

# Plurality Labs Milestone 1b(ridge):

Decentralize grant decision, clarify value, prepare for scale

## Introduction

Back in August, Arbitrum DAO passed our AIP-3 to build a pluralistic grants framework that decentralizes grants decision-making, avoids capture and scales valuable grants allocations, and grows the Arbitrum ecosystem overall.

Our proposal [passed on Tally](#) with ~99% of delegate votes. It had overwhelming support, we believe, because you a) trust our motives and capabilities, and b) understand how big and important the problem is:

Nearly every DAO struggles to create sustainable value - largely because DAO decision-making is famously slow, and inefficient, which drives them to compromise their values and centralize. Arbitrum is committed to being better, and you believed in our ability to help.

## Background (Milestone 1a Retrospective)

Across Milestones 1a, we pluralistically deployed funds via 12 different grants programs and different modalities for grants decision-making.

Experimenting with multiple modalities allows us to allocate grants to support quick feedback about what works and can scale now. We can quickly evolve our grants decision making based the below success rubric, which determines where to allocate grants:

[

1600×1266 148 KB

](<https://global.discourse-cdn.com/standard17/uploads/arbitrum1/original/2X/1/19f2561a1ec3653e1dbc41d5a646874c679c4d6a.jpeg>)

- Grow = double-down / start to scale
- Coach = make changes / try again
- Cut = discontinue / recommend to seed program

In Milestone 1a, we seeded the initial 12 Grants Programs. In Milestone 1b, we will lean on our newly established Plurality Labs board (more later!) as well as community voices who can evaluate our grants via our Thrive Protocol to inform where to cut, coach, and grow.

[Based on our pluralistic grants framework and success criteria, these are the current results of milestone 1 [details here](#)]

## Some wins from Milestone 1a include:

- Firestarters:

Four proposals passed Snapshot because of our Firestarters program - which funds unbiased research, cat herding, and crafting of proposals crucial to the DAO. These include STIP, ARDC, ARPC, and STEP. ([TNorm talking about our role with STIP](#))

- Experimenting with Grants Decision-Making Modalities:

We drove over 30 experiments in collective decision-making, including proactive and retroactive grant-making, and grant-making driven by experts, expert-counsels, permissionless counsels, random counsels, and direct input mechanisms.

- Retroactive Grants:

We drove the first retroactive grants program in Arbitrum, rewarding unpaid contributors, and setting the stage for follow-on experiments. Some of these people are creating obvious value in the ecosystem now, like Atom from castlecap who is now an LTIPP advisor.

- Quadratic Funding:

Via Gitcoin, we brought thousands of new users, and hundreds of builders and builder projects to the Arbitrum ecosystem.

## Important learning from Milestone 1a:

- Investing in documentation:

We did a lot. We funded 250+ projects, and spurred movement all over the DAO. But we didn't document our work and value well. More importantly, we didn't deliver certain written deliverables that people in the DAO were expecting on time. It hurt us. We won't make that mistake again.

- Investing in communications:

Our bias was for action. We cared about creating value and learning - and put blinders on for everything else. We should have hired a Marketing or Comms person. We didn't. Going forward, we'll button up. We have a good story to tell. We're excited to tell it.

- Leveraging internal team:

Plurality Labs was acquired by ThriveCoin in August of 2023. We have a team of 26 people who support other big ecosystems. We could have leveraged Thrive best practices. But in an effort to stay "true" to the Milestone 1 proposal, we kept the teams separate - too separate. We'll use all available resources this time.

## Summary

We have a big vision. We're seeking to build the most robust pluralistic grants ecosystem in DAO history. To do it, we took some big shots on goal in Milestone 1a - funding 12 grant programs using 30 decision making experiments to fund 250+ projects. Some shots scored and others missed.

This is aligned with the expectations of the pluralistic grants approach. The only way to create and scale pluralistic grants is to decentralize bet taking... and to get as comfortable with the shots that embarrassingly fly into the stands as we are with the goals.

