Blockstack Governance

Community Call 2020/2/13

Agenda

- Introductions
  - Brittany & Jenny from Blockstack PBC
  - The initiative, high-level goals
  - Lane
- What is governance?
- The Stacks Foundation
  - Current thoughts
  - Questions
- Deliverables, timeline
- Your turn! Q&A

What do we hope to accomplish?

Progress towards a "healthy ecosystem where no single party has too much control of the network, where users are not dependent on any single entity for software development, and where no entity can be considered an issuer of the tokens used on the network"

- Involve the community in the process of designing and implementing governance
- Author a founding charter for a new legal entity, which includes community feedback on governance
- Transparency, accountability, and getting things done right in a timely manner

Meet Lane

- Studied computer science as an undergraduate, worked at a hedge fund
- Helped run a nonprofit microfinance institution
- MBA, MA in International Studies from The Wharton School/U. Penn/Lauder
- Co-founded a healthcare technology startup
- Founded Crypto NYC in 2017 (nonprofit, community-driven)
- Ethereum core developer 2017-2019, very hands on with governance, #EIP0
- Independent governance research and consulting since 2019, participated in COALA, Wharton Cryptoeconomic Governance Workshop
- Cross-chain governance workshop at DevCon V last year
- Writing about governance, talk on State of Ethereum Governance

What is governance?

Defining governance, part I

Decision-making

- "a system for decision-making within a particular context"
- "the rules, processes and norms used by stakeholders to make decisions."
- "the decision-making and decision-implementing process surrounding data."
- "the system of rules, processes, norms, and judgments that drive how decisions are made."
- "the institutional framework around individual and group decision-making"
- "the process that participants of a particular ecosystem use to coordinate, make, accept and enforce decisions related to that ecosystem"

Collective Action

- "the origins and operation of collective action via decision-making and coordination systems"
- "collective decision making"
- "how complex groups make complex decisions"
- "the process by which a group of stakeholders make decisions in general and more specifically reach consensus on how to allocate scarce resources"

Source: Kevin Werbach, Wharton Cryptoeconomic Governance Workshop

Defining governance, part II

Power and Authority

- "the way power is distributed within the system"
- "the exercise of authority"
- management of the "keys to power"

Rules

- "policies, standards, practices, and laws that shape blockchain, and uphold its values."
- "the entirety of rules governing a network"
- "choosing in groups according to rules that everyone has agreed on in advance, with the understanding that everyone accepts the result if the rules are followed" (Munger 2014).
- "the set of processes that comprise how a state, market or system 'makes rules'."

Change Management

- "steering an entity or system through change"

How we make decisions, together.

What is *crypto* governance?

- Hint: you're already doing it!
- What makes "crypto governance" unique?
- What, exactly, are we governing?
- What problems are we trying to solve/what challenges do we face?
- Formal vs. informal governance, on-chain vs. off-chain
- Processes, mechanisms, stakeholder groups: aggregating preferences
- Transparency and accountability
- "Constitution" as a starting point: mission, vision, values, principles, etc.
- See this article and this article for more

