The State of DAOs in Korea

DAOstar, Oct 2024

DAO*

Executive Summary

This report examines the state of DAOs in South Korea as of 2024, focusing on how blockchain technology can address real-world challenges local communities face today. The report identifies three main sectors of DAO adoption in Korea: conglomerate-led NFT membership communities, fanclub DAOs, and autonomous local communities on the path to decentralization but not yet onchain.

	Conglomerate NFT	Fanclub DAO	Decentralized Orgs
Iteration Stage	Closed	Proved traction	Early
Main Activity	Online	Online & Onchain	IRL & Offchain
DAO members as	Consumer	Producer	HODLer
Decentralizing Power	X	O	O
Decentralizing Money	X	X	O
Blockchain as a Solution to	X	K-Entertainment business finding PMF, via tamper-proof voting of fans	Extrinsic incentive (community currency) that is chronically missing in communities

Key findings highlight that despite their initial success, NFT experiments by mega companies like Lotte and Shinsegae have struggled due to a lack of genuine community engagement and global potential, and regulatory hurdles. The community members were treated as traditional consumers, and neither power nor money was distributed to them.

In contrast, tripleS and its fanclub DAO have successfully revolutionized fan engagement in the entertainment industry by empowering fans through blockchain-based governance. The fans are literally the producers, making business decisions like the title song for the album. Nonetheless, economic rewards for fan's contribution are still limited.

Decentralized organizations like Stakeholder DAO Lab are experimenting with 'loose organizations' designed for post-stockholder capitalism. The DAO Lab is iterating on two parallel structures, contribution points, and recognition(thankyou) points, to incentivize loose communities into an execution-oriented organization with high output while still preserving the 'vibe.' Local currency experiments and autonomous communities like Women's Base Camp and Windflow DAO emphasize cultivating autonomous, engaged individuals for successful decentralization. The question is, can blockchain solve the sustainability problem of

communities, especially in regards to participation and compensation, and boost onchain migration?

The report concludes that while DAOs have significant potential to reshape organizational structures and community participation in Korea, their success depends on shifting cultural attitudes that favor centralization, navigating regulatory barriers, and establishing sustainable models that benefit all members.

About the author

Twinfin was born and raised in Korea. Growing up, she felt lonely as none of her friends shared her interest in foreign concepts like 'sovereignty' and 'privacy'. This interest led her to co-author <DAOeast Movement> research paper funded by the Ethereum Foundation Academic Grant.

A DAO bull, not because of DAOs as-is, but because of the people she met in the DAO space. As long as they HODL, we will have a bright future and realize what Steve Jobs envisioned in 1990 as an 'electronic organization'. Contributed to diverse ecosystems like BanklessDAO, Kernel, and MetaCartel. Summoner of Bankless Korea and grand Enchovy Surfing Club (as opposed to Whales & BAYC - a social DAO for freelancers in Korea)

Publisher of the <일의 미래 (Future of Work)> Newsletter. She ranks #1 in Google Search, the only one writing about it in Korea. Hope to see new narratives around the Future of Work in Korean, even if it means she loses the #1 title forever.

Her day job is a Community Partner for Korea at Uniswap Labs. Proud member of Pagoda, a community of Asian crypto builders. Her favorite food is 호두과자 (walnut donut with red bean paste filling - can be found in Korean highway rest areas).

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Introduction

Purpose of the Report

Blockchain technology has introduced new organizational models, notably Decentralized Autonomous Organizations (DAOs). DAOs stand out for their potential to revolutionize community coordination, governance, ownership, and incentive structures. This report aims to showcase local DAO initiatives and provide insight into how blockchain technology can solve real-world problems Korean communities face.

Revisiting DAOs: A solution looking for a problem?

Decentralized and autonomous organizations (DAOs) are not a new invention of crypto developers; they have been around in human history for centuries. The important question in the DAO space is not how DAOs can serve as an interesting use case for blockchain but how blockchain as a tool can help solve the existing problems of decentralized organizations and communities today.

None of the DAOs in this report identify themselves as DAOs, even if their governance is fully onchain or if they have the word 'DAO' in their name. Yet they all provide a glimpse of the future of organizations and strive to achieve decentralization of power and money. The term decentralized organization (Dorg) refers to entities practicing "progressive decentralization" on their journey to becoming headless organizations and empowering contributors to achieve a common mission. Although the phrase 'offchain DAOs' itself may sound like a conundrum for readers, that is the state of DAOs in Korea in 2024, and maybe even throughout Asia.

