

Introduction

With the aim of enfranchising the tens of thousands of small voters, this proposal suggests we delegate (not grant) 5,000,000 ARB to a public access-voter block subject to meeting emission timelines as well as participation/output-based KPIs outlined below and a clawback after 1 year if the DAO votes to do so. Arbitrum community members may mint a free, soul-bound Voter Pass which allows them to take part in mobilizing this voter pool. As detailed further below, this model:

1. Grants a clear and significant voice to retail voters regardless of their financial means
2. Incentives participation with additional governance authority, not inflationary rewards
3. Incentives participants interested in governance itself, not financial gain

To support this initiative, the Event Horizon team has offered a \$3,000 ETH grant to reimburse the gas cost Arbitrum community members spend to mint voter access passes to a public good voter pool.

Rationale

5,000,000 ARB would place Event Horizon community as the 21st largest delegate. We think this places a fair amount of power into the 3rd pillar of governance, namely retail (the other two being team and individual delegates).

This proposal reflects two of Arbitrum's core mission values:

1. Socially Inclusive: By constructing a dedicated block of governance authority with lower capital barriers, our community greatly expands who gets a seat at the table.
2. Neutral and Open: By making the thoughts and ideas of this broader swath of individuals heard, we further broaden the spectrum of possibilities for the evolution of our ecosystem.

Problem

Today, with only 7 of the top 15 top delegates, any proposal can be passed on chain. However, there are over thousands of individual voters who participate in each vote despite having effectively no meaningful say. This should be rewarded. Moreover, there are likely tens of thousands more incredibly talented community members who are very capable of adding to the collective cognition of the ecosystem, but simply lack the capital means to have a voice and are left discouraged from voting at all. Not voting when you only have \$500 worth of ARB is a drop in the bucket. Sitting out governance proposals is unfortunately the rational decision, but collectively makes everyone worse off.

Background

Event Horizon is a public good. It is a public-access meta-governance block.

DAOs today rely exclusively on individuals and company entities to serve as network delegates. However, this isn't the only option. While individual delegates certainly add incredible value to the Arbitrum Ecosystem, so would a governance allotment dedicated to the greater body of smaller retail participants.

In this regard, Event Horizon slots into the Arbitrum ecosystem in a similar fashion to a standard delegate, however, rather than the block voting based on the decision of one individual, it votes with the collective cognition of hundreds of individual voter pass holders.

This serves two functions:

1. It provides a clear and designated voice for smaller, retail voters.
2. It drives participation through a game-theoretic process called Implicit Delegation.

One of the greatest barriers to participation is a lack of voice due to lack of capital. Implicit delegation and public access governance changes this.

Implicit Delegation is a model by which the full public governance block mobilizes in favor of the consensus of those who do vote

, thereby implicitly delegating the authority of those who don't vote

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When participation is low...

each voter receives a larger slice of the public access pie. This means the fewer people there are voting, the more incentive there is for someone new to come and participate.

When participation is high...

there are more voters splitting the same pie, however, retail participation is high, which is a win for the ecosystem.

Implicit Delegation represents an effort to offer a new paradigm around means of influence. A shift from today's entirely capital-centric to a more retail-friendly participation-centric model.

Where Direct Governance allocates influence along the lines of capital, and Explicit Delegation allocates influence along the lines of popularity (which often reflects capital), Implicit Delegation allocates influence to those who care most: people showing up to vote. Because the carrot is influence, it attracts governance-interested retail, not capital-interested retail, more on that below.

Because the entirety of the block is always mobilized, those who are most vested are rewarded for their participation by having a larger share of the voting pie. In this regard, EventHorizon's model leans into a systemic lack of participation to create a solution.

Benefits compared to Token Incentivized Governance:

While token rewards for participation hold legitimate merit and are an intuitive remedy for low turnout, it has limitations.

1. Misaligned Incentives:

Token-based incentives attract returns-interested parties. However, when it comes to governance, participation is most valuable when it comes from those interested in participating not payout. Implicit delegation directly appeals to these individuals as it rewards those who participate, not with capital, but with greater voting power.

Added Thought Capital: in line with the notion above, there are likely thousands, of community members each holding both strong ideas and valuable contributions for the ecosystem, but simply lack enough voice to justify participation. Through Implicit Delegation, any community member of the Arbitrum ecosystem has an opportunity to have their voice heard, bringing thousands more minds and ideas to the surface.

1. Inflationary:

While token rewards drive participation at the expense of inflation, Implicit delegation simply leverages its game theory model to increase incentive to vote in the form of a greater voting share. This does not cost the token any inflation, nor the treasury any ARB.

1. Non-scalable:

Token-based rewards are finite and require a constant drain of ARB funds to continue driving participation. As the ecosystem scales, and more participants join, greater and greater sums of ARB will be needed to continue fueling growth. Implicit delegation has no cost, and its balanced game theory functions with no burn. As more retail voters join, more Arb could be delegated to the community block, however, again, this is not a cost as the ARB tokens are still retained by the treasury.

Specification

Past Performance:

The above is not just theory. The Event Horizon community is already active on Ethereum mainnet meta-governing Uniswap, AAVE, Compound, ShapeShift, and of course, Arbitrum. In fact, in 2 of the 3 latest Uniswap votes, the Event Horizon community was the 11th largest voter in the Uniswap Ecosystem, 18th in the other vote. Event Horizon has also recently voted as the XXth largest delegate in recent Aave votes. While there is still quite a gap between Event Horizon and 10th place, interestingly enough this position serves as a sort of DMZ between individual delegates above, and retail below. This dynamic does, however, highlight an issue we are addressing. Raise the long tail a bit. Individual, organization AND retail delegation are all valuable and mutually inclusive

, three symbiotic pillars for a strong ecosystem.

