

In the Cosmos FAQ on validators there is this question:

How to prevent concentration of stake in the hands of a few top validators?

The Answer:

For now the community is expected to behave in a smart and self-preserving way.

The purpose of this post is to start a discussion of how to encourage delegation to smaller validators. I am no doubt self interested in this, I run a validator with the moniker the_dusky with a very small stake, but I also think it is undeniably in the interest of all to decentralize.

I realize that the larger validators have put in a ton of work to build really robust setups and tools for the community. To be clear, there is a good reason the top 5 - 10 are who they are and I, myself, am working on adding value to the network through promotion and hopefully tools as well. But in the end, there may - probably will - be good reason for natural consolidation regardless of efforts at the lower levels, and this can't be desirable long term for anyone.

Again the point here is to start a discussion to get thoughts and ideas from community about this. So I will start with my own ideas.

My initial thought is that there are two ways to best foster the delegation to smaller validators and I think the SCRT Foundation as well prominent community members can play an integral role here.

The first is for us to encourage people to spread their stake across multiple validators. This is not only a good idea for the network, but it is a good idea generally to diversify risk. A statement in the documentation suggesting this would be extremely helpful.

The second is to come up with a sort of certification process that smaller untrusted validators can go through to affirm that they are following all best practices and are safe to delegate to. I understand the last part, saying that they are safe to delegate to, may be too hard to do. But the idea of having best practices and allowing validators to affirm they are following them, would be easier and go a long way.

Sandy