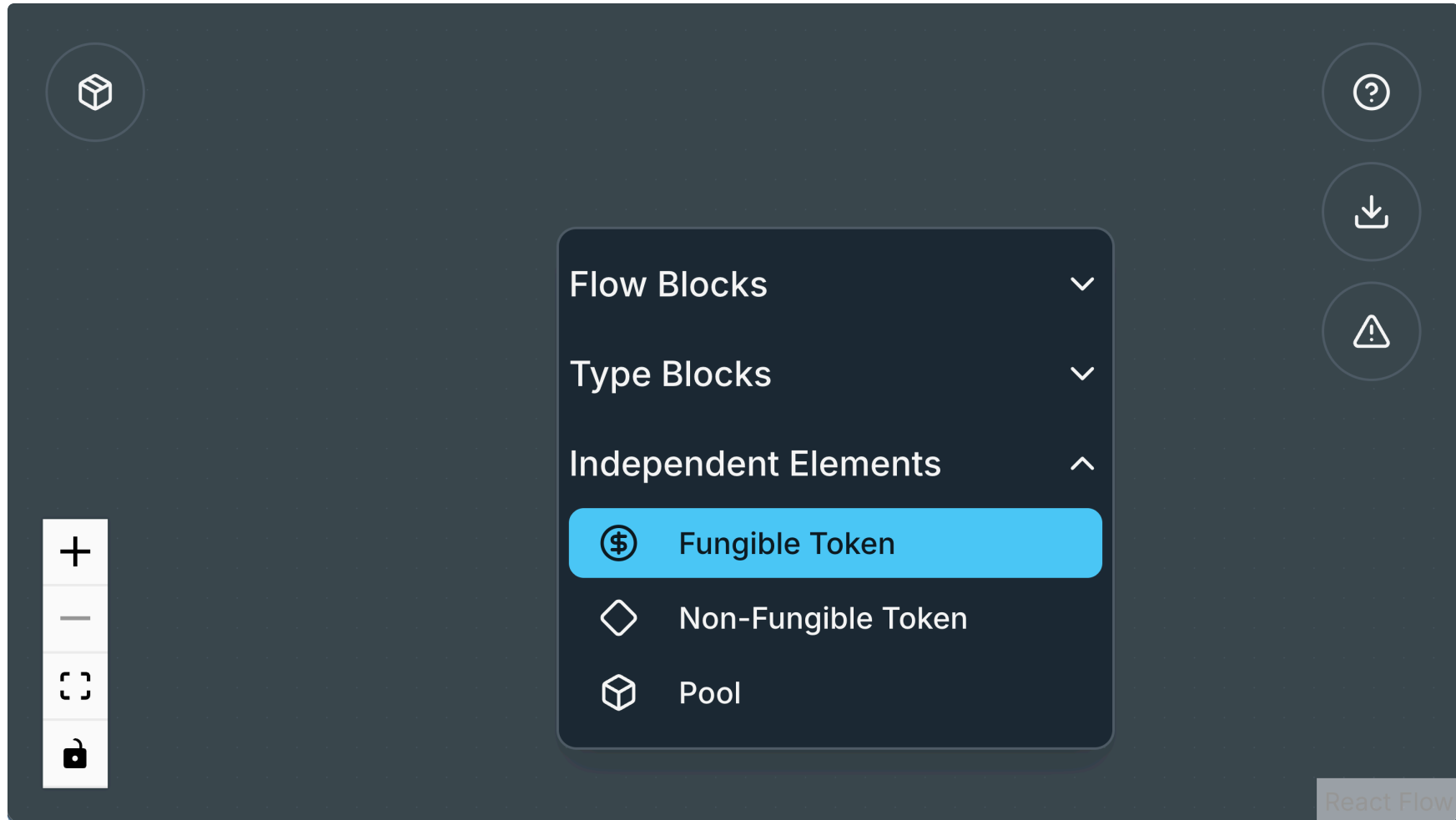
- **Variables**
- **Constants**
- **Inputs**

