

Agorata

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July 13, 2022

Abstract

Agorata is an implementation of the idealized economic agent, or, specifically, an aggregator of smart contracts. It combines one or more contracts proposed by the members of the network in a deal which can be evaluated as profitable for Agorata with low risks. Using this approach, Agorata can provide infrastructure for loans, flashloans, bets, derivatives, bridging between chains, and many more financial instruments.

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I. INTRODUCTION AND OVERVIEW

There is a variety of standard financial organizations that provide their capital for some simple purely financial deals: banks, brokers, gambling institutions, betting institutions and many more. Most of them have their own DeFi counterparts, as well as some services that are only possible on the blockchain — for example, flashloans.

All of these organizations can be generalized to an economic agent that has a utility function and who takes the deal if and only if it is the most beneficial in terms of this function. These particular implementations, however, only consider a very limited subset of deals. Also, all of

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them work only with purely financial deals which include not more than 3 parties¹, including the financial organization.

Technologies of decentralization and smart contracts in particular provide the foundation for a much more fundamental entity — one which goes far beyond standard simple templated purely-financial deals. Instead, this entity can be the implementation of the general economic agent. It can analyze deal proposals and combine them into a very complex deal, which it will evaluate and participate in. As a result, this entity can serve as a liquidity provider, loan broker, a service for finding a counterparty. It is worth noticing that as the blockchain technologies spread into multiple fields (not only financial), a service like that can become much more versatile and participate in deals including various assets (domain names, art, computational resources are the examples of what can be possible now, future applications will go much further).

The goal of this whitepaper is to present such an entity — Agorata.

II. DECISION-MAKING ALGORITHM

III. CONTRACT EVALUATION ALGORITHM

IV. APPLICATIONS

- i. Flashloans
- ii. Loans
- iii. Bridges
- iv. Bets
- v. More complex examples

V. CONCLUSION

¹An example of such a deal with three parties is a standard deal on a financial market.