

The Blockchain Times

“All the Crypto News That’s Fit to Print”

Kusama News - December 2019

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In a major development for the blockchain industry, the Kusama network officially launched in December 2019 as an early, unaudited version of the highly anticipated Polkadot protocol. Dubbed the "canary network" for Polkadot, Kusama aims to serve as a high-risk testbed for blockchain developers and projects looking to innovate rapidly before deploying on Polkadot's more stable mainnet.

Experimental Blockchain Platform Goes Live, Promising Fast Innovation and Low Barriers to Entry

Special Correspondent

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Genesis and Governance

Blockchain Policy Correspondent

Kusama's genesis block was produced in August 2019, but the network spent several months operating as a permissioned proof-of-authority system managed by the Web3 Foundation. In early December, Kusama transitioned to a decentralized proof-of-stake model, opening up staking and governance to the broader community.

This phased rollout demonstrated Kusama's ability to evolve organically, starting as a closed system and progressively decentralizing. By mid-December, Kusama had become a fully permissionless network, with validators and nominators able to participate in consensus and earn staking rewards.

Dr. Gavin Wood, founder of Polkadot and former CTO of Ethereum, described the launch as a milestone for blockchain experimentation: "Kusama

embodies the 'move fast and break things' philosophy. It's a place where we can push the boundaries of what's possible in blockchain without the burden of absolute stability required for high-value applications."

Technical Innovations

Technology Reporter

Kusama shares nearly identical code with Polkadot, leveraging the Substrate blockchain framework to enable a multi-chain network of specialized blockchains called parachains. This architecture aims to solve blockchain scalability and interoperability challenges.

Key features launched in December included:

- Nominated Proof-of-Stake (NPoS) consensus
- On-chain governance with referenda and council elections
- Treasury system for funding community projects
- GRANDPA finality gadget for fast block confirmations

The network also saw rapid iteration, with over 20 runtime upgrades deployed in its first few months of operation. This pace of development would be considered risky for a production blockchain, highlighting Kusama's role as a live experimental environment.

Economic Model and Token Distribution

Market Analysis

The native KSM token serves as the fuel for the Kusama network, used for staking, governance, and parachain slot auctions. KSM began trading on exchanges in December 2019 at an initial price around \$1.71.

Notably, the distribution of KSM mirrored that of Polkadot's DOT token. Users who participated in the Polkadot sale were able to claim an equal amount of KSM, ensuring alignment between the two ecosystems. The Web3 Foundation retained a

small allocation of KSM for future incentives and development.

Looking Forward

Editorial Team

As 2019 drew to a close, Kusama had established itself as a unique experiment in blockchain governance and development. Its success in the coming years could have far-reaching implications for the broader adoption of multi-chain architectures and fast-iteration blockchain platforms.

"Kusama continues to serve as the innovation hub for the Polkadot ecosystem, embracing chaos to drive blockchain evolution forward."

— Blockchain Observer