

# Disrupt Yourself Podcast

## EPISODE 251: ADAM LEVINE

Welcome back to the Disrupt Yourself podcast, where we provide strategies and advice on how to climb the S-Curve of learning in your professional and personal life. Stepping back from who you are now to slingshot into who you want to be. I'm your host, Whitney Johnson. This week's show will be a bit different. We typically talk about how people are disrupting themselves because how we deal with disruption defines us. But today we're going to talk about one of those disruptions: blockchain and cryptocurrency. Like many modern technologies, it's complicated. Most people don't understand it, including me. Yes, I am at the launch point of the curve. So this episode is going to be a primer, a crash course for me, and quite possibly for you. Blockchain 101: A beginner's guide. I also want to stress that this episode will not provide financial advice. Please educate yourself as much as possible before jumping in. We're just here to learn how this all works and get a glimpse of how this disruption can help us get better at disrupting ourselves. With that said, our guest today is Adam B. Levine, the former managing editor of CoinDesk, a leading publication that covers crypto markets. Host of the Speaking of Bitcoin podcast and the CEO of Tokenly.com, Adam welcome to the podcast, and we're delighted to have you here, and what we'd like to do to start off is to have you share with us, how did you become interested in blockchain?

**Adam Levine:** So I came from the world of trying to understand money when I wasn't educated about money, and that led me down a whole variety of paths and eventually to blockchain and sort of the aftermath of the global financial crisis. As I realized, I really didn't understand anything that I thought I understood, you know, that sort of led me to blockchain as an eventual destination. And what I found in blockchain was a system that to me made sense. And it made sense because the rules were transparent, because you didn't have to have a lot of trust in centralized authorities who I've always been pretty resistant to authority. Going back to when I was a very little child and did not have a good time in school, you know, was not a great kid growing up, and that kind of just carried through as like the more somebody wants me to do something without being willing to explain in a way that actually makes sense to me why that's the correct thing to do is to the extent that I'm going to cause problems for myself and for other people until I get an explanation that does make sense. So that that sort of anti-authoritarian vibe, I think,

was really crucial to the early days of cryptocurrency, a little less so today. But the reasons why you wouldn't trust these structures, I think, are a lot stronger and more obvious today.

**Whitney Johnson:** So blockchain spoke to your soul. The deepest part of your soul is what you're saying.

**Adam Levine:** Yeah, I didn't believe it. Actually, I didn't believe that it would work because there had been attempts to do things like this before. And so, you know, I first learned about it in I believe 2010. I started doing podcasts about it pretty much, you know, within about six months and I had started a number of podcasts by the time we got to the spring of 2013. And in the spring of 2013, I started a podcast called Let's Talk Bitcoin, which was in the right place at the right time with the right hosts. And we just kind of took off as the only option, and I became systemically important for a couple of minutes there. You know, like if you had a project or an idea that you wanted to talk about, you came on, let's talk bitcoin because there wasn't no other place that you were going to do it, except on forums where only other engineers would read you. So, yeah.

**Whitney Johnson:** That's hilarious. Systemically important for a nanosecond.

**Adam Levine:** Exactly.

**Whitney Johnson:** Adam, we want to go to blockchain in just a minute and sort of a fifth-grade explanation because I'm at the launch point of the curve and that's what I need right now. But I do want to loop back to something that you said. You said I wanted to understand money, and it sounds like there might be an interesting origin story there. Can you share with us a little bit more?

**Adam Levine:** I used to argue with my grandfather a lot about how you're supposed to, like be an adult human in the world who is successful and able to be self-sufficient. And the stories that he told me about how he had achieved that, which was very, you know, organic, you know, bootstrap type thing. Those were just never options that were real options for me. And I would talk to my parents and they would talk to me about the options that they had in the 80s and the 90s, and I was born in 1984. I'm about to turn thirty. And really, none of those options were ever options to me. And so I kind of came to realize that. That the way that the system works is not static, that it is constantly changing, and that the changes that happen today are the result of changes and actions that happened yesterday. And you know, in high school, I was in sort of one of the last generations I think that took, you know, like a real civics class. And even in that type of environment, like I didn't really understand or really like, it just wasn't important, right? Like the system worked. You could look around. You could see, you know, the dot-com boom was on like there was so much opportunity everywhere. And it was just sort of obvious that the system worked because it looked like it did. And then, as the global financial crisis happened, I found myself without a job and I found myself looking around and trying to understand why the system had collapsed. Why had this thing failed when it had looked like everything was going so well? And when I realized is that it was actually never going so well and that the system has been in the process of failing for many, many years, arguably in my lifetime. And when you start to look into blockchain economics, it really becomes a question of power.

