

Hardcoding Norms in DAOs

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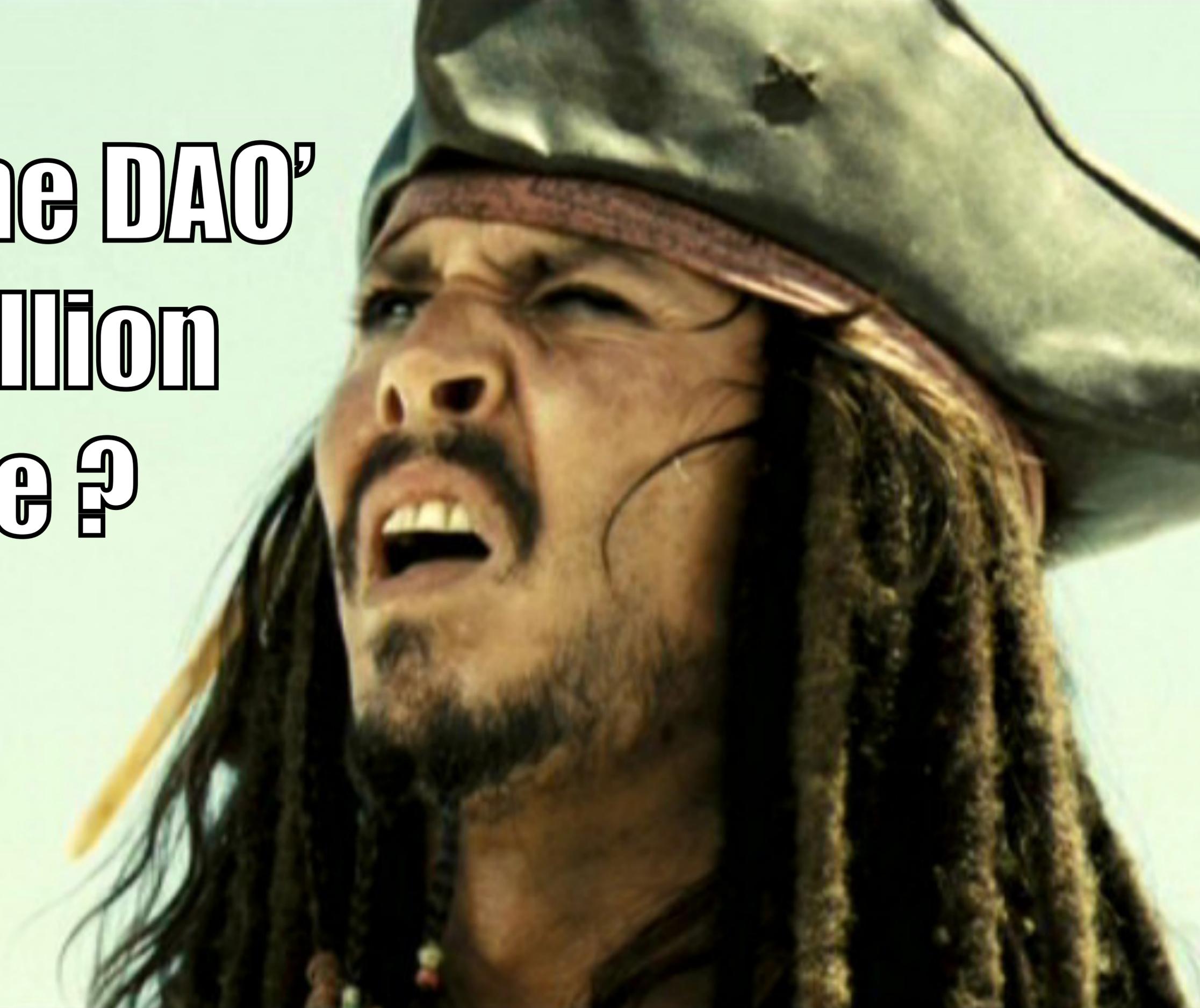
Delft Blockchain Symposium
30 January 2020



“Organisation made of software”

