Climbing out of the rabbit hole
By Metalabel

Over the past several years we deeply explored the world of crypto. Our exploration initially began through a mix of technical curiosity and optimism about what blockchains promised to deliver. This curiosity turned into active participation, from buying Bitcoin and Ethereum to playing with NFTs to joining DAOs, attending events, and participating in the wider ecosystem.

We spent the past two years deep in the space but never went fully native. We come from creative and cooperative backgrounds and approached crypto from those perspectives. We wrote numerous pieces recounting our experiences that were appreciative of the people we met and excited by what the technology and architecture could do, but skeptical as well. (See What DAOs and Coops can learn from each other, After Crypto, and The Onchain Era.)

The deeper we went, the more we met people we liked and respected. The deeper we went, the less we also came to believe in the promises that first intrigued us. Concepts like progressive decentralization, collaborative governance, and artist royalties and control have proven to be more fiction than truth when practically experienced rather than hopefully proposed.

As a project that touches the crypto world but is not reliant on it, we spent many hours at Metalabel debating the gaps between promise and reality and our feelings about them. Talking to friends at other projects, we learned this was not uncommon. Existential debates about crypto are constant inside many teams, but less often talked about outside of them.

We were stuck in that same loop until earlier this year when we decided to do something about it: we went on a crypto diet. We unfollowed Twitter accounts focused on crypto unless they were (actual) personal friends. We unsubscribed from crypto newsletters and crypto-focused media. We purposely changed our information diets to make room for new perspectives.

You can go down the rabbit hole into crypto. This is a post about getting out.

The rabbit hole

When people get crypto-pilled, they talk about "going down the rabbit hole," immersing themselves in the language, terminology, belief systems, and intricate knowledge of the crypto space.

Like any foreign language, it sounds like gibberish to people who haven't taken the time to learn. But for those who immerse themselves, it's not long before you find yourself dreaming in a new second tongue.

The crypto-pill steps are a mix of acronyms, technological architecture, anti- and/or post-government ideologies, brand marketing, social marketing, seed phrases, and memes. Together they comprise a self-contained universe spanning a spectacularly wide cultural and political range, from far-right anti-government zealots to far-left post-government, post-corporate dreamers. The crypto universe primarily exists in two dimensions: a constant feed of chatter, memes, and collective hype on Discord, Telegram, and Twitter, and a traveling carnival swarming around the globe from crypto conference to crypto conference with a trail of PFP-avatared digital nomads in their wake.

As a newcomer to the crypto space, the energy is an alluring mix of intoxicating and toxic. Yes there's a lot of cringiness and creepiness but you stay because some parts you agree with and, you quickly learn, good people are there. Smart people. Optimistic people. How often can you say that these days? Once you become active (posting GM, sharing memes, dropping emojis), you can feel it: you're really part of something. Your DMs light up with messages from new friends and exciting alpha on upcoming projects. You're welcomed daily with laurels of emojis by community members astroturf-engaging for token airdrops that make you feel special and seen.

Within days your Twitter feed becomes overwhelmingly crypto. More and more energy goes into staying on top of the new "alpha" (2021-2022) and "meta" (2023) of the space. You're reading all the key threads. You're in the right Telegrams. You're collecting the most collected mints. Someone said they might delegate you a Noun. The vibes are right.

But there are days when the vibes are not as right. Token prices that were WAGMI'ing to the moon start falling back to zero. Day traders with intergenerational wealth in shitcoins watch dreams dwindle. Do-gooders who put their hearts into DAOs reimagining the future of work start applying for corporate jobs offering work-from-home policies. Artists whose livelihoods took a

life-changing turn for the better find their market values closer to where they were before they heard of crypto. New member welcome channels go mute.

What's left now are the true believers – people who deeply believe, have already been made rich or need crypto to succeed to maintain any semblance of financial security, or are reputationally pot-committed to crypto and who effectively cannot leave – and the not-as-muchers – people still paying attention and who are generally on board with the bigger vision, but who also don't want to make crypto their whole personality anymore. What's no longer here are the millions of people drawn into crypto the past two years because they thought it would make them rich, but in fact did the opposite. This mix and absence of personalities are the key ingredients to the bear market vibe.