The Editor ¹

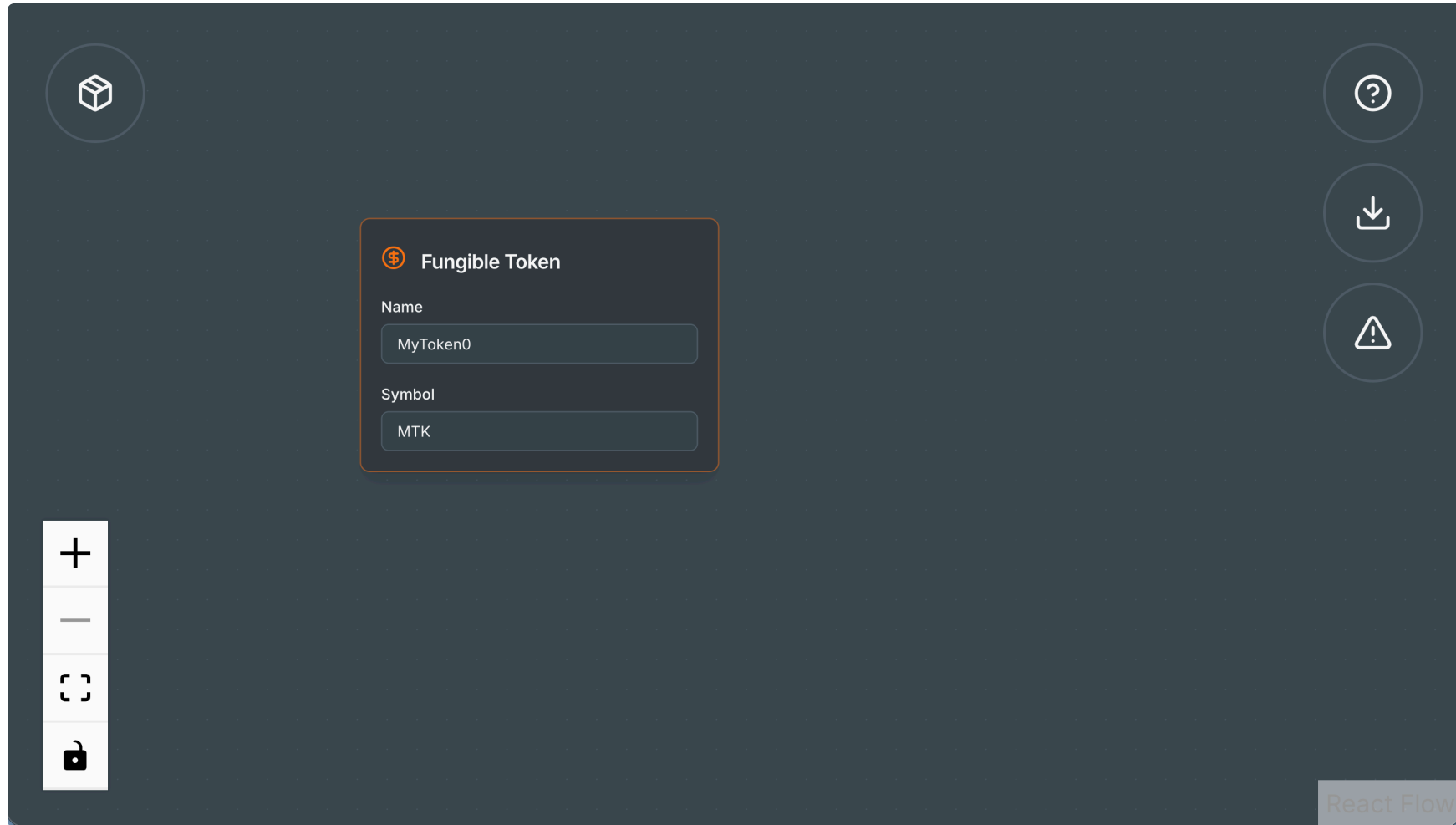


¹ The editor is available at <https://github.com/simone20a/TATAMI>

The Editor



The Editor



The Editor

The Editor interface is shown with a dark theme. The main workspace displays a "Fungible Token" model with two input fields: "Name" (MyToken0) and "Symbol" (MTK). A sidebar on the right, titled "Model State and Variables", provides details about the model's state and variables. It includes a "State" section with four read-only state variables: Sender (Address), BlockNumber (Number), MyToken0_TotalSupply (Number), and MyToken0_balanceOf (Address ⇒ Number). The "Variables" section indicates that no variables are defined.

Model State and Variables

Define constants and inputs, and inspect the model's state.

[+ Add Variable](#)

State

- Sender**
Address - Read-only State
- BlockNumber**
Number - Read-only State
- MyToken0_TotalSupply**
Number - Read-only State
- MyToken0_balanceOf**
(Address) ⇒ Number - Read-only State

Variables

No variables defined.

GOALS

Short Term

- Provide a **formal semantics** to the language using **Abstract State Machines** (ASM)
- Create a **compiler** to ready-to-deploy Solidity code

Long Term

- Explore application of ASMs in **formal verification** of TATAMI models to check:
 - Model Correctness
 - Oversupply Prevention
 - Inflation Spirals Avoidance
 - Burn-Emission Equilibrium
 - ...

Thanks