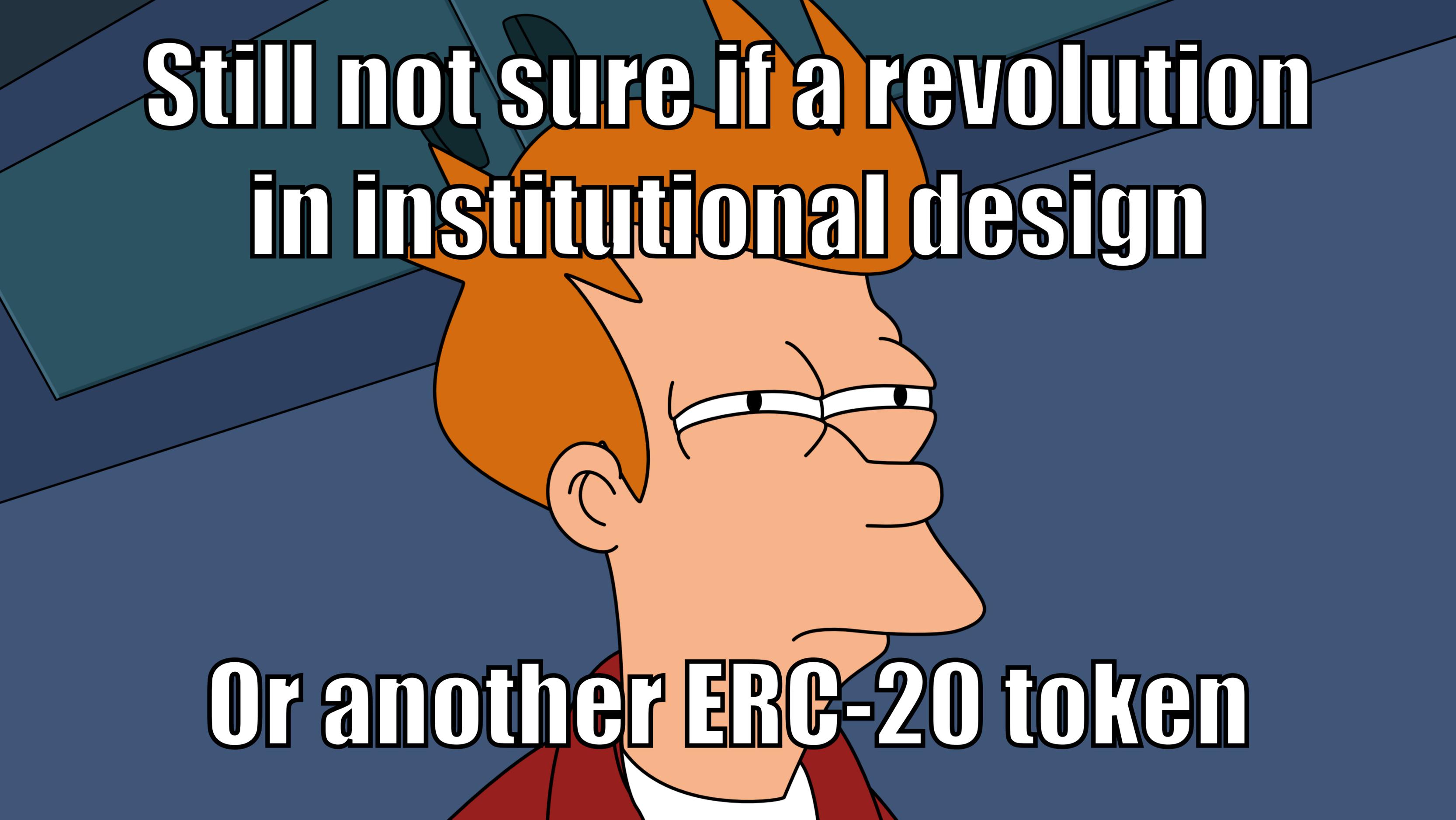
- Functioning without any central point of control (Decentralised)
- Not dependent on external regulatory structures (Autonomous)
- Allows indirect coordination between agents (Organization)