**Adam Levine:** Right? Who has the power to tell you a story that you have to trust them, that you believe in, right? And with blockchain, there is no story. Everyone can see the data. Everyone can see the transactions. Everyone can see the underlying fundamentals. How much money is being issued. Where that money is going, right? This is revolutionary. It's revolutionary because, before something like a blockchain, you couldn't do this, you had to trust people. And so then it's a question of, well, who's the most trustworthy person? Who's the person who we should imbue that power into? And after blockchain, the question isn't that the question is what is reality right? What is reality? Who is the best avatar to figure out what sort of changes need to be made in order to maintain this best reality? And more importantly, who gets to make that decision in the current system? It's always going to be a group of 12 really smart, well-credentialed, well-intentioned people, something like that, right? Even hundreds, you know, in the world of blockchain, it's a consensus process. It's a consensus reality. So whatever we all believe to be true or the majority of us believe to be true is actually true from a monetary policy standpoint. And that's really, really powerful because it means that you can't have this concept of special interests coming in and saying, Well, you know, sure, here's what's happening, but here's what we want to have happen, and let's convince the 15 people who we need to in order to make that result sort of manifest into real life.

**Whitney Johnson:** So what you're saying is that that the financial crisis led to all sorts of existential questions, and you found that blockchain could help solve or answer some of those questions?

**Adam Levine:** Yeah, I found that distributed systems, right, distributed systems and decentralization generally, which really just means that you're using more people in the making of the decision in the maintaining of records, right? That those things are fundamentally important and they're more difficult. You wouldn't use them if you had a better option, but lacking a better option. Well, this is actually something that could work. And for me, it's never been about, you know like, trying to navigate through the current system. It's always been about trying to navigate through the current system while also trying to understand what a better system would look like. Because my general sense has been all my life, that we need a better system and it's going to come whether we want it or not. So the question of who builds it, what are the kind of ethos behind it, right? All of those become incredibly, incredibly important.

**Whitney Johnson:** Hmm. So it's interesting listening to you. And I think this is a great segway to talk about blockchain technology. But before we do that, I hear you saying that on the one hand, you're a rebel, but I actually hear you really. You're a reformer and you're a disruptor in all these really powerful ways.

**Adam Levine:** I would characterize myself as a disruptor, and I think that they really are one on the same today, I think that the possibilities for the system to resolve these incongruities inside of itself is almost nothing right. Like there's just like the incentives are poorly stacked, right? Yeah. People who currently benefit from the way that things are are also the people who have the power requisite in order to change the way that things are. And in practice, we've seen that they're just not going to do it. So again, like Buckminster Fuller has a great quote, which is that you don't, you know, improve existing paradigms. I'm paraphrasing here because I don't remember exactly you. You know, you create an alternative system, basically, and then that obsolete sort of the current paradigm. And I really think that that's the world that we're looking at today is the on the one side, people who are trying to reform the existing paradigm and struggling mightily to do so. And on the other hand, people who are building parallel systems that I suspect will eventually become the new systems.

**Whitney Johnson:** Yeah, I love it. Obsoletes the old system. I like how you turn that into a verb. All right. So what is blockchain? So we've laid the foundational sort of ideological premise for why this is important. Talk to us at a very high level what it is. How does it work technically?

**Adam Levine:** Yeah. So I think it's almost better to think about it philosophically, honestly, because technically gets complicated quick. Philosophically, what you're talking about here is it's a better way to track who owns what stuff on the internet. That's really the simplest, single-sentence, and correct way to think about blockchain that I've come across, and took me years to come up with that, incidentally, too. It was really hard to explain for a long time.

