

DAOs A blockchain-based application not intervening, but strengthening the agility of contemporary arts

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Abstract

This paper discusses the blockchain-based application DAO (Decentralized Autonomous Organization) as a relevant new mechanism of artistic practice in the contemporary arts. It not only confronts the complexity of the modern society through its comprehensive application potential. It also channels segments of the contemporary art discourse such as political qualities, participatory art and cybernetic forces through active use cases. DAOs enable the interconnection of culture, technology and ecology. Using the most recent publications regarding blockchain technology as well as in-depth research on current artistic movements, it is possible to observe a complex manifestation of the matter within the contemporary arts during the concept's comparatively brief existence since its technical implementation around 2016.

Keywords

Contemporary art, transdisciplinary discourse, blockchain, DAO, Crypto Art, political art history, technology, participation, ecology, economics, Digital Art.

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Introduction

DAOs, Decentralized Autonomous Organization, are blockchain-based applications. They represent a community or network of potentially anonymous individuals and/ or institutions, which are connected through a common factor. Each DAO is collectively owned through a network and does not have a central controlling authority. ¹Governance, coordination and actions take place within defined, self-governing rules, which are collectively decided upon and in its basics laid out in the White Paper, which is accepted by joining the DAO network. There is the possibility of implementing a DAO-own cryptocurrency, which can function as a treasury. One option to govern the organization is the buy-in: Through obtaining DAO-own tokens, a fractionalized ownership of the DAO is held. In theory, owning all tokens represents ownership of the entity of the DAO. There must not be this structure in order to provide a functioning DAO as there a several differing technological implementations already in place.²

Examples of DAOs would be exhibited 2022 alone in renowned exhibition spaces such as Kunstwerke Berlin or Documenta 15 in Kassel. Why would there be the interest to exhibit this technical development that is so close to Cryptocurrencies in their early stages of the Hype Cycle?³

Because the one challenge that contemporary art is confronted with is to develop new techniques and therefore a complexity which matches the one society itself is confronted with. DAOs are opening up different options.

One aspect making DAOs relevant to contemporary art is to define and demonstrate the importance of structure as a political element. DAOs provide a possibility of testing out agile, seemingly utopian systems and implementing them long term. One example is the Black Swan DAO, founded by Penny Rafferty, Laura Lotti, Calum Bowden and others. It caters goals, which were already formulated by art activism groups such as the Art Workers Coalition in New York in the 1960s. Their intention was to build a platform for the representation of all art sector associated employees, including artists, and demanded their equal treatment and co-determination. ⁴However, through the missing long-term structure it dissolved over time. The approach of Black Swan DAO towards equal treatment is built upon blockchain-specific protocol mechanisms working towards a trusted network within contemporary arts. One of their actions was to act as a platform for democratized cultural funding processes. Equal

treatment symbolizes for Black Swan DAO also equal action rights. Pressing de-hierarchization, the DAO members decide through a democratic voting mechanism who receives the funding. The decision process does not focus on evaluating the individual background, but the quality of the project. Additionally, Black Swan DAO developed through its practice a consensus-building tool for collectives, called Cygnet. ⁵With consistent optimization, a DAO can be used to organize a complex ongoing structure on an ongoing basis, as in a company, or foundation-like groupings. The Blockchain expert Shermin Voshmgir compares the function of DAOs with the control and regulation system of state governance layers, on the one hand, and with that of private companies, on the other.

She does not connect its functionality to a recognized state. Voshmgir sees the automated DAO system with its high, democratized adaptation factor as a structural improvement over the rigid forms used to date. Her main argument here is that digitally secured compliance will radically end hierarchization. All the more so because a DAO can be adapted from within the structure to the respective needs of the parties involved. ⁶This would imply that Black Swan DAO could aim successfully to realize missing or not from their perspective successfully developed elements of the structural support system, regarding state operations and possibly particularly the support system of the arts.

Through their grassroots democratic ideal, DAOs do face anti-democratic conflicts, despite the complex technical implementation: Misinformation, bribery, plutocracy or media control. These are, among others, factors that can manipulatively influence the stakeholders of a DAO in their decision-making during the consensus process. Corresponding counter-mechanisms are being developed, and partial successes are already in sight. ⁷To develop critical awareness towards misinformation therefore needs to be addressed inside the structures of DAOs. As shown with the Black Swan DAO or as discussed by Claire Bishop in Artificial Hells outside of all blockchain intersections, DAOs represent a key element of contemporary arts only strengthened within the last years and especially since the Covid-19 pandemic: Participation and awareness of collective practice. ⁸An example is to be found also within the BeeDAO, presented 2022 at Documenta 15. BeeDAO is not only metaphorically oriented on the swarm organization of a beehive. It works towards the direct or indirect interest of the alive bees. A physical manifestation takes place through monitored bee hives as direct representatives of the species which is to be protected, producing public data. On physical assemblies, proposals towards the shared mission are

discussed and decided upon. Using blockchain technology, this governance process cannot be manipulated through human agency, but provides a technological implemented liability.⁹The phrase swarm highlights the participatory practice of institutions and organizations, referring also to the distinct participatory quality of Digital Art.

This also refers to the third element which highlights the quality of the DAOs. It can not only be seen as a representation of humanly structured systems. It also can actively develop the idea and styles of interconnection of planetary elements in anthropocentric times. Terra0 DAO was implemented in 2016 by Paul Seidler, Paul Kolling and Max Hampshire, the terra0 collective. The DAO represents a forest.

The physical existent piece of land is obtained through initial funding by DAO members. Surplus made from obtaining the forest, for example by selling the material wood, will be automatically used to buy out the share of the initial investors. The goal of this project is to develop as much surplus through automated economical processes enabled with mostly blockchain-based processes, that the forest will be able to buy out all human investors and govern itself through automated Smart Contracts.¹⁰This artistic practice scales back to the cybernetic considerations of the symbioses of men and machine, as for example explained by Joseph C. R. Licklider, but puts the environmental aspect of this interaction into the forefront.¹¹Therefore it develops this interaction further than before discussed, enabled through blockchain technology. It, moreover, reminds the however involved human parties of two elements, which reoccur in contemporary artistic practice: the power of the individual is perceptibly recognized. With the metaphorical proposition, that even the smallest amounts of capital can play a relevant part in the overall economy, an emancipatory practice takes place. This is underlined through the implementation of democratic mechanisms such as majority voting. Secondly, that the interconnection of technology, ecology and culture is not a futuristic matter, but is happening in the current times. Elements such as worker emancipation, trees or bees are rather positively connoted and it might not be a coincidence that for the first projects operated within the system DAO and contemporary art do use those accustomed elements in order to embrace engagement. Vitalik Buterin framed a reference system for organizational structures of DAOs in 2014. The technological implementation took place with The DAO two years later.¹²Seeing the implementation now already in place in contemporary arts, there is more than a potential to be observed. Active use cases can be seen in DAOs as a method in contemporary artistic

practice. All discussed DAOs still rely on the physical involvement of members in order to function. There however exists a structure which can overtime be strengthened and, in the process, develop the participatory aspect of the collective works. How this will develop is not certain at this point, as little as the future of blockchain is at this point determined. DAOs however already do confront contemporary conflicts with engaging solutions.

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