The revolution will be tokenized

Crypto is a subculture. A self-contained universe, and a relatively small one. To be in it means being *all* in. For the tens (or is it hundreds?) of thousands of people active today, crypto and blockchains are somewhere between a religion and an especially intense college major.

When crypto people interact with non-crypto people, the degree of devotion is especially stark. At our very first trip to a crypto conference – ETH Denver in 2021 – we found ourselves sitting next to three strangers at a happy hour: one of whom was a VC in the space, and the other two were LPs, or *his* investors. We were shocked by the conversation. Not just that the only thing they talked about was crypto – this, we've learned, is true of every interaction in the space – but *how* they talked about it.

The three men were talking about how this bar – a great, dinge-y high-character bar in Denver – would be so much better as a DAO. "We could get tokens for every drink we ordered," one said. "We'd all be the owners of this place!" another replied as they yes-and'd each other's DAO dreams.

It wasn't long before the conversation shifted to some of the DAOs they were already in. The tenor changed. "They're spending too much on culture and not enough on providing returns," they complained about one art-collecting DAO, echoing similar feelings about others, too.

The two narratives showed up within minutes of each other – that everything should be DAO'ified and tokenized, and that everything that was tokenized should be financially maximized. Their core beliefs were clear: tokenizing things was presented as "democratizing" them, but with hyper-capitalistic assumptions that what would be tokenized would also be financially maximized. This is the path that realizes the heady financial projections in their fundraising decks.

Money – both VCs and whales – controls the narrative in crypto to such a degree that others parrot these ideologies for entirely different reasons. DAOs were talked about as the future of work, but behind the scenes VCs and lawyers were using DAOs and offshore vehicles to help

projects pass something called the Howey Test, a regulatory framework that determines whether something is a financial investment product. Because the US government says financial products that are backed by coordinated efforts count as securities, the idea emerged that crypto projects *aren't* coordinated if they operate as DAOs – loose configurations of people that don't fit any preconceived corporate notion. This story is often called "progressive decentralization" (tellingly the Howey Test calls it "sufficient decentralization"), and this call of "decentralization" is often heralded as the key value in crypto. However this structure became prominent arguably because whales and VCs needed it to help projects avoid having to go through the SEC to become liquid, while at the same time serving to create extremely inefficient working structures within DAOs as performative regulatory arbitrage theater. The crowd extolls the virtue of decentralization without understanding why.

One of our darkest fears working in crypto was we were the latest suckers drawn into the space hoping to use it for our own reasons, but in reality we were helping to socially validate a larger scheme in which we had no control. As activity in crypto has dried up and token prices have remained largely fixed (and even gone up), it's clear just how much of the juice in crypto is held by a tiny number of people. The people do not shape the culture. Money does.

The crypto cleanse

Earlier this year our friends and partners began to urge us to step away from the space. "Why are you wasting your brain on this stuff?" one of our partners asked. "You have better and more interesting things you could be thinking about."

They were right. The rise and fall of the space and the daily gossip were taking up enormous mental energy. We had fully immersed ourselves in the culture and were thinking about it way too much.

We decided to go on a crypto cleanse. We unfollowed everyone on Twitter who talked about crypto. We unsubscribed from newsletters and Telegrams. We changed our information diet. We now had a crypto allergy — how would our bodies respond?

Within days we felt a difference. The crypto world faded from front and center to the periphery. During a two week vacation of not looking at Twitter, we didn't encounter crypto once in our daily life or conversation. It was a sign of how Twitter-dependent the whole crypto scene and our focus really were. By spending time following those people, we had allowed them to influence us. But now the urgency of moving the world onchain began to feel much less… urgent. Why were we doing this again?

The crypto cleanse created a clear vibe shift. We became over crypto as something that got us excited. And our interactions with the True Believers were having the opposite of their intended effects. At a crypto dinner in Paris, someone sitting near us went on an impassioned rant about how this great food should be tokenized to better ensure its freshness. "Everything should be onchain!" he declared, then referenced a recent drop of a box of peaches sold as NFTs (later

RT'd by Coinbase CEO Brian Armstrong) as evidence of a coming revolution. This got many +1s of approval from others listening in.