Chapter I: The Asian & Korean Context for DAOs

Overview of Past Research on Asian DAOs

Is Collectivism evil? Or is it just another Operating System that is hard to grasp from the outside? Let's briefly review past research on Asian DAO contexts, the DAOeast Movement. DAOs, as we know them, are rooted in the ideals of individual sovereignty and decentralization prominent in Western societies. In Eastern contexts, these ideals may clash with cultural norms that prioritize harmony, coordination, and collectivism. This raises the question: When DAOs become widespread in the East and sovereignty isn't the focus, what else remains?

Harmony Over Sovereignty

In Eastern societies, collectivism is an operating system valuing community welfare and social harmony. Relationships are considered the most valuable asset. Concepts like "rage-quit" in DAOs, allowing members to exit the community with their share of assets, sound outrageous as they can disrupt long-term relationships and mutual support, which are paramount within cultures. Technologies shall be used to amplify, leverage, and build trust and relationship, not replace them with definitive codes.

Historical Context: Rice Farming and Village-level Coordination

Rice farming, prevalent in Asia, requires extensive communal effort due to its labor-intensive nature. The need for irrigation requires village-level coordination. This is a stark contrast against wheat; wheat farming in the West is sufficient with the regional rainfall. Fun fact: although rice requires nearly three times more water per kilogram to produce, calories produced per unit of water is much higher, and thus a hectare of rice field can feed 5.63 people annually while wheat supports 3.67 people(link).

Traditional organizations like Durae (두레), which is both a communal labor sharing organization and a municipal administrative entity, exemplify large-scale cooperation and mutual aid, integrating work with cultural activities like music and festivals. These types of rice farming organizations are found throughout Asia.

Different Levels of Soverignty vs Collectivism: Japan and Taiwan

Japan
DAOs have found a fit in revitalizing local communities. Japan has a strong cultural heritage of regional community bonds, and world-renowned IPs. Japanese DAOs focus on regional development, using tools like NFTs to enable global fundraising by leveraging its IP while maintaining a communal ethos. Initiatives often involve 'digital citizenship' that focus on expanded 'town-stakeholder' engagement, rather than having people physically move to the diminishing villages. Blockchain technology empower villages to be more sovereign.

Taiwan
With a rich history of civic activism and social movements, Taiwan utilizes DAOs for civic hacking and social causes. The focus is on leveraging decentralized structures to promote transparency and participatory governance—supercharging digital democracy with the power of blockchain. Taiwan's geopolitical intricacy, with the help of tamper-proof technology, fosters digital resilience and collaboration between government entities and citizen groups. Sovereignty is at the country level.
It's important to note that [g0v](#), a civic hacking organization, has not conducted any formal voting in its ten-year history. Instead of using voting as a decision-making or communication process, g0v focuses on building and sharing context to facilitate group decision-making.

So what is in it for Korea? The report has identified three main players iterating on their own games: conglomerates, fanclubs, and local communities looking to become more sustainable. But before we dive in, let's first take a tour around the Korean context for DAOs and crypto in general.

Backdrop1: The History of Centralization and Economic Success

Historically, achieving high scores on a nationwide standardized test brings significant social recognition, which involves congratulations from the king himself. It is also the classic rags-to-riches story, where anyone who studies hard can score well and attain a high-level government position, enhancing both personal and family honor.

In modern history, South Korea's rapid economic growth and poverty reduction from the 1960s to 1990s, known as the "[Miracle on the Han River](#)" was predominantly driven by centralized

planning of governments and mega conglomerates. The economic success, despite limited natural resources and infrastructure destruction from the Korean war, was led by a military dictatorship.The nation adopted a top-down approach to economic development, emphasizing efficiency and rapid industrialization. It was an unprecedented success, with poverty rates falling from 21.5% in 1975 to 7.4% in 1996.([source](#)) Korea was one of the poorest countries in the world in the 50's, and today it stands as a top exporter of electronics, automobiles, ships, and even culture itself.

The success of this centralized model went hand-in-hand with the rise of large conglomerates, or chaebols, such as Samsung, Hyundai, and LG. These conglomerates became synonymous with the Korean economy and exemplified the efficiency gained through centralized structures. ***For individuals, greater rewards often came from following the centralized path***—securing a position within a top-tier organization like Samsung Electronics and climbing the corporate ladder. This route was typically seen as more secure and prestigious than starting one's own business– or a DAO.