**Was not 'the DAO'
a \$50 million
mistake ?**



DAO experimentation is alive and kicking



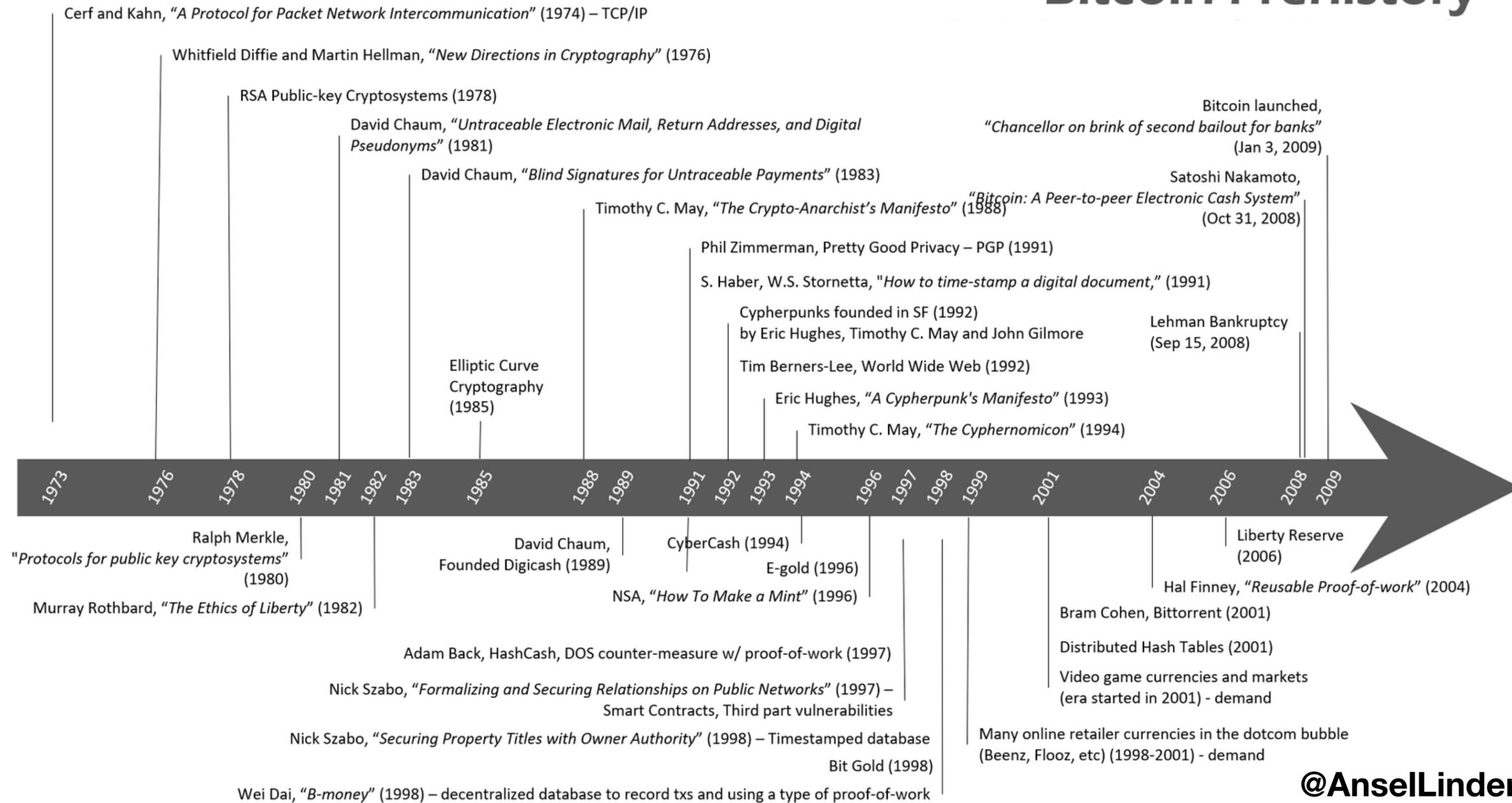
A cartoon illustration of a man with spiky orange hair, wearing glasses and a red suit jacket over a white shirt. He is shown in profile, looking upwards and to the right with a thoughtful expression. The background is a dark blue gradient with some geometric shapes.