Because it's all data. And the data helps us double-down on winners and cut what doesn't work yet. With the data we're collecting, we will consistently improve results; we will create a robust, long-term pluralistic grants framework for Arbitrum DAO. This framework is emerging now, and it will continue to become clearer throughout Milestone 1b(ridge).

## Milestone 1(bridge):

In our maiden proposal, the principal outcome we sought to achieve was to demonstrate that we could deliver and scale enormous value creation via a pluralistic grants framework. The general feedback from delegates has been: kind of...

There seems to be wide agreement that we created value. There also seems to be wide agreement that there's something here to scale. But there isn't yet wide agreement that we've documented our learning or that we are ready for scale. Fair.

Thus, after consultation with a number of the top delegates, we created this Milestone 1b(ridge) proposal that asks for the exact same amount of ARB and same timeframe as passed with 99% of delegate vote in August.

In Milestone 1b, we will show:

1. We can build on winners and cut underperformers with our initial grants allocations.
2. We can continue to drive experimentation with new grants allocations.
3. We can deliver on all deliverables for Milestone 1 to the satisfaction of our top delegates.
4. We can leverage better tech and systems to support further scale in Milestone 2.

To ensure we achieve these goals, we are implementing best-practices from the Thrive team that, also, are aligned with feedback we received from delegates:

1. Plurality Labs Board: We are welcoming a board of top voices in the Arbitrum community for oversight, and to ensure decentralized decision-making.
2. Human validations: Thrive Protocol allows us to validate when value is created, and pay out funds to projects upon value creation. This is critical for scale. We'll use it.
3. Team upgrade: We are bringing in the big guns for this one, adding team members that know grants, know DAOs, and know scale.

Here's more information about our commitments in Milestone 1b(ridge):

Plurality Labs Board:

We brought together trusted and known voices in the Arbitrum community. Their role with us is to gather feedback and data from our Arbitrum community, and to make strategic decisions about grants allocators, specific grants / contributions, and

validations.

This board is part of this vote. We found people to represent the different stakeholder groups in Arbitrum. Now your votes will ratify this group - which includes two who voted "No" to our temp check for Milestone 2!

[

1600×1200 120 KB

](https://global.discourse-cdn.com/standard17/uploads/arbitrum1/original/2X/8/81db971f7a5e9910d522a44171d3f3625bffb3cb.jpeg)

Human Validations:

Going forward, we will fund our grants at specific milestones of value creation. White-listed Arbitrum community members will - in a pluralistic way - help clarify when value is created, and will also be rewarded for their services (more on this later).

Team revamp:

We are fully utilizing our 26-person ThriveCoin team), we have also added some key team members to our roster, including: Ben West (GitCoin grants lead), Kyler Wandler (DAO Research Collective), and Scott Mandel (Complex Labs, Flexa, 2Q Ventures).

## Cost

As aligned with the feedback we've received from delegates and community members, we made this proposal easy: The total cost and timeframe are the same as the first proposal: 3.36M ARB and 6 months, with 336k ARB to Plurality Labs and 224k ARB to program management, as in the first proposal.

2.8M ARB will be funding ecosystem development, including demonstrating that we can create incrementally more value with our emerging pluralistic grants framework. We are also adding a layer of oversight to our work - welcoming an esteemed Plurality Labs board. They will, among other things, help ensure we deliver the value we promise.

The 560k ARB services fee (same ARB and same buckets as first proposal) includes:

[

Image 2024-02-19 at 7.23.29 PM

1208×169 47.1 KB

](https://global.discourse-cdn.com/standard17/uploads/arbitrum1/original/2X/5/5324ee9d0aaefec16ae1db2a122f798ffc9c0f5d7.jpeg)

## Impact:

Our intention is for this to be one of the most impactful AIPs in the history of Arbitrum. If we do our work right (and we believe we're on the right track) we should be spurring thriving, net-positive ecosystem activity in Arbitrum for years to come.

Additionally, we'll be doing it via a pluralistic grants framework that has a consistent bias for value creation, further decentralization, and resistance to capture. We will be building the future of web3 together, and providing a path for all great people and teams to work with Arbitrum.

When the value of Milestone 1b is obvious, we'll present Milestone 2.

Thank you.