This preference for standardized, centralized way of success is the backdrop to inherent challenges for the adoption of decentralized models like DAOs.

Chapter II: K-Conglomerates and NFT Membership Communities

Korean Conglomerates in Web3

Tiger Research Korea Web3 Market Map | 2024
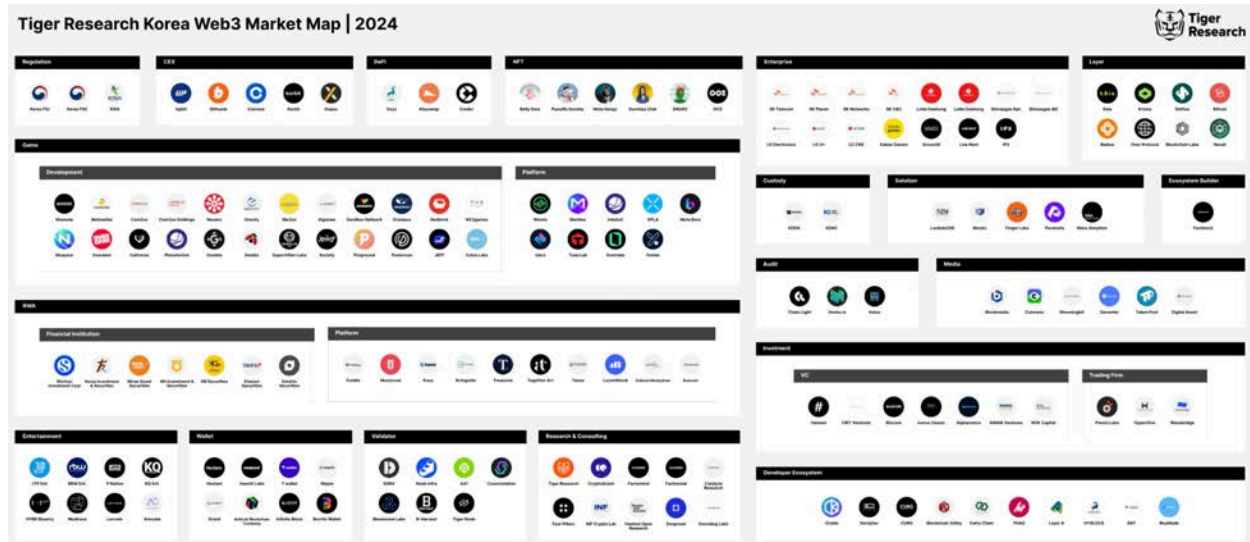
Large conglomerates known as chaebols have historically dominated various industries in Korea, including household appliances, IT, finance, and entertainment. This dominance extends into Web3 and blockchain sectors, where these conglomerates are leading experiments with NFTs. Unlike fungible tokens, NFTs were not regulated as a financial asset,, opening an opportunity for conglomerates to engage with blockchain.

During the NFT market boom in 2021, many of Korea's leading conglomerates, including Hyundai, LG, and SK, had at least one subsidiary create its own NFT. These companies experimented predominantly with new forms of customer engagement and loyalty programs with membership NFTs.

How the Lack of Community Led to Short Lived Success

Lotte and Shinsaegae, Korea's retail monopolies, both launched an NFT based membership program. Sales of 9,500 and 10,000 NFTs respectively were sold out instantly. However, these NFT initiatives lacked genuine community engagement. The benefits for the community were mostly discount perks and exclusive events, which were not enough to foster ongoing engagement or build a strong sense of belonging among the NFT holders. The conglomerates focused on the technological novelty of NFTs rather than on building meaningful relationships with customers.

Another problem was the language barrier. The platforms and communications were primarily in Korean, limiting participation to domestic audiences. This insular approach prevented the initiatives from tapping into the global NFT community, missing opportunities for broader support and market stability.

Then came the market downturn. Compliance also complicated the business as the recent change in regulation in July 2024 required some applications regarding NFT to hold a Virtual Asset Service Provider license. This made NFT projects like Sunmiya end their NFT staking service.