**Still not sure if a revolution
in institutional design**

Or another ERC-20 token

It is not about specific implementations

Bitcoin Prehistory



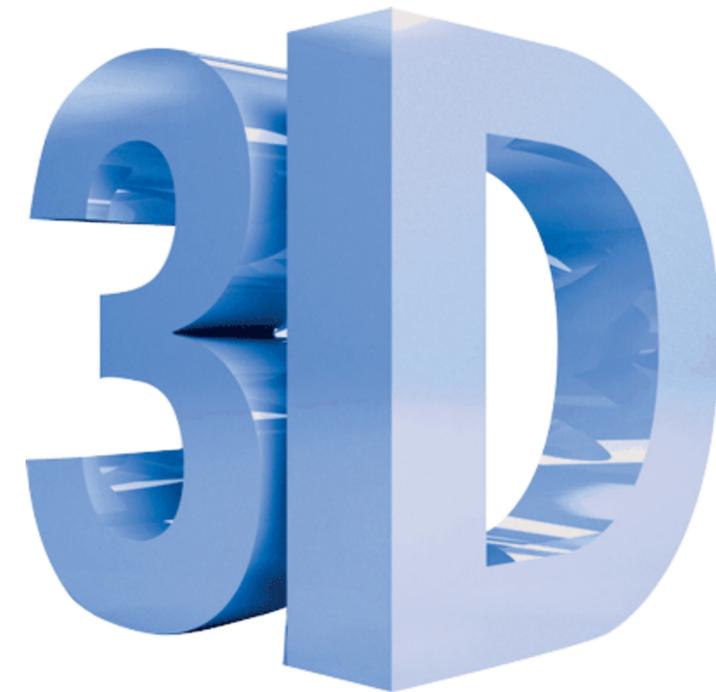
@AnselLinder

But about the evolution of idea

The Idea of Distributed Coordination Systems

Such organisations can enable new modes of social coordination performed in a mostly:

- Decentralised;
- Disintermediated;
- Distributed manner.



Relevance to the real world?



**New domains enabled by
technology as 'Terra Nullis'**



Regulation by technology

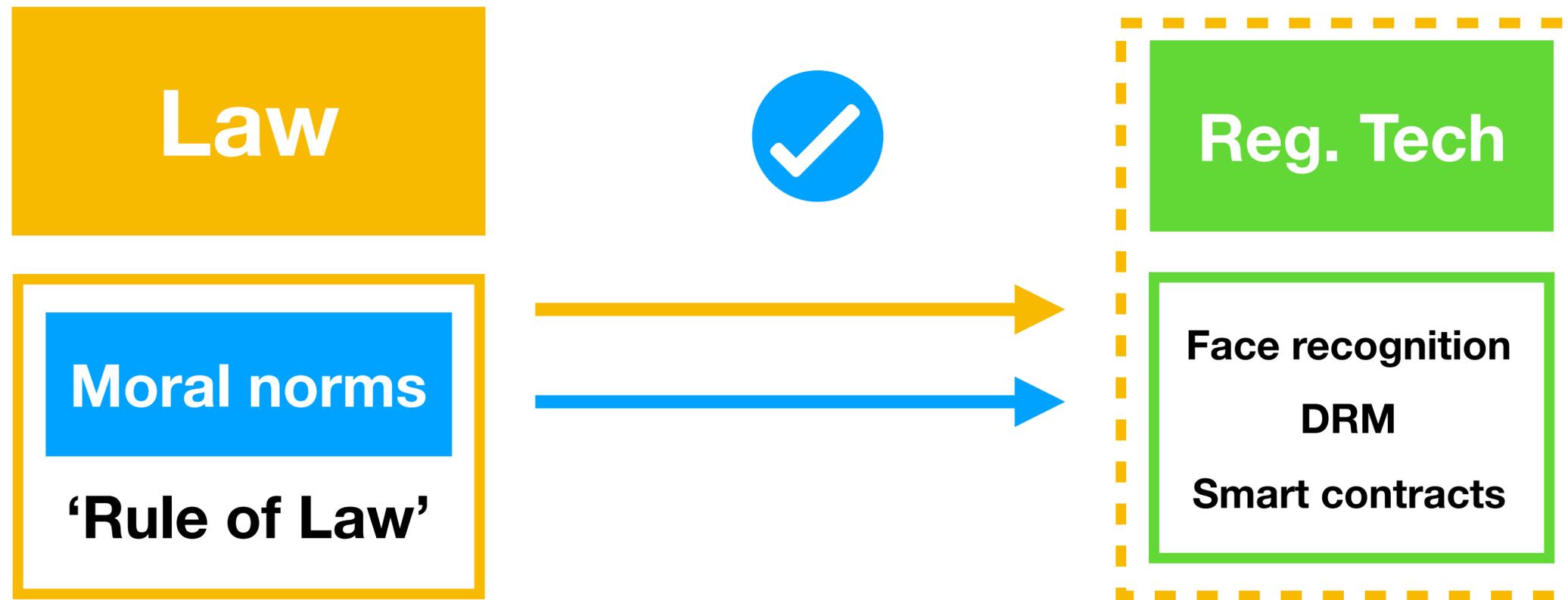
DAOs can be more ethically controversial than cryptocurrencies

DAOs are inherently and necessarily *behaviour-influencing* systems.

