Twitter Thread by Daniel Lux



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1) I made a thread on @FatManTerra the other day. I spent some time thinking about my conclusions, my language, my tone, etc. And I realized something. My take wasn't nuanced enough. However, I am pretty confident @FatManTerra is a malicious actor.

2) He throws out accusations without evidence and uses "evidence" that he interprets wildly and liberally with inflammatory language that preys on anger. He questioned my integrity as soon as I said he was making a leap in logic by assuming things instead of looking at the facts.

3) This followup thread isn't meant to be about FatManTerra though. It's meant to fix the thread I gave before and give a much richer, fuller, more appropriate take on the Terra situation. I'll be blunt. It is NOT a conspiracy that teams try to destroy each other in this space.

4) It is fact. It happened on Terra where projects fought to become dominant forces on Terra. Now imagine the scale of fighting in terms of being in the top ten of the whole space. It's utterly absurd to say something like it's a conspiracy that other chains want Terra to fail.

5) If projects don't synergize with each other or are mutually exclusive or are trying to attract the same target audience, then if they have nothing to offer to each other, when one project sees more capital, another will see less. This is why DeFi communities are very tribal.

6) In my thread last time, I explained that the responsibility for everything collapsing wasn't just on Do Kwon. I want to clarify what I meant by this. Do Kwon is one member of a community. But he was also the most influential member by far. He owned a huge chunk of Terra.

7) It was absolutely his responsibility that Terra Classic collapsed. But I'm not here to point fingers. I'm here to make us stronger moving forwards. That's why the point I'm trying to make is that if we want something actionable to do better in the future...

8) Then we need to hold ourselves accountable as a community and stop with the idol worship. We can respect members of the community like @pedroexplore1 or @t_nut3 for bringing immense value, but we shouldn't worship them. That isn't good for them and it isn't good for us either.

9) I want to give a fairer analysis of the situation. One of my friends on Terra, a person I very much respect is doing work on Terra Classic, so I've changed my mind. I believe in the path forward of Terra 2.0, but I don't think Classic isn't important.

10) People who want Terra to be fully community owned from the start and for everyone to have a fair chance, for those people it makes sense that they prefer Terra Classic. Similarly, for devs who want to band together to maximize provided value it makes sense to bet on Terra 2.

11) When people feel fear and uncertainty, are afraid of being taken further advantage of, or of being wrong, they will get swayed by people who call them out on their insecurities. It is never good to operate on insecurity. Better to be calm, thoughtful, and rational.

12) This is why I believe FatManTerra is a bad actor. The man takes advantage of the ignorance of a huge group of people, shoves a narrative before evidence comes to light, fractures the community, and enjoys a huge popularity while on some self-serving narcissistic mission.

13) To be transparent, I lost less money on Terra than many. I am fortunate. I sold 60% of my LUNA in the low 90's for KUJI about 1.5 weeks before UST depegged. I did this to take profits and invest in KUJI. I had planned to DCA into LUNA with future paychecks after it corrected.

14) What saved me was that I wasn't only in the Lunatics channel. I happened to get the advice of people who were trying to trade LUNA. They predicted LUNA could see a huge correction after reaching a target price of $120. They made this call on the way up. Wizards, I know.

15) Anyway, I was frightened of what could happen due to hearing people talk about the overall macroeconomic picture so I thought a temporary crash might happen much like what had happened near the end of January and I unlevered and sold everything other than my staked LUNA.

16) What saved me in the end was not being in an echo chamber. When we always hear the same opinion, when we block people who say something we don't like, we shut ourselves out from disagreement and doubt. I doubt FatManTerra's integrity. But I have not muted or blocked him.

17) After I wrote my last thread, many people who didn't like my thread blocked and muted me after making fun of me. They are no different from those who lost money in the crash. They will eventually be ruined by narrow-mindedness. People have different genuine opinions.

18) I have seen advice to block FatManTerra or ignore him because he is an attention seeking troll, but I don't think that's a good idea. If we block him, we don't know when he spreads lies to other people who don't know better. We also fail to absorb any value he may offer.

19) If we had listened to Algod or 0xHamz and taken that even somewhat seriously, we might have been able to prevent the depeg. The delivery of their messages was poor, but they still clearly held worth. In crypto there is a fundamental link between money and values.

20) This can be a good thing when it leads to network effects and can be part of a bull market on the way up. But on the other hand, it can lead to people collectively or individually making selfish decisions because they don't form their values independently of money.

21) People don't want their bags to suffer and are intrinsically incentivized to ignore criticism because it leads to short term pain even if it may promote long term growth. If a community can't listen to shitty people and learn from them, they will inevitably stagnate.

22) Furthermore, it is this same link between values and economic incentives that have trapped LUNC investors in desperation for LUNA 2. I observed a lot of people in the thread I made thinking that the LUNA 2 airdrop is their shot at success. This sort of thinking is dangerous.

23) LUNA 2 should not be pursued because it is your only option. It should be pursued because you see its value and want to invest in it. It's dangerous not to hold people accountable for what happened to Terra. If people don't do it now, it will most likely not happen later.

24) Do not hope for a fix after the fact. It likely won't happen. Why were UST buyers during the depeg punished disproportionately compared to people who bought in with new money after Do put out his Terra 2.0 proposal? We should want an answer. But I won't FUD like FatManTerra.