Company name	Project name	Release date	Notes
LIKE LION	Meta Kongz	12월, 2021	-
Finger Labs	Sunmiya	2월, 2022	End of NFT Staking Service
LG U+	MOONO	6월, 2022	No updates after 2023
Shinsegae Department Store	PUUVILLA	6월, 2022	-
LOTTE Homeshopping	BELLYGOM	8월, 2022	-
IPX (formerly LINE Friends)	OOZ & mates, Wade	10월, 2022	-
emart24	WONDOONG	10월, 2022	No updates after 2023
LG H&H	Belief	10월, 2022	No updates since 2022
SK networks	W.XYZ	7월, 2023	-

표 Leo Park, Jay Jo · 출처: Tiger Research · 자료 저장 · 만든 도구 Datawrapper

NFT Projects by K-Conglomerates, Tiger Research, 2024

In summary, there was a lack of community to HODL together and endure the challenging times. Now, let's examine an example of a strong community.

Chapter III: Fanclub DAOs - Onchain Governance as a Gamechanger for the Entertainment Industry

K-Fandom Culture and the Need for Tamper-proof Voting System

K-pop in recent years has captivated audiences worldwide with groups like BTS and Blackpink. However, the roots of Korea's vibrant fan culture run deep, having been a subject of sociological study for decades. Fandom is almost like a religion – fans invest a significant portion of their time, money, and energy into supporting their idol. The strong sense of belonging drives much of the fandom's activities and loyalty, and the fandom community is highly organized and mobilized.

It is fair to say that idols' success owes much to their fans. Fans are both the producers and the consumers. The producer-like aspect of fandom culture is well exemplified by Korean TV shows that allow live voting through text messages to determine the winner of singing competitions (see Appendix #2). However, a recent incident involving the manipulation of voting results on a popular TV show, which led to jail sentences for the producers, underscores the necessity for a trustless voting mechanism.

This is where onchain voting comes in.

World's Most Vibrant DAO is Made in Korea

TripleS: "The World's First Decentralized K-pop Idol"

[Modhaus](#), the company behind the idol group [tripleS](#), has a slogan of "Beginning of Open Architecture Entertainment". TripleS consists of 24 members who perform in various sub-units. What sets them apart is that fans decide everything: from unit formation of deciding which members form each sub-unit, to title tracks and the idol's concept and activities.

The sub-unit formation is fascinating as it addresses a common challenge faced by entertainment agencies. Traditionally, agencies invest heavily in training young talents without certainty about public reception. TripleS ensures that the group's direction aligns with audience preferences by involving fans directly in decision-making. At the same time, since only the subunits selected among the 24 members can perform for the next season, the artists now have a direct incentive to engage with their fans.
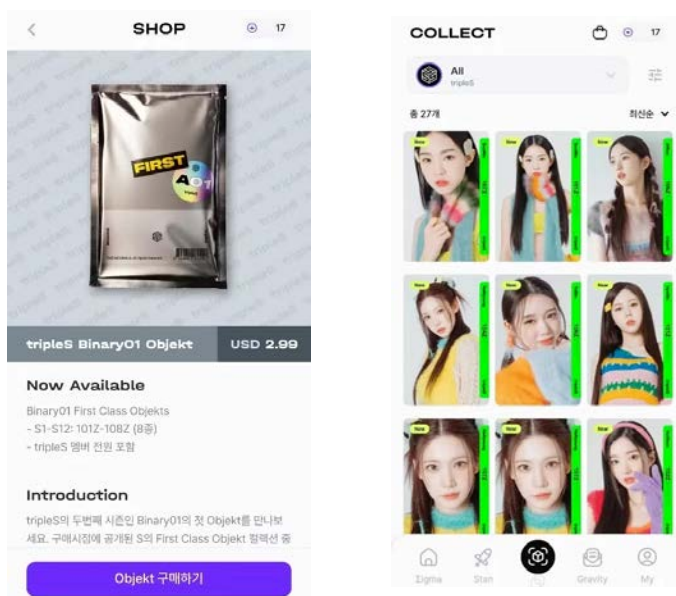
Powered by Blockchain, not that anyone needs to know about the Backend

TripleS operates through the Cosmo App, which runs on Polygon. Fans use the app to participate in governance without noticing. Wallets are hidden behind [Ramper](#) and votings are gas-free. This provides a seamless UX for real mass adoption.

