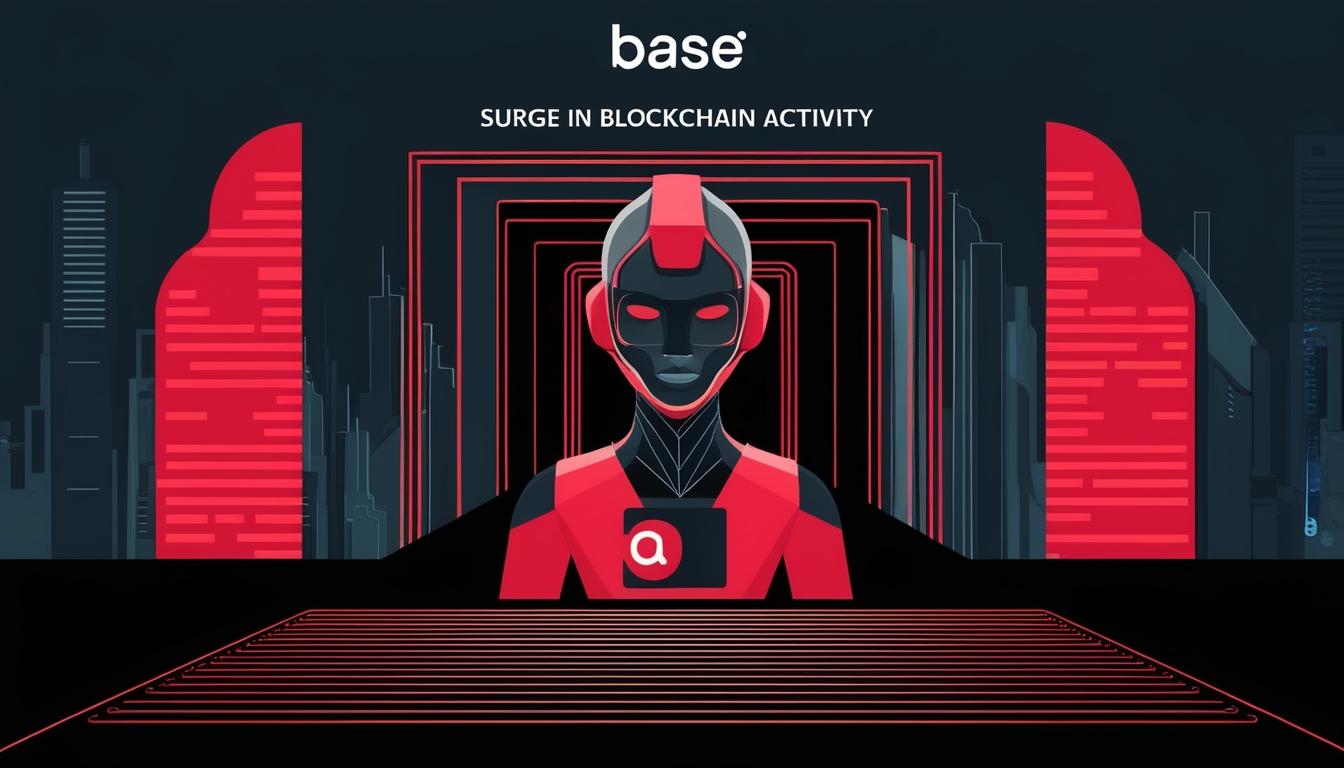
# Base climbs the ranks in onchain activity, sparking debate with Solana



Base, the Layer 2 network developed by Coinbase, has marked significant growth in its onchain activity, creating a competitive landscape against established networks like Solana. January 2024 commenced for Base with notable milestones, wherein the number of daily active addresses surged from approximately 70,000 to an unprecedented three million by Wednesday, accompanied by a significant rise in daily transactions which reached 13.4 million. This reflects an enormous increase of 3,521% from the previous year when transactions were below 375,000, as reported by blockchain analytics firm Artemis.

A substantial contributor to this rise in activity is the Virtuals protocol, which allows users to create artificial intelligence agents. These AI agents are designed to perform a variety of tasks autonomously or semi-autonomously, including digesting information from the internet, managing social media postings and engaging in cryptocurrency trading. The popularity of tokens linked to this initiative has amplified Base’s traction in a market increasingly focused on the intersection of artificial intelligence and blockchain technology.

The native token associated with this protocol, VIRTUAL, recently reached an all-time high of $5.07, signalling a market capitalisation of $5 billion. The cryptocurrency AIXBT, tied to the largest AI agent from Virtuals, also witnessed growth, crossing a market capitalisation of over $650 million, as per CoinGecko data. Interest in AI appears to be substantial, with AI startup Kaito indicating that artificial intelligence constitutes over 57% of the total mindshare among cryptocurrency users.