Which means we need to consider:

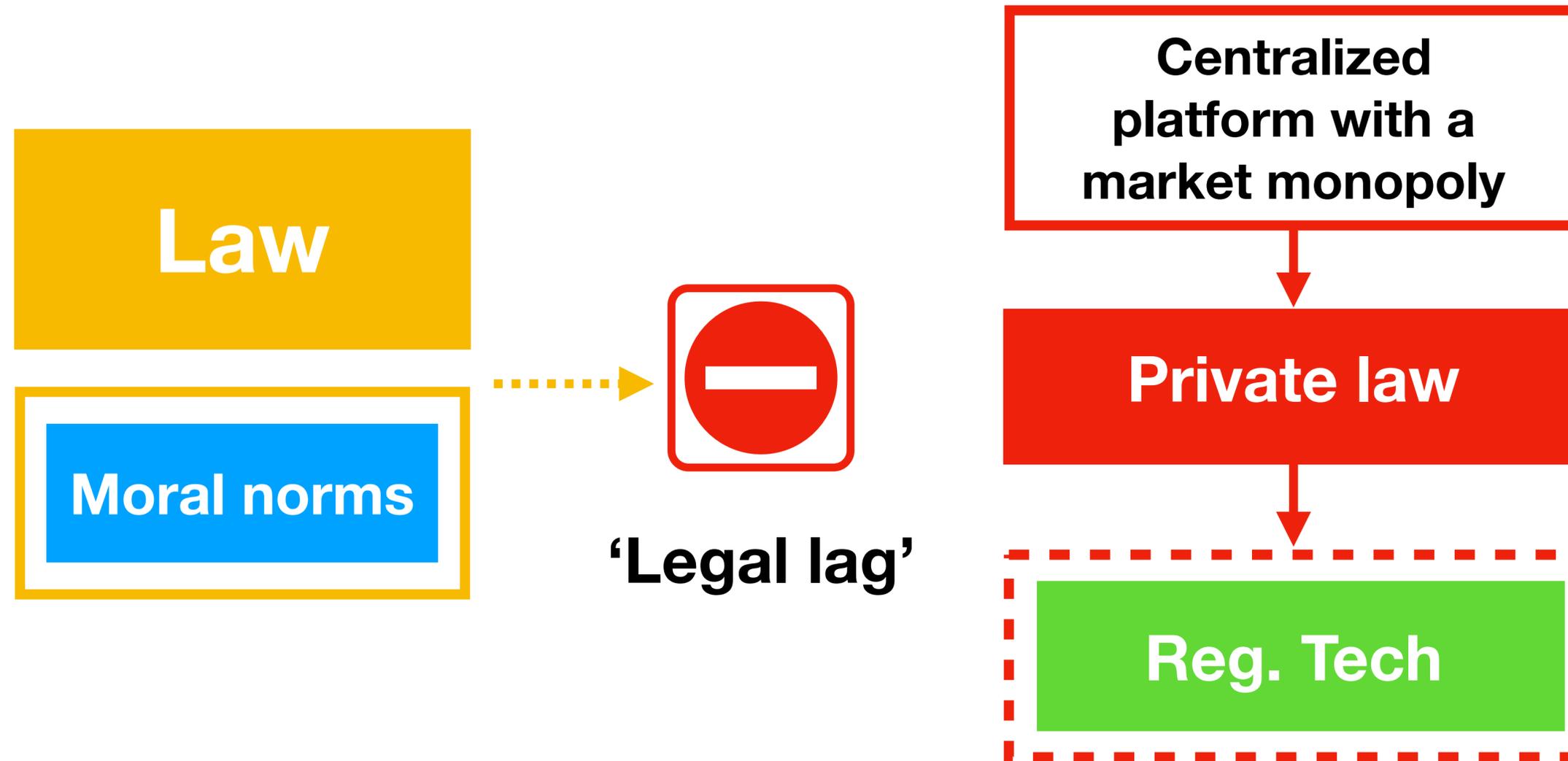
- 1. Morally unacceptable actions and consequences for the participants and affected stakeholders;**
- 2. Normative reasons defining purpose for the existence of such organizations; (in the same way as law integrates moral reasons at meta-level);**
- 3. Demarcation between values pertaining to the maintenance of the system and values defined by the purpose of the system.**