Photocards are NFTs, and governance tokens are airdropped to the NFT holders. The governance tokens are burned once used, preventing accumulation of power. Since all votes are

recorded on the blockchain, the process is transparent and tamper-proof. Hashed, the biggest crypto VC locally, and an early investor of Modhaus, created a [Dune Dashboard](#) to showcase their liveness onchain.
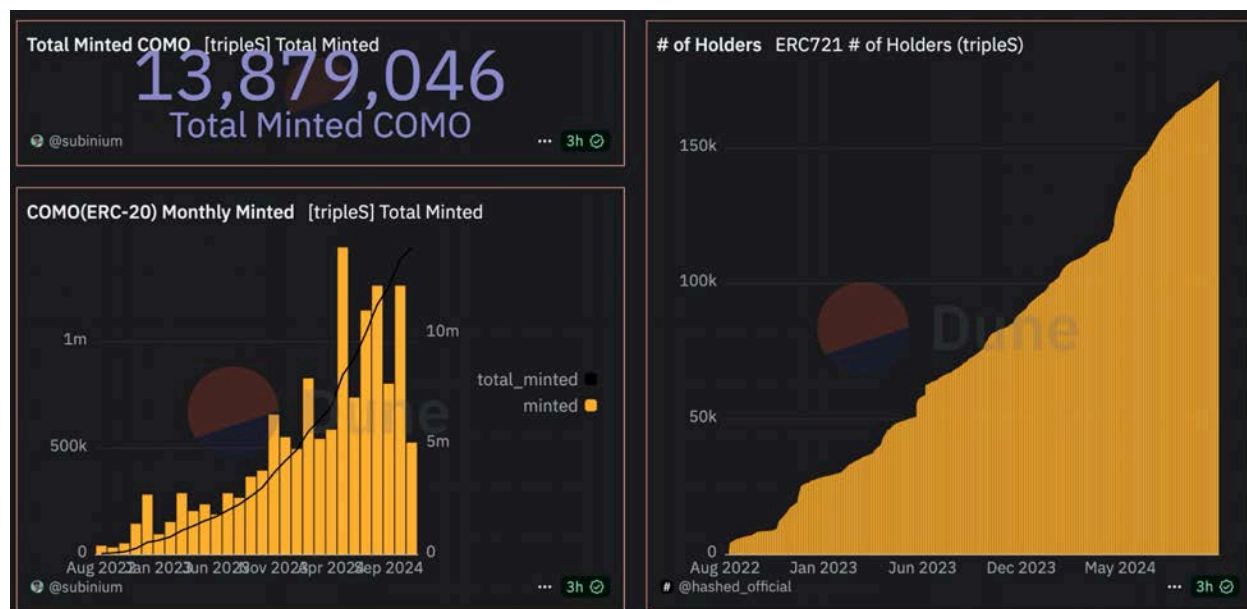
The traction is especially impressive because many other attempts at artist NFTs by much larger companies have failed. For example, Dunamu, the operator of Korea's largest centralized exchange, Upbit, created a Joint Venture with HYBE, the entertainment company behind BTS. However, both the sales and fan engagement of digital cards featuring popular artists like Seventeen and Le Sserafim were disappointing. The NFTs were essentially JPEGs onchain and lacked the essential community aspect that fosters fan involvement.

Community and Growth, Without Crypto Speculation

Their governance tokens are designed to be non-financial, as all other governance tokens should be, focusing on utility within the community rather than speculation. The NFTs are not listed on OpenSea, either. The fans created the P2P secondary market for the digital collectibles within the community on their Discord. While the assets can be traded permissionless anywhere, the team has carefully branded the NFT and governance token to be viewed not as assets but rather as a fun way to engage with the artist and peers.

Photocards are mintable within limited timeframes without supply caps, making them accessible to a broad audience and reducing the appeal for speculation. TripleS has not only revolutionized fan engagement but has also gained recognition in the industry as artists recently, [winning awards](#) on Korean music shows.

One of the commercial banks in Korea [recently announced](#) that it will implement a Central Bank Digital Currency (CBDC) to enable customers to purchase the Objekt Photocard, which is currently in the prototype phase.

So what's the catch with this seemingly too-good-to-be-true DAO?

Although the artist's production and progression exhibit a decentralized aspect, it is thoughtfully structured by a centralized team of industry experts. The governance primarily focuses on fan engagement rather than genuinely decentralizing the artist's production.

And most importantly, as the NFTs and tokens are not a financial asset, Fans do not have a share in TripleS's economic success. Despite their significant contributions, there is no system in place for distributing financial gains back to the community. Similarly, ARMY, the famous fan club supporting BTS, also lacks an external reward structure.

Are equitable reward structures goals for some other day?