What are we governing?
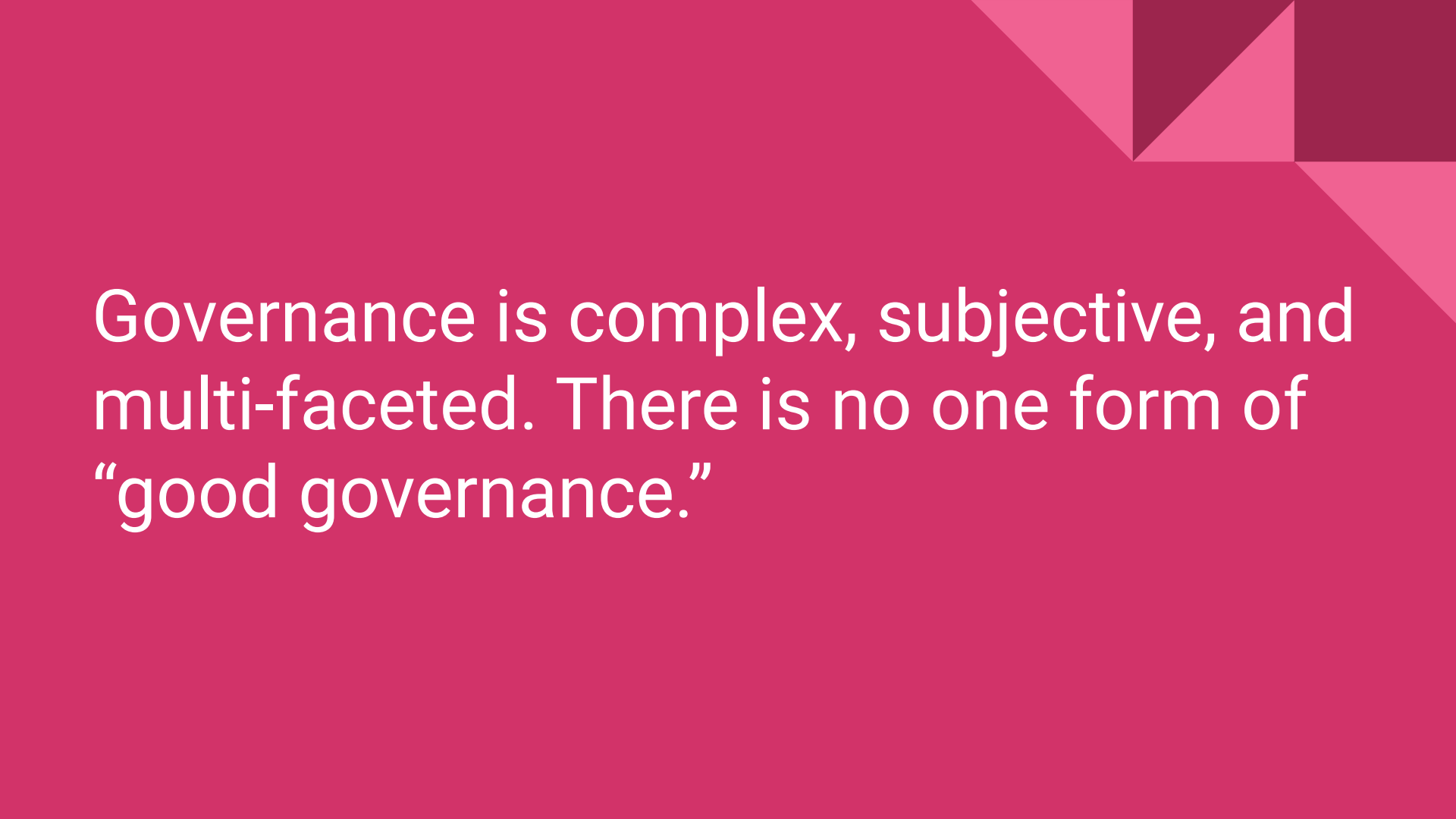
What is "Blockstack"?

a.k.a., "What are we governing?"

- PBC, The Foundation, resources (i.e., meatspace and specific)
- The community (also meatspace, but vague)
- Core protocol (i.e., the specification)
- Client implementations (i.e., repositories)
- The network (i.e., the hardware and network layer)
- The blockchain (i.e., the data layer)
- Blockchain applications (i.e., the application layer)

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Governance is complex, subjective, and multi-faceted. There is no one form of "good governance."

Governance *of* blockchain
Governance *by* blockchain

Deliverables for our Governance Proposal

- "Constitution": Mission, vision, values, principles, goals
- Roles of PBC, Foundation, Community; Checks and balances
- Foundation Governance
    - Founding charter
    - Executives and directors
    - Transparency and accountability
    - Role of the community
    - Treasury management
- Community Governance
    - Codebase: upgrades, technical proposals, protocol governance, SIPs
    - Non-technical governance: economic, ethical, legal, etc.
    - Dispute resolution
    - Knowledge base

NOTE: The proposal may not include *all* of these

Proposed timeline

- Week 1: Foundation announcement & working group [Feb 7]
- Week 2: Governance community call & onboard researcher [Feb 13]
- Week 3/4: Community survey, focus groups, and research
- Week 5: Draft 1 Governance proposal
- Week 6/7: Community feedback, working groups, and research
- Week 8: Draft 2 Governance proposal
- Week 9: Draft Foundation charter proposal
- Week 10: Community feedback, discussion, and foundation setup
- (TBD) Week 11-15: Formation of foundation

Q&A

Next steps

- Comment on the Blockstack [forum post](#)
- Join the #governance-working-group channel [on Discord](#)
- We'll do more working group calls (see the Discord channel)
- Survey coming soon!
- Additional resources
  - [Wharton Cryptoeconomic Governance Workshop](#)
  - Etherean.org

Thank you!