We think it can work this way:



'Techno-regulation' approach

More often it works this way:

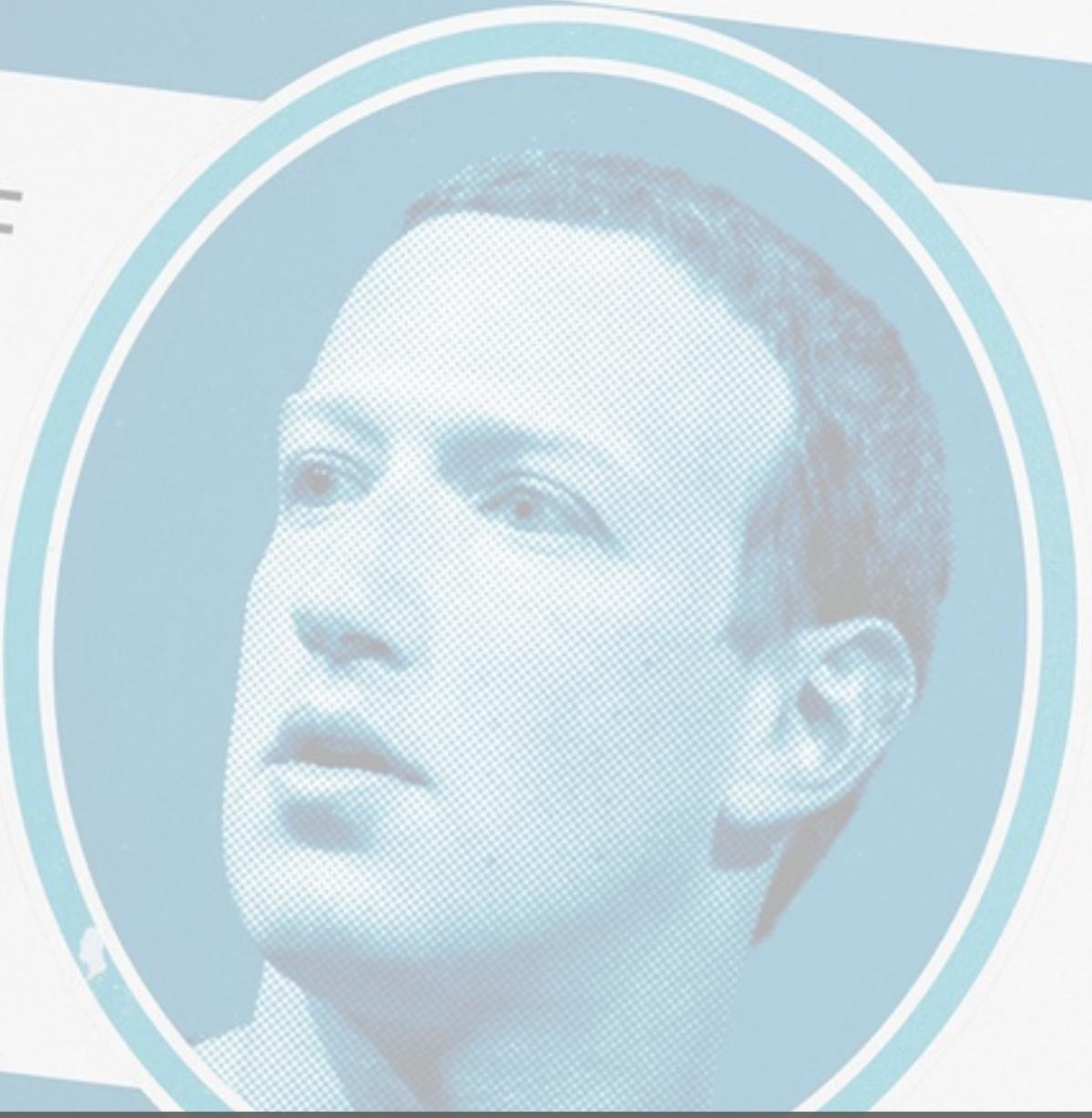


And decentralization alone will not save us



libra

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IN ZUCK
WE TRUST



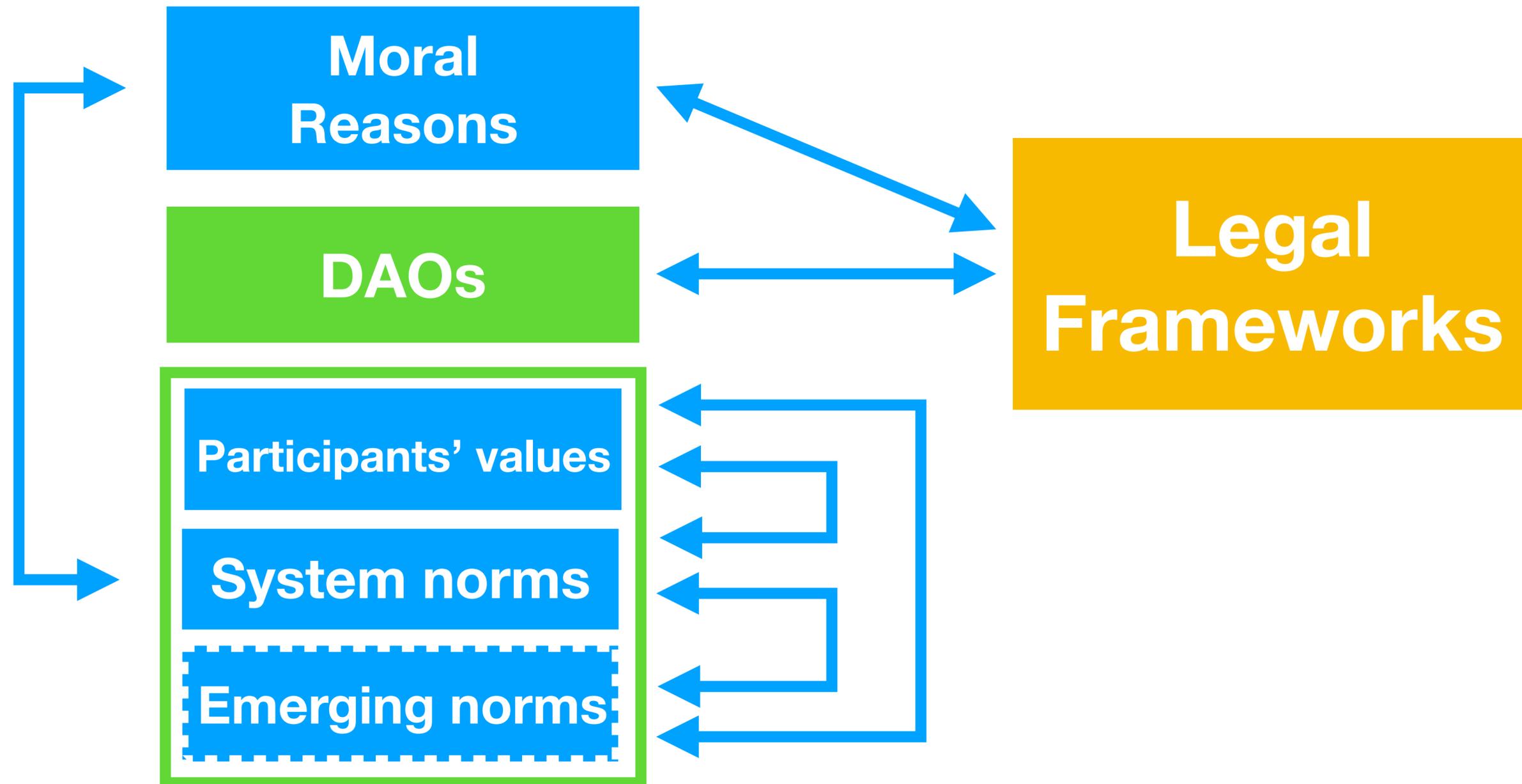
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Mr 38

Chief Executive Officer of Facebook

“We are just helping to create an ecosystem”

We need to make it work this way:



Moral conflicts

(and ongoing research)

- **Anonymity - Reputation:** Value conflicts between the participants of the system
- **Privacy - Data ownership:** Crowding out moral values through market mechanisms
- **Self-sovereignty - Digital serfdom:** Erosion of norms through the formalisation
- **No one is responsible - “It is all developers’ fault”:** Distributed responsibility