Chapter Ⅳ: Stakeholder Capitalism and Community Currency
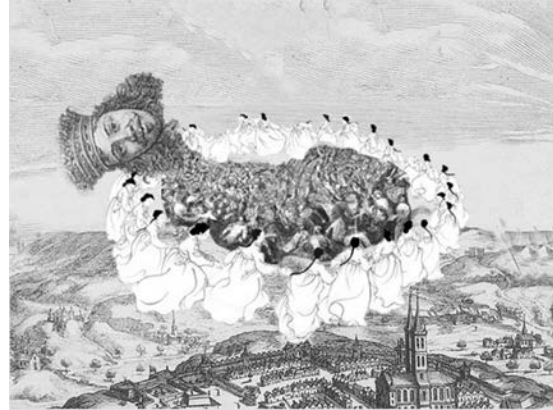
Leviathan vs [Gang-gang-sulae](#), a traditional circular dance of Koreans. Graphics by Aeja

Backdrop2: The Pyramid is Crumbling Down

South Korea's economic success has historically been driven by centralized planning and hierarchical structures of big governments and conglomerates. ***The optimal strategy for individuals is to get into a top centralized entity like Samsung and climb the corporate ladder. Double-digit economic growth was enough to convince everyone.***

However, those days are long gone, and there's a diminishing desire for the youth and even among the boomers, who witnessed the Miracle of the Han River, to reach the top of the pyramid. ***The best approach for individuals today is to maintain the status quo while pursuing personal financial growth and self-realization outside of their jobs.*** Many young people are actively investing in real estate, stocks, cryptocurrency, and other ventures, leading them to be less focused on their day jobs. [News articles about 'conscious unbossing'](#) indicate that most employees do not aspire to be executives. This trend poses a challenge for companies trying to maintain their growth..

Can the pyramid sustain itself when there is no drive among the lower class to climb the ladder? What alternatives do we have? What will future companies look like, and how will they incentivize cooperation and the achievement of organizational missions?

	Stakeholder DAO Lab	Bottle Club	Freaky Fox Crew	Womens Basecamp	WindFlow DAO
Members	Company/individuals sharing the same interest	Network of cafes sharing the reusable cups	LLC + participants	'Wild Women'	Friends resonating to the same vision
Goal	Iterating on the future of Org/Work	Spreading the zero-waste lifestyle	Building a Community of Environmentally Conscious Consumers	Becoming a (pop-up) village to empowering Spaces for Women	Building an alternative, realizing the 'wholeness' of Asian philosophy
Struggle	Lacking external/direct compensation	Lacking resource to expand online/onchain	Not enough autonomy among members	Sustainability of festivals - no clear business model	Slow to scale

[Stakeholder DAO LAB](#) - In search of Dorgs for Post-Stockholder Capitalism

Stakeholder DAO Lab is experimenting with new organizational models that aim to redefine how contributions are valued and rewarded, potentially shaping the future of work and organizations in Korea. The initiative began when the CEO of [ModuLabs](#) sought ways to **distribute company stock to contributors who were not employees, but was constrained by existing legal frameworks of stockholder companies.**

DAO Lab focuses on creating an execution-oriented organization that is community-like and loosely organized. It emphasizes relationships and synergy over trustless systems. The goal is to combine the agility and engagement of a community with the execution power of a corporation.

Jason, the summoner of Stakeholder DAO Lab, believes in participatory governance rather than purely centralized or decentralized models. He notes that low participation, or voter apathy, is the Achilles heel for fully decentralized systems. For example, voter turnout rates in popular DAOs like Uniswap (3.3%), BitDAO (1.3%), and Aragon (0.1%) are notably low ([source](#)).

Experimenting with Governance and Compensation

The lab mainly explores governance and compensation. For governance, the goal is to develop models that encourage active participation without overcomplicating decision-making processes. For the measurement of contribution and compensation, they use two types of points systems in parallel:

- **Contribution Points**: Tied to predefined tasks with guidelines created by the core team. Members self-report their contributions, and these points could relate to equity status in the future. Extrinsic rewards like financial and/or social capital.
- **Recognition(Thankyou) Points**: Personal and emotional tokens of appreciation given by members to each other. Intrinsic in nature. Currency for the Thankyou Auction.

Which point do you think drives greater motivation? With no direct extrinsic reward in the foreseeable future, Thankyou Points won by a landslide. In the Thankyou Auction, members offer goods and services—often related to their specialties—in exchange for Thankyou Points. The auction items would have a high market price but are obtainable via token of appreciation. It allows members to recognize each other's contributions tangibly. The auction now acts as a flagship ritual for the Lab.

By experimenting with these models, Stakeholder DAO Lab aims to create an organizational structure native to Korea that balances community engagement with effective execution, potentially serving as a blueprint for post-stockholder capitalism.