Since its inception just a few months ago, the Event Horizon protocol has processed nearly 100 metagovernance proposals and placed over \$5,000,000 of governance authority and enfranchisement directly into the hands of the retail voter, a feat not seen anywhere else in the DAO space. Across all proposals for which the Event Horizon Community has participated, the community's cumulative voter footprint is on pace to exceed \$10,000,000. Some more metrics worth highlighting:

Number of Meta-Proposals Passed >150

Our community members have participated in and passed over 100 meta-governance proposals, each corresponding to Uniswap or AAVE base layer proposals.

Voter Participation: >30%

Over thirty percent of our community members have participated in our meta-governance proposals. Some participants have voted as many as 63 times in under 5 months. Check out the latest info on our leaderboard: [EventHorizon.vote/leaderboard](https://eventhorizon.vote/leaderboard)

Average Authority Mobilized per Participating Passholder: >\$100,000 (and counting)

For the cost of \$3 in gas, each participating passholder has mobilized an average of just over \$100,000 in Uniswap and AAVE authority governance authority across all meta-governance proposals passed.

Average Authority Mobilized Multiple: 33,333x (and growing)

The average pass holder minted their voter pass for ~\$3 in gas. When compared to the \$100,000 in average authority mobilized, each member has mobilized over 33,333x their gas cost of admission in blue-chip governance authority.

Notable metagovernance proposals:

1. ehUNI-1 – Deploy Uniswap V3 on Scroll:

The Event Horizon Community voted to support the deployment of Uniswap on Scroll. 24 voters participated each mobilizing >\$4,000 of Uniswap authority: <https://x.com/BuildWithScroll/status/1738249059616592223?s=20>

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1. ehUNI-3 – Lower Onchain Proposal Threshold:

The Event Horizon Community voted to support the University of Michigan Blockchain Club's proposal to lower the Uniswap proposal threshold from 2.5M UNI to 1M UNI. The initiative is intended to make proposal creation more accessible. This metagovernance proposal mobilized >\$175,000 of UNI and achieved a record-high vote multiple of 8758x for those retail voters who participated.

Mechanisms

1. Duplication: Event Horizon Automatically copies proposals published on the Snapshot of included DAOs, in this case Arbitrum, into its simplified UI [meta-governance dashboard](#):

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1. Meta-Governance:

The Event Horizon voter pass holders conduct a meta-layer vote to assess the community's desired base-layer proposal outcome. NOTE: voter passes are free to mint and the Event Horizon will subsidize the gas cost for Arbitrum community members. [EventHorizon.vote/mint](https://eventhorizon.vote/mint)

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1. Base-Layer Voting

: The Event Horizon community wallet automatically votes in favor of the desired outcome determined by the passholders.

Steps to Implementation

The primary step to implementation would be the delegation of ARB to the EventHorizonCommunity.eth (0xabc...). From there, Event Horizon will facilitate the processing of metagovernance proposals as it has been for many other DAOs.

Again, this would not be a grant and funds would remain in the DAO-controlled wallet. Consider us a delegate like any of the other talented delegates currently supporting the Arbitrum ecosystem.

Delegation would occur according to the following KPIs and timelines:

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1. Total Delegation:

Cumulative ARB delegated to EventHorizonCommunity.eth

1. Earliest Date:

Earliest date of ARB delegation

1. Passholder Count

: Cumulative number of HVAX Voter Pass Holders

1. Proposal Participation:

The percentage of proposals the community voter block participated in over the delegation period

1. Average Pass Participation:

The average number of pass holders participating in each proposal. This has been set at 10%, over 3x higher than Arbitrum's current wallet participation rate

1. Total Participation:

The percent of total passes that have voted on at least one proposal

The earliest date and three of the four benchmark thresholds would have to be met before the vesting of a given ARB allotment.

Additional Considerations

The Arbitrum Event Horizon Oversight Committee

: A committee of 5 existing, notable delegates will be voted on by the Arbitrum community to be given the ability to guide the Event Horizon voting pool on matters of Arbitrum meta-governance. A simple 3/5 majority would allow this committee to veto the decisions of the voter pool within the 24 hours between the closing of the Event Horizon proposal, and the underlying DAO's proposal.

Sybil Considerations:

it is important to note that the delegated ARB is by a large margin a minority voter amount. Any potential risk of Sybil influence over the public-access block would under almost all conditions not amount to a sum of authority that would be capable of passing a vote absent incredibly significant broader support from other delegates and the broader Arbitrum ecosystem participants. E.g. a rogue vote is virtually impossible.

That being said, we are open to heightening anti-sybil measures with Gitcoin Passport requirements for Arbitrum meta-governance.

Gitcoin Passports allow for the customization and weighting of proof-of-humanity criteria including:

- Captcha

- Discord Link
- Coinbase Verification
- ENS use
- Wallet Balance
- Wallet Age
- Facebook Link
- Gas Spent

Civic Uniqueness (<https://support.civic.com/hc/en-us/articles/6855280050839-What-is-Civic-Uniqueness-Pass->)

Future considerations

A bonding mechanism may be implemented to increase the voter pool size from delegates and the broader community thereby allowing small retail and delegates to pool their voting power together to compete with larger delegates. The specific details of this implementation will be ironed out in conversation with various delegates and DAO stakeholders.