Among this crowd there are two worlds: one that's already onchain and tokenized, and thus legitimate and part of their universe, and one that's yet to be onchain, but soon will be – the always-condescending phrase "web2" meant to sum up literally 99.999999999999% of the known universe.

Not long ago we described ourselves as "post-crypto" in conversation, which felt right. We're not *anti*-crypto. We're not against crypto. We get what crypto is (good and bad) and what it hopes to be (however far fetched). We're still interested, but we're not all-in on making our lives all about crypto or spending a lot of time with people who are.

If you're reading this as an outsider, this sounds common sense. But for people in crypto, it isn't. To succeed in crypto means believing the rest of the world either doesn't exist or is trapped in a pre-crypto state. It's total immersion or nothing.

Changing majors

A year ago we were teaching a college class at the New School on cooperativism when crypto came up. We were talking about Songcamp, the collective of musicians who released a very collaborative project as NFTs. The universal hate students showed at even the mention of the word "blockchain" shocked us. In a flash, we realized how out of touch we were with real-world sentiment about crypto. How deep down the rabbit hole we'd already gone.

The past two years we majored in crypto, devoting most of our excess energy to learning the primitives in the space, keeping up with the latest news and developments, and investing in the social and business relationships that go with excelling in this world. But that period of paying close attention drew to a close for us earlier this year.

We are now post-crypto. To be post-crypto isn't turning your back on the space or fighting against it. Post-crypto means changing your major. It means consciously shifting your primary energy away from this specific space and putting it into something else instead.

From our vantage point, minoring in crypto is totally fine. It's a fascinating technology to keep abreast of. There are fun ideas and experiments. But more important than any of that is to have a primary interest driving you other than crypto. One that's under your control. One that fulfills the dreams of your best self and helps people you care about. One that's not secretly controlled by a group of big-money whales you will never meet.

This is what all the most interesting people that are loosely connected to crypto are already doing because it's who they naturally are. Poolsuite majors in '80s branding and aesthetics with

crypto as a minor at most. Many artists in the space make work far beyond the borders of crypto and use it only when it suits them. These kinds of people and projects are approaching crypto as a tool, not as a lifestyle, a religion, or a get rich quick scheme. In 2021 conventional wisdom was "crypto wants to be seen." But today people don't want to see crypto, especially not in its current form. People don't want it. At all.

The irony is that when crypto people stop majoring in crypto and start minoring in it they might find their influence among their peers and communities *increase*. Listening to someone who's crypto-pilled feels like talking to someone with Fox News Brain – every reference point baked in cult-like language and ideas that have no resonance behind their echo chamber. This makes "onboarding the next billion users" – a constantly stated goal by people in the space – a practical impossibility.

It's crypto conventional wisdom that bear markets are the time to build, and a new bull market with exponential growth is just around the corner. Left unsaid is that the last bull market coincided with a huge run-up in the value of *all* assets – homes, shoes, baseball cards, everything that could be securitized – during which crypto simply mirrored wider trends. What's the plausible path for that to happen again? It's not easy to see under current conditions.

Does that mean crypto is over? No. It's not going away, nor should it. Things we still love about crypto: instilling a civic spirit in the online world; explorations of cultural ownership and cooperation; data sovereignty; post-platformism; multi-sigs and payment splits; new sources of income for creative people. Leaving the rabbit hole means holding onto the good ideas from crypto and continuing to carry those values forward in practice. But the existing hyper-financialized culture and vibes will keep holding these things back. To the outside world crypto is already firmly established as financially dangerous and wasteful. It's hard to see what in the current culture or energy that wants to or will in any way change that.

When people talk about being "red-pilled," they mean diving into a culture or philosophy so deep you don't come back the same. This is treated as a badge of honor, but to any person with a sense of self-respect and intellectual sovereignty, this is an alarming proposition that few will freely choose. It asks too much. It *is* too much. It's not something you'd advise a friend you loved to join. It's something you'd tell them to be wary of.

To our fellow peers who have gone down the rabbit hole, you can climb back out again. You can shift your attention. You can regain sovereignty over your own beliefs, ideas, and network. You can belong not just to one community, but to many communities that reflect your hopes, dreams, and interests and you won't even have to convert your money to a made-up currency to do it. Crypto isn't the only game — it's one of many. Let's play.