

Inspired by Vitalik's [plea](#) to make Ethereum alignment legible, this post identifies the problems that are preventing confidence in the work being done in Arbitrum DAO. In its first year, Arbitrum DAO has had tremendous throughput.

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Why then are we unsure if our efforts have made a verifiable impact?

We are entering the [phase](#) of DAO maturity where too many projects have started without a coherent connection to each other - and more importantly - to an overarching mission. As DAO spending explodes we see the attempts begin to wrangle the mess. The lack of confidence in the current system has inspired the [Detox proposal](#) and some are even stating that "We need a CEO for the DAO!"

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Centralization vs decentralization is a false dichotomy. As Vitalik states, "integrating decentralization and cooperation is difficult". An intelligent ecosystem will leverage decentralization to ensure developers access to a rug-free building environment and provide collective intelligence where it most counts. It would harness the benefits of centralization for accountability and execution excellence in a way that is capture-resistant.

The only way to do this is by restructuring how the ecosystem gains alignment, maximizes throughput, and maintains accountability.

I'd propose that the core issue is that impact is relative to outcomes. Without alignment on a hierarchy of outcomes, the impact is hard to measure. Without alignment, all the throughput we can imagine cannot truly be held accountable.

## The Third Option

The Third Option is a pathway to increasing the alignment, throughput, and accountability of the DAO. It is a smarter option which could also provide an example of how an OpCo that serves the Arbitrum DAO and ecosystem might operate rather than the standard government entity model of an organization with the incentives to be as productive as your local DMV.

Let me share with you what the experience might look like for a few key stakeholder groups in the world where we take the Third Option.

## Delegates

Monthly governance reporting calls are broken into sections with agreed upon goals like "40 orbit chains by x date" or "5 hackathons bringing 50 new builds" will be the norm. Delegates won't need to waste time with \$50k proposals unsure if the right person is requesting to do the right work to make progress towards the right objective. Every initiative will be clearly linked to an objective with a clearly measurable goal focused on achieving a pillar opportunity.

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## Contributors

Individuals and service providers will have a clear map of what work is prioritized.

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While a procurement rubric might add preference for those who have successfully completed work before, we would also be able to make explicit openings for new contributors to enter the network. Whether the goal is providing opportunities for new entrants or constraining any one organization from more than x% of total initiatives, the [Arbitrum Alignment Map](#) will offer a shared view to all participants. Monthly open application periods will allow contributors to apply for the many initiative and program ideas already prioritized via a process flow of both centralized and decentralized mechanisms used to legitimately

align on a hierarchy of outcomes.

## Builders

Protocol and Dapp builders will have high confidence in the future programs the DAO runs to support the ecosystem. They will have Pillar Stewards as the direct contacts to share their needs and/or ideas. They will be able to give input to the outcome selection process. Most importantly, they will see progress that inspires them to continue building on Arbitrum!

## A Phased Approach to Building Legitimacy

I am not naive to how difficult alignment is to achieve. By using a phased approach, we can begin the process of identifying and documenting all critical decisions while also pushing forward progress.

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## Alignment

Starting this effort will require a small team dedicated to Arbitrum DAO. Before the decision points are all identified, and a best mechanism is determined for each, this team will be trusted to do basic discovery work and synthesis. They will also be responsible for coordinating snapshot polling and the mechanism design for voting methodologies.

This diagram shows the current state vs a potential future state for the decisions and processes needed to legitimately select Pillar Opportunities, Objectives & Goals, and Initiatives.

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If we can align on a top 3 Pillar Opportunities and Objectives w/ goals for each prior to DevCon, we can use our IRL time to discuss the most impactful ideas for initiatives to serve the desired outcomes.

Successful alignment would position us ready to pass a "Pillar Budget Bill" to fund initiatives for the next 6-12 months.

## Throughput

To ensure this new governance is capture-resistant, we can think of the governance that is designed as a test governance model which has not been pulled into the master governance. This allows it to make strategic compromises as it develops to ensure it drives outcomes prior to the future state being instantiated.

An overlap period will exist wherein the team coordinating the system will either perform the role of Pillar Steward, or partner with someone temporarily serving in the role. Ideally, the steward selection process is defined and ratified by the passing of the Pillar Budget Bill.

## Accountability

Regular cadences for the rituals that support the system functioning will be the responsibility of this team today - and potentially the OpCo in the future. How often do we re-assess the Pillar Opportunities? How often is a Steward or Expert Council role rotated? When do we evaluate the progress of initiatives?

The final months of this project would find answers to these questions. We know there is currently a monthly GRC call. How much better could it be if organized around the Pillar Opportunities with updates on how initiatives supported Pillar Stewards in achieving Objectives and Goals?

## In Conclusion

This system can provide a methodology for our decentralization and autonomy to also be organized without centralizing in ways that compromise capture-resistance in the future. All current initiatives be mapped into this system. For example, Entropy could continue instantiating OpCo while using this template to design roles for the organizational framework. ARDC

could provide research analyzing Pillar Steward performance or investigating how much progress was momentum versus initiative performance.

It is a conscious decision to post this thought piece without running it through or past any delegates or current service providers so the full scope of discussion around it can be transparent and public. We intend for a proposal to follow this post.

We would love input from the community on crafting this process and how we fund a team to execute on this third option - DAO led, community driven.

We will be hosting a discovery call to begin the process on Thursday 10/3 at 3pm UTC.

This post was drafted with [@AlexLumley](#).