

Title

– High Council x Arbitrum Launch

Non-Constitutional

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TL;DR

This proposal looks at the potential of a High Council partnership with Arbitrum to advance decentralized collaboration and governance. Working with the Arbitrum community, the High Council can provide a decentralized governance rollup enabling teams to share resources and develop the future of governance, with the High Council serving as the top-level governing body responsible for managing the state of the rollup.

We believe this collaboration will unlock a flurry of governance innovation, as DAOs will now be able to easily and trustlessly ship and utilize voting vaults and multichain voting from the rollup itself.

In terms of next steps, we would like to discuss being the first group to request a license from the Arbitrum DAO to run the L2 software for the High Council rollup. Additionally, this includes discussing details of a budget request in order to help with paying a team and running the infrastructure for High Council. The budget will be included in this proposal before it goes to a vote.

Motivation

On-chain organizations enable people to exercise the principles of the open-source movement by openly collaborating to accomplish shared visions and goals. DAOs aim to formalize coordination efficiently and openly. Lately, many DAOs have been seen as mechanisms for value capture rather than value creation. There is a distinct difference between value creation and value capture. Value creation is not focused on monetary gain but on establishing better systems through public goods infrastructure. Value creation is inherently additive and not extractive.

As the High Council considers partners in its goal to facilitate a new framework for DAO governance, we feel that Arbitrum also aligns with these principles. We are excited to announce that we have decided to launch the High Council on Arbitrum. As such, we're excited to open up this discussion to the Arbitrum community and initiate discussions around collaboration opportunities.

Rationale

This is a collaborative effort by long term experts in the open-source crypto movement committed to bringing open-source organizations to life. High Council will launch a public infrastructure rollup dedicated to governance and collaboration. It represents a unified community effort to standardize and advance decentralized collaboration by facilitating the sharing of contracts, tools, resources, and network effects.

The High Council aims to act as a hub for DAOs to govern across multiple chains, utilizing voting vaults to redefine how voting occurs. By doing so, High Council aims to further decentralize governance in a manner that prioritizes inclusivity and transparency.

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As mentioned, the High Council will comprise DAOs utilizing and building on the network. The High Council members will be responsible for developing the governance contracts, the rollup and bridging security mechanisms, and sharing resources.

High Council will use a voting vault that gives each member-DAO represented on the rollup collectively, 1 vote. Community members of each DAO can vote for their respective DAOs, with votes collectively propagating as a single DAO vote on the rollup.

Why Arbitrum?

We believe Arbitrum would be a great launch partner for the High Council governance rollup. Multi-round fraud proofs allow validators to challenge only a particular transaction instead of an entire batch of transactions, resulting in lower transaction fees, making Arbitrum one of the most cost-effective L2 networks in regard to transaction fees.

Arbitrum's EVM compatibility provides a great developer experience, as does the ability to execute EVM code directly, without needing to recompile smart contracts. We also like that the open-source validator software includes a pre-built Docker image allowing anyone to easily engage in active, defensive, and watchtower validator strategies (realizing that validators are currently whitelisted but we anticipate this will be opened up).

It's also not lost on us that Arbitrum has been advancing research in this area in collaboration with Offchain Labs and Cornell Tech to develop the first decentralized fair sequencing algorithm. The success of a truly decentralized L2 requires fair decentralized Sequencers, and Arbitrum's commitment to advancing toward this vision loudly resonates with us.

Specifications

What is High Council?

High Council is a [standalone governance rollup](#) that DAOs can use and build on top of. High Council aims to become the go-to place for governance, and collaboration, creating a unified approach for advancing decentralized governance.

Through the use of [voting vaults](#), protocols/DAOs running and building on the governance rollup are awarded a vote in the High Council. The voting vaults will collectively give each DAO 1 vote (E.g., if there are 12 DAOs, that's 12 votes). The High Council will approve new DAO participation to avoid Sybil attacks. Cross-chain voting and DAO proposal execution are also a core part of the rollup; a protocol may have products or assets deployed in multiple chains governed from one place.

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Key Structure

The High Council Organizational Structure

Currently, there are six working groups, each representing different key focus areas of bringing the Governance rollup to life. The system is leaderless, and we're self-organized into different roles. We can't emphasize enough; this effort is about providing liberty to bring organizational efforts on-chain, not value capture or financial incentives.

The initial six working groups are as follows:

- Rollup and Bridges Infra
- Smart Contracts
- Tooling and Applications
- Governance Facilitation and Onboarding
- Communications and Media
- Financial

High Council is comprised of an ecosystem of open source, battle-tested infrastructure that works together to create a seamless governance experience:

- The High Council rollup itself
- [Council Kit](#)
- [Zodiac](#) & [Connex](#)
- [Hats Protocol](#)

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Council Kit

[Council kit](#) is an SDK for launching and managing your DAO, with an out-of-the-box, themeable UI and deployment starter kit to launch immediately. The tooling includes video tutorials, code samples, and getting-started guides.