[Bottle Club](#) - Community Capital and Currency for the Zero-waste Lifestyle

Bottle Club started as a café called Bottle Factory which was committed to reducing waste by eliminating disposable cups. It evolved into a network of cafés sharing the same values, forming the Bottle Club. Customers can have their drinks in reusable "Return Me Cups," which can be returned to any café in the network. The community expanded to host an annual [zero-waste pop-up village](#) together with small local shops in the neighborhood.

Members earn Bottle Points by practicing zero-waste lifestyles, redeemable for goods, services, or participation in workshops. The programs include upcycling old sweaters into hats and communal cooking classes focused on fermentation. The aim is to promote sustainable programs and life skills, which become **community capital**, and create a flywheel effect where increased community engagement leads to more zero-waste practices and, consequently, more Bottle Points, the community currency.

Blockchain can be an effective solution for creating a trustless network of individual shops that share the same incentive structure for a zero-waste lifestyle. However, since the members are local shop owners, developer resources are lacking. As a result, the shops need to hire a development service to create their app. Transitioning to an onchain system will involve significant costs, and at this stage, the network does not generate any profit.

Can the community currency have a market value?

[Freaky Fox Crew (FFC)](#) - Growing the Environmentally Conscious Customer Base

Freaky Fox Crew is the very first initiative that successfully branded sustainability as cool and desirable. The FFC universe tells the story of a white fox from the Arctic suffering from climate change. One day, the fox reads "The Little Prince," and realizes that the Little Prince is indeed an alien, and that humans have not been "tamed" yet to care for the Earth. So the fox embarks on a journey to change that. Season2 is a sand fox in the desert.

Members receive an NFT upon joining the crew. The crew started from 40 members and grew to around 2,000, with 10% remaining active. Members earn badges by participating in activities that promote the mission, like flogging and fixing to reuse old appliances. There are 300-400 badge holders today. The badges hold records of the activity and time spent. Since all records are onchain, anyone can view other members' activity history and find like-minded friends. Badges can be converted into "Treats", a community currency used in the community market.

The origin of FFC is not widely known. FFC is bootstrapped by a company affiliated with a K-conglomerate. The preparation period for community launch alone lasted over a year, bringing together industry experts in branding and content creation. Ultimately, FFC operates in a fairly centralized manner, which may explain the community's lack of 'autonomous contributors'.

From a corporate perspective, the community serves as a pool of customers likely to purchase eco-friendly goods and services. Patagonia was the referenced brand. This raises questions about the role of communities in corporate strategies and how blockchain-based models can align community values with business objectives.

[Women's Basecamp (WBC)](#) - Popup Village for Adventurous Women

"Follow Your Fear"

Women's Base Camp is an outdoor community designed for adventurous women, with the goal of evolving into a village. Currently, the community organizes retreat camps that function as three-day pop-up villages. Each camp includes the following elements:

1. Tribe & Role
    ● Campers are assigned to one of four different tribes and have specific roles within their tribe.
2. Community Currency & Flea Market
    ● Flea Markets: These are the most cherished events of the retreat.
    ● Community Currency: This currency is used exclusively during retreats, allowing members to sell their products or services and earn currency to shop at the flea market.
    ● Gift Economy: Members acknowledge one another's contributions within the community and can gift community currency as a form of appreciation.
3. Adventure Grants for Students
    ● There are patron tickets and sponsored tickets available for students, promoting a flow of mutual aid.
4. Generational Mingling
    ● Campers are encouraged to attend with their mothers, fostering connections across generations.

This model promotes mutual support and empowers women by creating a safe and collaborative environment. However, ticket sales alone cannot sustain the festival. Is it feasible

for a festival, which is meant to be free from labor and production, to generate profit? If not, what strategies could festivals explore to ensure their sustainability?

WindFlow DAO - Nurturing Autonomous Beings for the Post-Fiat World

WindFlow DAO starts from the premise that existing institutions and fiat systems are failing. So what alternatives do we have?
Han, the founder, views blockchain as not a solution seeking a problem but an emergent tool. He identifies two types of blockchain communities:

- Bitcoin: Did not raise capital. Mining only.
- Everything Else: Raised funds and VC-Backed.

WindFlow DAO aims to be the former—a community of value-aligned miners.