**Whitney Johnson:** Simplicity on the other side of complexity, right?

**Adam Levine:** That's right. Yeah, exactly. Like once you understand something well enough like it took me literally years to figure that out, but it's so true. And you know, I first became involved with blockchain by way of bitcoin, which was a better form of money because again, all the problems that I'm talking about here, a lot of the issues manifest in money. And so bitcoin is a money that has many other problems, right? It has many scaling issues that we're still overcoming and it has many, you know, transparency issues where it has so much transparency that you can actually have these dystopian scenarios emerge, you know, through the use of it under certain circumstances. But it's a system that doesn't have central parties, so it doesn't have a central bank that you have to trust or acting in your best interest. It doesn't have a government who's going to make short-term, you know, decisions about how the money should be run based on reelection prospects. It's just money. It's just there. It has a schedule that's set for 150 years in terms of how much of it will be issued, what the rules around it are.

**Adam Levine:** And that level of stability that you get from knowing today and being able to predict one hundred years in the future what the money supply will be, that's unmatched. And it means that people can make long-term plans. Whereas, you know, we just saw the Federal Reserve announced surprise! They're going to raise interest rates and additional time, right? It still isn't going to do the thing that they say it's going to do, which is try to tame inflation, so to speak. But it kind of gives you an idea of just how uncertain things are around our money today. They change literally every couple of months based on the whims of the people who are acting in our best interest, they say, but

who in practice are pretty much destroying the currency. So blockchains again, when you're talking about bitcoin, it's a better way to track who owns what money on the internet. But just generally, blockchains are a better way to track who owns what stuff on the internet, and that, arguably to me, is more important than money. Money is critical, but the stuff part that's world-changing in a substantial way that goes beyond simple monetary policy.

**Whitney Johnson:** When you talk about stuff, how can blockchain transform the world in some positive ways?

**Adam Levine:** I think that what's more important than specific examples is demonstrative examples that then demonstrate the breadth of the change that we're actually faced with here. Individually, I think that there are certainly important things, but it is about everything, right? The internet, as we know it today, the internet as it was created, the internet, as we saw sort of the emergence of the Googles and then the Facebooks. It has happened in a world where ownership on the internet was not a thing that existed outside of any one particular platform. So one of my favorite examples. One that's personally important to me, is if you look at like how audiobooks happen on the internet, right? The vast majority of audiobooks are served through and through an Amazon company called Audible and then Audible, basically, you pay a subscription to them and then they keep, you know, a library of audiobooks that you own with them, but you don't actually own them. You have the right to listen to them through the audible application. But if you were to go to Apple service or any other service besides Amazon service, you would find that you don't actually own them. And if you want to consume them over there, you have to buy them over there. And so this means that there's no such thing on the internet as a used bookstore, right? There's no in terms of like for e-books or for audiobooks. There's no value outside of consumptive value outside of the ability to listen to it again, to actually owning the books that you own. And this is really in contrast to the real world where whenever you do own something, you go to a bookstore, you buy an audiobook, you get it on CDs, or you get it in some form that allows you to consume it however you want.

**Adam Levine:** And when you put a CD into a CD player, you're not putting a Sony CD into a Sony CD player. You can do that. But that's not the purpose, right? It's just this is a particular technology from a particular company that is also compatible. And so this idea of compatibility is something that is incredibly important in the real world and to ownership, and it's something that we really lost in the transition to the internet. And so on the internet instead of having reseller relationships right where you know, you have a company that makes widgets and I'm a company that sells widgets and I buy the widgets from you and then you give them to me and then I sell them to somebody else instead. What happens is that I'm an affiliate. I'm essentially a marketing arm for you. You have the relationship with the customer. And that's again, by nature of the fact that we can't track ownership as it goes between people in the same way on the internet as we do other things. So that's kind of what it comes down to and that this has huge implications for everything from media like we've been talking about here. But another incredibly important use case, which we're actually starting to see come into reality is domain name transfers, right? When you try to buy a website from somebody or web domain from somebody, the process of doing that right now is effectively, you know, like you've got the domain, I've got the money, you throw the domain to me, I toss the money up into the air to you, and we hope that we both catch it at the same time, right? Or more likely, we're using a third party who then charges us money to escrow this transaction.

