

The next frontier in computing, which will take shape this decade, is building apps on programmable blockchains. Programmable blockchains are interesting for the same reason that innovation on smartphones spiked after opening up development to third parties via app stores. We are now seeing waves of brilliant, creative people building new products and services on top of blockchains that are disrupting industries and reaching mainstream adoption. DeFi was the first wave of blockchain killer apps that broke out about a year ago, followed by NFTs and crypto gaming experiences this year. What comes next is hard to predict, but DAOs (decentralized autonomous organizations) are likely to have an enormous impact on the adoption of web3 products.

DAOs are internet-native, global collectives that share resources, build products, and work together toward common goals. To appreciate what is so powerful about this new method of organizing communities and aligning incentives to funnel creative energy, let's look at history. Venice is known as a focal point of the Italian Renaissance, but almost none of the most groundbreaking inventions of the age originated there. Double-entry bookkeeping was imported from the Levant. The Arabic numerals that made it possible were originally from India. The industrial advances used to run the whole operation came from China.

What Venice did have—and became renowned for—was a radically elevated merchant class with ownership and representation in government, which enabled them to assemble the best of the world's resources. New ideas, concepts, and inventions could be combined, organized, scaled, and sometimes even reinvented in Venice. The result was explosive: in the 13th century, Venice became the richest and most powerful city in Europe, and despite dozens of regime changes (amazingly, the heads of state were called “Doges”), it was able to hold this title for hundreds of years.

In addition to borderless resource assembly, DAOs also enable bottom-up innovation and community building, from which new ideas can be incubated and scaled. A more recent historical comparison is the Homebrew Computer Club, a Silicon Valley forum for sharing ideas where Steve Jobs and Steve Wozniak debuted the first Apple computer in 1976. Truly disruptive innovations often look like toys at the outset, and emerge when groups of smart people get together and collaborate on hobbies they're passionate about.

What we're seeing in web3 feels familiar in many ways. Today, artists are using NFTs to capture the full value of their work. Talented engineers with only an internet connection are contributing to the most important blockchain infrastructure, regardless of their age, gender, or pedigree. Like Venice did for early modern Europe, web3 is redefining how global talent pools their knowledge and work together. And like the Homebrew Computer Club in the 1970s, communities of smart, passionate, “hobbyists” are gathering in forums to tinker with a new set of primitives to build groundbreaking products and experiences. Those communities are being organized today via DAOs, the web3 group coordination primitive.

Until recently, DAOs were used mostly to secure DeFi protocols, and DAO members consisted primarily of highly technical contributors. [FWB](#) (Friends With Benefits) represents a new kind of DAO. Founded initially as a token-gated Discord server, FWB has become the de facto home of web3's growing creative class. Joining FWB requires a written application, which the community itself reviews and votes on, as well as a minimum buy-in of \$FWB tokens, which represent meaningful ownership in the DAO. In addition to

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capturing the upside of the DAO's creative output, the tokens come with governing power over a community treasury. By aligning the incentives of the next generation of artists, creators, and builders, FWB is enabling a different kind of renaissance for the next evolution of the internet. Fittingly, they describe themselves as a digital city.

We have long believed the creative class is among the most under-monetized talent pools in web2, driving the vast majority of the cultural value and capturing little of it in return. The average American consumer spends a third of their waking hours streaming music, and yet only 1% of music artists are able to make a living through streaming. Crypto offers a dramatically more incentive-aligned way for creatives to monetize their passions, but we also recognize that the adoption hurdles have remained significant. FWB serves as the port city of web3, introducing a culturally influential class to crypto by putting human capital first.

Since its humble beginnings as a social experiment in September 2020, FWB has grown to nearly 2000 members and its community has driven an outsized portion of the cultural value in web3. DAO members have launched a (now canonical) [token-gated events app](#), [an NFT gallery](#), a web3-focused [editorial venture](#), a virtual music studio, and a [real-time community dashboard](#), in addition to a series of [parties](#) around the world. Their next venture, FWB Cities, aims to scale the DAO's IRL footprint, partnering with city-specific spaces, communities, and experiences to bring real world benefits to the FWB membership. In this way, FWB Cities offers a glimpse into the very first IRL metaverse and will make the entry fee even more accessible to more people.

Because of FWB, it's now possible to envision a world where the first time you interact with crypto is when you walk into a bar or attend your friend's concert. Our goal is to offer guidance as FWB navigates the complexities that come with the next phase of DAO maturity. We plan to actively [participate in governance](#) and we will empower key community members through delegation. We're thrilled to be a part of the FWB community as they lead the charge toward mainstream adoption of web3.

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Source: [Investing in Friends With Benefits \(a DAO\)](#)