Which is harder to achieve in a DAO, decentralization or autonomy? While blockchain technology provides the tool for decentralization, cultivating autonomous individuals ready to utilize this technology is more challenging. WindFlow DAO seeks to curate and nurture these autonomous beings.
WindFlow DAO plans to grow slowly with permissioned membership initially, operating across multiple layers:

- Cultural Layer: Establishing rituals that are spiritual but non-religious
- Tech Layer: Implementing local currency and governance powered by blockchain
- Hardware Layer: Developing a network of small cities far from Seoul, focusing on grassroots movements
- Policy Layer: Whitepaper and "10 Commandments" coming soon

WindFlow DAO represents an experimental approach to building sustainable communities using blockchain technology by focusing on cultivating autonomy and community support.

Conclusion

Can DAOs become the future of organizations in Korea? Currently, there isn't an urgent need for Korean organizations to operate onchain, primarily because the membership is largely homogeneous and consists mostly of Koreans, due to the language and cultural barrier. This reduces the necessity for global coordination and allows for more trust-building in real life. Most importantly, there isn't a strong desire or need become trustless and scale exponentially.

Blockchain technology should be viewed as a means to solve existing problems within decentralized organizations rather than a solution seeking for usecase. To align with Asia's cultural values, DAOs in Korea should focus on community-centric governance, collective ownership, and trust-building. Emphasis should be on how blockchain can enhance trust and coordination in community efforts.

Despite the overarching influence of conglomerates, NFT membership projects by big names were not sustainable as the community component was missing. Distributing decision making power to stakeholders, as seen in tripleS, is vital for long-term engagement and success. Initiatives like The DAO Lab highlight the importance of experimenting with compensation structures that reward contributions and foster participation.

DAOs can provide autonomy, flexibility, and innovation platforms that appeal to modern workforce aspirations. The younger generation's decreasing interest in traditional corporate ladders opens doors for alternative organizational models like DAOs. For successful decentralization, there is a need to nurture autonomous, engaged individuals who can effectively participate in and govern DAOs.

What will the future of work look like for Koreans? The future of organizations be? Several research questions still need to be addressed.
- What type of education is necessary for stakeholder capitalism? Decentralization can only occur with a supply of autonomous contributors. The current educational system is optimized for the 20th century. How can we develop an autonomous workforce?
  - Asian culture places a high value on harmony, which may not fully align with the concept of permissionless tools. There are concerns about stepping onto others' foot. How can we adapt the idea of 'being permissionless' to fit within the Asian context?
- What problems does minting community currency solve for local communities? Does having its own currency address the ongoing issues related to sustainability? Why are so many communities attempting to create their own currency?
  - Does having a community currency allow fan club DAO members to earn a living while engaging in their favorite pastime? Or does it risk the collapse of the community due to financially motivated actions that conflict with the fans' mission?

Appendix

1. The Regulatory Landscape in Korea

Strong regulation is shaping a unique crypto landscape for Koreans—***we are offchain.*** The 1997 Asian Financial Crisis, what the locals call the 'IMF Forex Crisis', was a national trauma that required nation-wide economic restructuring, with millions losing their jobs. Afterwards, the government implemented stringent financial regulations, particularly on foreign exchange. These measures have had lasting effects even on the cryptocurrency market.

The government mandates strict compliance with Anti-Money Laundering (AML) and Know Your Customer (KYC) policies for centralized exchanges. The only fiat onramp allowed is via CEX, where each CEX account is connected with a bank account. Capital outflow from CEX is also under strict surveillance, with Travel Rule and whitelisting of wallets. A notable phenomenon is the "[Kimchi Premium](#)" where cryptocurrencies trade at higher prices in Korean CEX due to capital flow restrictions that limit arbitrage opportunities.

These regulations effectively leave the majority of Koreans offchain. Their only crypto experience is within the walls of CEX. This creates hurdles for mainstream DAO adoption, as well as any other onchain application.

2. K-Love for singing and the history of Singing Contensts

Koreans have a longstanding tradition of love toward music and performance arts. One of the longest-running TV shows in Korea is the "[National Singing Contest](#)(전국 노래자랑)" which began in 1980 and continues to air. In 2009, "[Superstar K](#)" similar to "American Idol," became the country's largest audition program, where winners were determined by viewer votes. The show's immense success led to a proliferation of similar programs.

However, this participatory model faced challenges. "[Produce 101](#)," a popular survival audition program, allowed viewers to vote on which contestants would debut for new idol groups among the 101 contenders. It was later discovered that votes were manipulated, leading to a major scandal. The producers of the show faced jail sentences.

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