

This discussion-piece is co-authored with [Axis Advisory](#) team member [@ConsensusAnalyst](#) .

TL;DR

- The self-voting policy discussion aims to initiate an official forum discussion relating to the concept of self-voting so as to solicit delegate feedback re. whether we should aim to have a more streamlined approach to this phenomenon;
- This self-voting policy discussion discusses cases that have arose in the past where delegates have self-abstained from voting with an aim to soliciting delegate feedback re. whether any of these potential scenarios (that may continue to arise from time to time), should have a more consistent approach to ensure harmonisation;
- This discussion emanates from events that took place in the recent LTIPP elections and comments made by [@SmolPhil](#) in the election process itself. In light of the well-founded nature of these comments, we think it best to have an official forum discussion to agree on a way forward or rather, comparatively assess delegate-approaches towards self-voting.
- Should this discussion lead to a general consensus re. when self-voting should be avoided, we are volunteering to create a Constitutional AIP to include this general consensus as a guidance of sorts in the ArbitrumDAO Constitution [Section 2].

ABSTRACT

This self-voting policy discussion aims to highlight the concerns surrounding self-voting within the ArbitrumDAO (hereinafter referred to as the 'DAO') and will apply to all voting activities i.e. Constitutional and Non-Constitutional AIPs. Its objective is to reduce ambiguity and facilitate more informed decision-making in subsequent proposals by creating a harmonised and consistent approach towards the self-voting phenomenon.

The self-voting policy discussion also addresses the challenges in determining what constitutes a 'direct' and 'indirect' conflict of interest and whether this should or should not be included within the self-voting amendment to the constitution.

Anchored in the principles of ethical conduct and community trust, the self-voting policy discussion focuses on the necessity of instituting checks over balances, harnessing a shared understanding among all token holders.

MOTIVATION & RATIONALE

During the recent LTIPP proposal for Council Elections held on Snapshot there was some confusion as to whether 'applicants may or may not vote for themselves'. This was raised by [SmolPhil on the 'LTI Pilot Program Position Application Thread' on Jan 21, 2024.](#)

Although this was not mentioned in the LTIPP proposal and does not form part of the ArbitrumDAO Constitution, there was an informal understanding that "the community found no self-voting rule to be the fairest approach".

The purpose of this self-voting policy discussion is to clear the air and identify whether the community truly is in favour or against such a measure. Within both democracies and DAOs, it is integral that the 'rules of the game' are clear to all participants, making the voting process as transparent as possible.

Feedback in reply to this self-voting policy discussion on the community forum, in a public space accessible to all, is strongly encouraged.

OVERVIEW

Self-voting refers to the practice where token holders use their voting power to vote on proposals that involve or benefit themselves.

While self-voting could incentivise participation by aligning the interests of participants with the DAO, who ultimately have their 'skin in the game', it could also raise potential conflicts of interest whereby people vote in accordance with their self-interests rather than for the long-term well-being of the DAO.

The focus is to avoid situations of self-enrichment arising, in particular, where delegates vote for themselves to get elected to a committee, in which they will be privy to direct financial gain.

For the purpose of this self-voting policy discussion, 'self-enrichment' refers to the act of increasing or enhancing one's own personal financial wealth as a result of one's own voting contribution.

[POTENTIAL] STEPS TO IMPLEMENT: SELF-VOTING POLICY

There are myriad of modes of implementation re. The self-voting provisions that could potentially be included in the ArbitrumDAO Constitution.

- Apply self-voting policy for election-type votes on an individual level.

Example: If X is a delegate, X cannot vote for him or herself if X is an election applicant.

- Apply self-voting policy for election-type votes on an individual & committee level.

Example: If X is part of a delegate committee, the delegate committee would not be able to vote for X if X is an election applicant.

- Apply self-voting policy in relation to conflicts of interest.

Example: If X is a delegate and has a vested interest in Y's proposal or will be voting for Y's proposal due to a direct affiliation (such as employment).

- Apply self-voting policy in relation to self-enrichment.

Example: If X is a delegate, or part of a delegate committee, X & the delegate committee cannot vote on proposals which would lead to X getting a corresponding financial gain from the proposal passing.

POTENTIAL GUIDELINES FOR A SELF-VOTING POLICY

Identification of conflicts

A conflict of interest will be determined to arise where a token-holder or their close associates stand to directly (and possibly indirectly ~ depending on which proposal passes) to benefit from the outcome of a proposal.

Therefore, before voting, token holders must reflect on the proposal in question and whether a conflict of interest, as explained above, is present.

One of the main points of contention relates to indirect conflicts of interest. To explain what is meant by 'indirect' in this context, reference will be made to the example raised by SmolPhil (referenced above).

In essence, will Treasure DAO members be able to vote for SmolPhil, when applying to the LTIPP Council as an individual, given that he is a member of the ARC?

The purpose of this self-voting policy discussion is to open the floor to discussion and to act as a form of guidance going forward, rather than to argue for or against the inclusion of such a measure.

Disclosure Requirements

When voting for a proposal whereby an actual or potential conflict of interest may be present, one should self-identify this, including the nature and extent of the interest.

This should include an explanation of this actual or potential conflict, included as a reply to the proposal itself on the forum, which is to then be linked to on Snapshot or Tally, including the nature and extent of the interest.

Abstention Form Voting

In the event that there is a direct (and possibly indirect ~ depending on which proposal passes) conflict of interest, the token holder should abstain from voting and participating in the voting process regarding the proposal in question.

By leaving a comment on platforms such as Snapshot or Tally, further clarity is provided to the community as to the reason why the token holder has opted to abstain from the vote.

This practice helps address potential issues of uncertainty and information asymmetry. Therefore, the focus is on providing the most valuable information to voters in the quickest amount of time possible, thereby reducing the likelihood of voter fatigue.

Consulting with the Community

On the other hand, circumstances may arise where a token holder faces uncertainty regarding the existence of a conflict of interest.

In such instances, it is incumbent upon them to actively seek the community's input on such matters, gathering their feedback and proceeding to act accordingly in good faith.

This aligns with the DAO's aim to encourage a culture of open and structured dialogue without having to rely on small groups of people to make decisions.

Consequences for Violation?

The purpose and scope of this prospective proposal is to serve as a form of guidance. Consequently, for the time being, there are no plans to introduce formal enforcement mechanisms.

Rather, the primary deterrent against self-voting rests on the potential for reputational damage and community backlash, which could have far-reaching negative impacts surpassing any immediate benefits.

This approach is designed to uphold fairness and transparency within the DAO, rather than resorting to a rigid prescriptive approach.

LOOKING FORWARD

We encourage all ArbitrumDAO participants to voice their thoughts in relation to the subject-matter discussed above. For consistency's sake, the end goal for this discussion is for it to result in a Constitutional AIP drafted in light of community feedback.