Bribery in DAO Governance

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Status Quo

- Token-weighted governance is prevalent in blockchains
- Whales hold substantial control over elections [Con+25]
- Participation is low in studied DAOs [Con+25]

Real-World

- Secret ballots encourage buyers to mobilize inactive supporters [Nic08]
- Low pivotality can make voting too costly [RO68]
- Swiss referendum turnout rises after polls indicate closer contests [Bur+24]

Blockchains

- Bribery happens both in and outside of the protocol [CN25]
- Dark DAOs let people sell their voting power even when the protocol does not permit it [Aus+23]

Bribery as a Solution

- Can encourage participation [Nic08]
- Exposure to vote-buying offers was associated with lower electoral trust in Poland's 2023 election [BC25]

Effect on DAOs

Conjectures

- Allowing and mediating bribery incentivizes increased participation
- Increases the cost of bribery
- Increases entropy in practice[1]

Questions

1. How do strategic bribers target voters?
2. How does the market determine payments?
3. How much does bribery affect social welfare?
4. How well do the resulting elections represent participants' underlying preferences?

[1] We study whether mobilization can split VBE's inactivity whale across distinct voting blocs [Aus+23].

Model

- Adapt the model from VBE [Aus+23]
- Incorporate competing vote markets [DJW08]
- What is the welfare-maximizing auction for bilateral trade?

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