The Council Kit offers the following benefits:

- Low fees enable less burdensome voting experiences and make the security of on-chain voting and executables more normalized (similar to what Snapshot enables today).
- Unifying governance efforts and team development allows for a more robust and diverse system. (Note: We also believe it's a beautiful narrative for the ecosystem.)
- The core Council smart contracts are shared all in one place.
- Further, all voting vaults created can be put into a registry for anyone to use for their project: NFT, LP, cross-chain voting vaults, and more can be contributed collectively and become a shared benefit.
- Adoption for decentralized governance increases as a framework is created for new DAOs to launch on the rollup using simple tooling.
- Network effects such as delegate profiles and more can be shared across the system.

High Council will support Council Kit out of the gate as its initial governance framework, but expects to allow for DAOs to bring their own frameworks eventually as well.

Zodiac & Connex

[Zodiac](#) is a modular collection of tooling for DAOs built by the Gnosis Guild according to an open standard on top of the Safe. Zodiac enables adding common security and functionality patterns to DAOs, such as adding timelocks for decision-making, Snapshot vote execution using UMA's oSnap module, and cross-domain governance using Connex.

[Connex](#) is a protocol for secure cross-domain (crosschain & crossrollup) communication. Connex takes a radically different approach than other messaging bridges, layering on top of canonical bridges (e.g. rollup bridges) to secure crosschain messages rather than implementing its own oracle or validator set. Messages that are passed through Connex are batched, aggregated, and posted to Ethereum L1 every 1-2 hours, where they can be disputed using fault proofs if fraud is detected.

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Connex and Zodiac together form part of a Crosschain Governance Stack, that provides the following benefits to DAOs deployed to High Council:

- Best-in-class security and trust-minimization through Connex's model.
- Additional configurable security through other Zodiac mods - e.g. adding a timelock + security council for all cross-domain interactions.
- An end-to-end no-code experience.
- Plug-ins to Council Kit voting vaults to enable crosschain voting.

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To enable crosschain governance, DAOs deploying on High Council set up "Avatars" - Safes on each domain that control admin rights for protocol, treasury, or other contracts that the DAO would want to interact with. Then, they install the Zodiac app and Connex module in each Safe Avatar, which restricts the Avatar to only be callable by the DAO's Governor contract on High Council.

Hats Protocol

[Hats](#) is a protocol for tokenized contributor roles & credentials for DAOs, which we call “hats”. Hats are connected together in a tree structure, which enables the creation of flexible governance structures that are ultimately controlled by the DAO itself. Hats are represented on-chain by tokens that conform to the ERC-1155 interface.

How will Hats support the High Council?

Implementing Hats will address three key challenges for the High Council:

1. Flexibility in Member DAO voting: With Hats, Member DAOs will have the ability to choose to vote using their DAO contract, delegate their vote to a specific multisig (e.g., their stewardship council), or even delegate their vote to an individual representative. Hats also facilitate cross-chain membership and voting for High Council members (for details on how this works, [see here](#). The High Council voting vault can be configured to check if a voter is a valid voter on behalf of or as a Member DAO by verifying that they have a Hat token ID matching a particular pattern. Since Hat token IDs are addressable, we can know what that pattern will be ahead of time based on the structure of the Hats tree as linked above, so we only have to configure the voting vault once, and no changes to it will be required as new Member DAOs (up to 65k) are added.
2. Legibility and confirmation of DAO Membership: Using Hats, active DAO members are clearly legible and confirmed onchain (as any Hat token can be renounced by its wearer).
3. Revocable access control: Rather than manually adding new members to all the right workspaces, communications channels, forums, etc. you can instead mint them a Hat that gives them access to everything all at once, and when the hat is revoked, the member will lose access immediately. Access can also be tied to specific eligibility criteria (e.g., Karma).

A note on composability: Hats Protocol is fully composable with other tools, as Hats are non-transferable tokens that can be combined with tools like Metropolis Pods (eg pods could wear the working group hats), Karma and UMA data for determining eligibility to wear a given hat (hats are revoked automatically if they no longer fulfill eligibility criteria), hat-gating Coordinape circles for compensation, hat-gating snapshot votes, and anything else that incorporates token gates.

Steps to Implement

We are currently inviting the community to provide feedback on this proposal and share any questions and ideas they may have. We also invite any service providers in the Arbitrum ecosystem to make themselves known if they feel they could support us from an infrastructure angle.

We aim to post a Snapshot in the next five days and then move this to a vote including a budget in order to help with paying a team and running the infrastructure with High Council.

Additional References:

1. [Council Kit Homepage](#)
2. [GitHub](#)
3. [Core Features](#)