The oracle problem – deterministic systems which means that everything that happens in a small box. Oracles are used to bring data into the blockchain. Both on chain and off chain data needs to be decentralized. Using off chain and on chain data builds what’s called hybrid smart contracts. Most data and contracts are hybrid.

Smart contract features

* Decentralized: removes control from a single entity, bankless narrative
* Transparency and flexibility: on chain data is public but its pseudoanonamous
* Speed and efficiency
* Security and immutability: asset that is locked on the blockchain and can’t be changed
* Removal of counterparty risk: helps to remove self-motivated participants from deals
* Trust minimized agreements: currently in a world with brand based agreements, move from brand based to math based agreements.

DAOs

* Organizations that live online
* All governance is done on chain