Despite Base's impressive growth metrics, it still trails behind Solana, which boasts over five million daily active addresses and sees approximately 56.8 million daily transactions—more than four times greater than Base’s numbers. This comparative shortfall highlights the ongoing challenges Base faces in establishing its dominance in the blockchain space.

Recent interactions between leaders within the two ecosystems have stirred debate and controversy. Base creator Jesse Pollak presented a provocative query on New Year's Day on the platform X (formerly Twitter), asking how best to attract Solana traders to Base. This remark ignited criticisms from various community members, including Chase Barker, the former head of the developer ecosystem for the Solana Foundation, who stated, “There’s a reason Base is literally begging for Solana users. They are a corporate bank with no soul.”

Kevin Sekniqi, co-founder of Ava Labs, suggested that Coinbase should steer its focus towards the industry's overall expansion instead of attempting to poach users from Solana. Pollak's inquiry and its associated criticisms surfaced shortly after Solana Foundation president Lily Liu expressed on the Unchained podcast that she believes Base lacks the potential for long-term competition with Solana. Liu articulated that Layer 2 networks, particularly those developed by corporations such as Coinbase, are detrimental to the Ethereum ecosystem, stating that they are “far worse” than being parasitic, and described such dynamics as “cannibalistic.”

These remarks provoked backlash from various members within the Ethereum community who countered Liu’s claims with insights into Ethereum's long-term prospects, suggesting a more nuanced view of the competitive landscape within blockchain technology.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://yellow.com/news/base-emerges-layer-2-powerhouse-record-breaking-year> - Corroborates the significant growth in Base's on-chain activity, including the surge in daily transaction volumes, DEX volume, and total value locked (TVL).
2. <https://www.bitget.com/news/detail/12560604457174> - Supports the growth metrics of Base, including the 22-fold increase in daily transaction volume and the 31-fold increase in DEX volume.
3. <https://nulltx.com/base-emerges-as-the-top-layer-2-network-of-the-year/> - Confirms Base's emergence as a top Layer 2 network, outpacing competitors like Arbitrum and Optimism in key metrics such as TVL, active users, and transactions.
4. <https://yellow.com/news/base-emerges-layer-2-powerhouse-record-breaking-year> - Details the developer-friendly and cost-effective nature of Base, which has attracted both retail and institutional participants.
5. <https://www.bitget.com/news/detail/12560604457174> - Highlights the exponential growth of Base's daily transaction volume and the increase in total value locked (TVL) from June 2023 to December 2024.
6. <https://nulltx.com/base-emerges-as-the-top-layer-2-network-of-the-year/> - Explains how Base enhances transaction speed and reduces costs using optimistic rollup technology, making it a preferred choice for developers.
7. <https://yellow.com/news/base-emerges-layer-2-powerhouse-record-breaking-year> - Mentions the surge in canonical assets within Base's TVL, indicating growing institutional confidence in the network.
8. <https://www.bitget.com/news/detail/12560604457174> - Supports the quadrupling of developer engagement on Base, reflecting increased demand for revenue-generating contracts.
9. <Note: There is no direct source provided for the specific details about Virtuals protocol, AI agents, and associated tokens. The information seems to be from an unspecified source and cannot be corroborated with the given links.> - No direct source available for this specific information.
10. <Note: There is no direct source provided for the comparative metrics between Base and Solana, such as daily active addresses and transactions. The information seems to be from an unspecified source and cannot be corroborated with the given links.> - No direct source available for this specific information.
11. <Note: There is no direct source provided for the interactions between leaders of Base and Solana, including comments from Jesse Pollak, Chase Barker, Kevin Sekniqi, and Lily Liu. The information seems to be from an unspecified source and cannot be corroborated with the given links.> - No direct source available for this specific information.
12. <https://news.google.com/rss/articles/CBMitwFBVV95cUxPeHdCWW93Mlo1WGVPWG1ISlVVY1Q0ZGF1R1I0LXlRWU9ielRYTzVNZWFuMktOSVVQb0ZoQnJobV8tbWlxdDdheUwzMzhCaC1OYThMSVpCVmx4TmgzbmZSUlZTaVBIUWZsazQzLTVqenVDdmJjdlY5RDlJWDQxcnRua08zRFpnU0dXWTJwOEZNcHJ3UWhkSFItSk92UXlBVnZaZGRHd05UbkdVb1RseElYQjl0VmJ4MDg?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data