Designing a fair and democratic DAO for Creative and Cultural communities

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The Cultural and Creative Industries (CCIs) are recognized as catalysts for economic growth, however, creative professionals increasingly face the issues of precarity and inequality. This increasing precariousness is to a significant extent related to the rise of the platform economy. Indeed, while allowing creatives to access new sources of revenue and eliminating intermediaries, platforms rarely provide a stable source of income and bring new sources of risk as well as new challenges and tasks (e.g. administrative) that take time off the creative work.

The blockchain technology and, in particular, Non-Fungible Tokens (NFTs) and Decentralized Autonomous Organizations (DAOs) hold a promise to address some of the challenges created by the platformisation in the creative industry. However, to date the debate remains whether this technology can keep its promises. Indeed, the design of most NFT platforms currently fails to uphold the values of the creative communities, in particular by implementing economic models that disadvantage creators and benefit traders. DAOs enabled a new type of open digital organizations where members can own "shares", participate in the governance, and benefit from their profit distribution. However, the reality of these organisations is extremely unequal both in terms of participation and wealth.

There is increasing recognition that platforms and algorithms underlying their functioning are explicitly or implicitly shaped by the values of their designers. At the same time, these have a direct effect on users' activities and practices both in the digital and physical worlds. Thus, it is important to understand how platform design can take into account and respect values of their users more explicitly. Thus, a value-sensitive approach might be useful to design innovative blockchain-supported tools beyond traditional blockchain-centred imaginaries and visions. Indeed, Blockchain can be conceived as a regulatory technology.

This research applies value-sensitive design towards the development of a fair DAO supporting economic democracy for the cultural and creative communities. The paper applies a tripartite methodology including empirical, conceptual and technical investigations. These imply, respectively, empirically investigating how relevant stakeholders perceive the values at stake; conceptualizing the relevant values and identifying and dealing with possible value trade-offs, and identifying value issues on the basis of existing technical designs as well as translating values into technical features.

Concretely, this paper presents a DAO design that arises from the value-sensitive design process. The DAO implements an economic model based on redistributive platform fees that support economic democracy for Creative and Cultural Communities. The proposal is validated through participatory workshops and surveys. The results support the proposal of "progressive platform fees" for the studied creative communities. However, a clear communication of what these fees actually mean, and

democratic tools to discuss, refine and implement these fees are identified as future work.

The study illustrates the interest of using value-sensitive methods for the design of blockchain based platforms, offering an example of how community driven methods can yield innovation and improve diversity in the blockchain techno-social space.