25) Developers must make choices when creating any model. Someone will always be left unsatisfied. And it is easy to poke holes at structural choices made by devs that end up bound to favor one group over another. Criticizing these choices without compunction is malicious.

26) I want to make something very clear. FatManTerra is malicious not because he researches LFG/TFL/etc. This is something that should be done by the general public. It is great that someone is doing it. The truth should come out. But I'd rather someone neutral led the effort.

27) @FatManTerra didn't reply to my thread because he had nothing to say. I am happy he didn't call me out for attacking him because the reality is that I don't think I did anything wrong. His actions are incredibly obtuse. He refuses to listen to correction.

28) He lacks credibility and integrity as a speaker because he inserts journalistic interpretation into everything he shares with his audience. That's not how you research a blockchain. I love @coffeebreak_YT because of his deep dives. Yes, I don't agree with his take on Terra.

29) But Coffeezilla does his utmost to put out unbiased, accurate reporting that digs into the truth. He doesn't insert his personal opinion full of vendettas into every aspect of an investigation. He does careful thoughtful scouring of the blockchain. The blockchain doesn't lie.

30) That is journalistic integrity. FatManTerra on the other hand has nothing of the sort. He's an influencer riling people up. Even if the blockchain doesn't lie, people do. This is why it's important to use evidence neutrally without distorting it for personal gain.

31) How did so many people misunderstand the same clip of Do Kwon talking about Armageddon when he talking about emergency decentralization for the community in a worst case scenario by burning all TFL LUNA? Some people want to distort the narrative; they propagated the clip.

32) I would much rather Coffeezilla investigated Terra than FatManTerra. He actually has a successful track record based on dug up evidence that he found *himself* (or with other trustworthy collaborators) to tie crypto wallets to crypto shills and their criminal acts/scams.

33) Anyway, let me continue. I believe that FatManTerra is supporting the small UST holder community because he wants to divide the Terra community and separate it from the real world. Let me explain.

34) Terra was so powerful because it tried to bridge the gap between the magical dApp-land of DeFi and spending money on real goods and services. Terra became so large at the end that many inexperienced retail investors who didn't care about LUNA bought UST for stability + gains.

35) By alienating the $UST holders or giving them different values from the rest of the community. Suddenly, the Terra community becomes DeFi investors versus ignorant retail investors who don't care about $LUNA. The result is that Terra cuts off an arm to stop spreading poison.

36) By doing this Terra is effectively killing itself as it's distancing itself from the public that it wanted to attract in the first place. This turns people off from Terra and DeFi, because "anything can happen" due to the "elite manipulating everything on Terra from day 1."

37) One thing I don't like about FatManTerra's style is that he brings up information that some actors may or may not known and then uses the fact that people lost money to create what-if scenarios of what people could have done. Like with @stablechen regarding the halt.

38) I don't think it follows that he would have acted on that information just because he knew about it in advance. Heck *I* knew about the halt 30 minutes in advance. Do you know what I did with that information? You can check my wallet on TerraFinder if you're curious. Nothing.

39) Here's my wallet address: terra1gwekcdkcxawgdw8n8kzys9y58pl6ylwf7uf8rx You can compare it to screenshots I sent of my 2 Terra 2.0 wallet transactions after some people claimed I was shilling Terra 2 to dump my LUNA 2... while in fact I've already staked my liquid LUNA 2.

40) You can also check and see that as a mod in the Kujira Telegram I have literally never sold a single KUJI token throughout my entire wallet history before it was deprecated on Terra after the snapshot on May 13th (though I will take future profits of course).

41) Do I seem like the type of person to dump my bags on other people? I have posted my wallet address multiple times in the Kujira Telegram chat and other people can corroborate it too--small fish that I am. So I ask you folks that don't like my Terra 2.0 "shill"...

42) Am I a bad person because I think FatManTerra is a bad actor for lacking neutrality, because I dislike him attacking Terra, because I like Terra 2.0, and because I am undecided on Do's morality? If you say yes, then given my wallet + Telegram history, you're deluded, hahaha.

43) I respect the attitude of people who hate Do Kwon and who are never willing to forgive him. Everyone is entitled to their own opinion. We should be accepting of the opinions of others. I personally don't know what to think yet until I see evidence one way or another.

44) I applaud people doing their best to make TFL leadership take accountability, but I do not support witch hunts. I believe investigations should be conducted carefully and impartially gathering evidence classily like @coffeebreak_YT putting it together before making claims.

45) Right now, we are in a crypto bear market. People are already losing interest in Terra and becoming apathetic. I respect builders like @asparagoid who is literally running a validator on Terra 2.0 that burns LUNC on Terra Classic upon receiving delegations. That's brilliant.

46) I don't want to offend anybody, but I'm sure my distaste for FatManTerra makes this thread a hot take. Regardless, I am firm in my conviction. I don't care if you don't like my opinion. I don't care if you tell me to fuck off. I don't care if you think Terra is dead.

47) Terra was the very first DeFi ecosystem I invested in. It was the first time I made more than 20x on an investment and I ended up probably more than 10x by the end even after the crash. I like it and I want to support it in the future as well.

48) Hope you enjoyed the thread. Thanks for following. I'm sure this won't get nearly as much attention as my first thread, but this is my more nuanced take. I'm done with this topic for now. It's draining. I just wanted to vent my anger at FatManTerra with the first thread, lol.