**Adam Levine:** And that, again, is entirely because there's no token of ownership for these things. And again, once you introduce blockchains, you have that. You have the ability to say that you know that. Let's talk Bitcoin.com or CoinDesk.com or whatever. This token represents ownership of that. And if I sell you this token, then the money comes to me. The token goes to you, and there's no process that involves recording who owns it because it's obvious you own it. When you're looking at these types of disruptive technologies, the thing that you have to do is you have to pull back the lens, right? You have to zoom way out and you have to say, All right, so all these things that I have considered before and I've said, I'm not going to do it because it's impossible how many of those things are still really impossible and how many of those things are just things that are actually possible today, but which I or nobody else has actually looked at and said, Oh hey, the rules changed and I can now do this thing that I thought that I couldn't do before.

**Whitney Johnson:** Hmm. You know your example around the domain name that thank you for that because I exactly like, you're your domain name. What did you call it? Letstalkbitcoin.com. Right? So if you wanted to sell that, you would have to go through a third party as opposed to just if I wanted to buy it from you. I could just buy it from you because of blockchain.

**Adam Levine:** Well, I mean, it turns it into the same thing, and to be clear, I sold LetstalkBitcoin.com back in 2017, so I don't actually own this anymore. It's just a top-of-the-mind example.

**Whitney Johnson:** Okay, yeah.

**Adam Levine:** But yeah, I mean, imagine if on your e-commerce store, in addition to all of your swag and merchandise and stuff like that, you also had subdomains, right? And it's like, Do you want to buy this subdomain that is, you know, like Games.Disrupt.com, right? Whatever, right? Like, you could do that and there's nothing really stopping you from doing that. And the process could be automated where somebody pays you and then the token is automatically sent to that person and now they own the token. The thing about blockchains and tokens and all this other stuff that's worth mentioning is that like, none of this stuff happens because the blockchain part exists. The blockchain part is a precursor, right? The ability to create a token that represents a thing that then is recorded and travels on a blockchain, so to speak. You know, in terms of where ownership is traveling and represented, that's one part of it. But then you need to build other systems. And those other systems are much more complicated, typically. But instead of saying, OK, well, here's how we're going to deal with domain names instead, you just say, well, domain names are tokens. Here's how we deal with tokens and then that works within our given system. Yeah.

**Whitney Johnson:** So Adam is a token like a title, like a title to a house, or title to a car.

**Adam Levine:** They can be. I mean, that's effectively what they are. They're effectively registrations on the internet, right? And a blockchain is a transparent list of who owns what stuff, right? And who is transferred, what stuff to other people? We're talking about this in a very internet-centric context right now. But I mean, just think about it for land title registrations, right? Like there are already pilot programs that have been for many years at this point, exploring these technologies as ways to take what is a very manual process, with stamping and with passing through multiple hands and multiple copies and stuff like that. You know, like if you've tried to buy a house like you signed a lot of paperwork and that paperwork is being signed because something like a token doesn't exist. Whereas when you have the token, it's just simple.

**Whitney Johnson:** We signed piles and piles and tells the paper when we bought this house. Ok, Adam, before we move on and we start to talk about cryptocurrency, can you just do a very basic, basic nuts and bolts? You're explaining it to a ten-year-old? Pretend like I'm a ten-year-old.

**Adam Levine:** So there's an apocryphal story. It's not too apocryphal, but it's probably a little bit fictionalized of the island of Yap, and it's sometimes called the island of Stone Money and on the island of Yap. Basically, they created it was, you know, a relatively small culture, you know, high hundreds of thousands of people, and they created pieces of money that were very, very, very large stone disks so stone discs that could be eight feet tall, ten feet tall effectively. What they would do then, is that when you wanted to spend that money, you would say, OK, I'm going to give you this money. I'm not going to move it to you. It's not going to fit into your wallet. But I'm going to say that this money that's sitting outside of Bob's house, right, that I'm trading you, that in exchange for this cow over here. And so then how do you actually do that, right? Like, possession in our world of money means that you actually have it, that you actually possess it in some, you know, physical or digital format. In the island of Yap, what they would do is they would tell everybody within their social network that the transfer had been made and they both had an incentive to do that because now it explained that, well, this money that's in front of Bob's house, I used to own it, but I traded it to you for a cow, right? And you no longer have your cow. I own that cow, but you have this money, right? And so to the extent that you would take and you would spread that message through the population. Then people would come to know that you own the money and I own the cow. This is an almost perfect analogy for what happens with blockchains.

**Adam Levine:** Effectively, what happens is that if I'm going to send you a bitcoin or something like that, then my computer, not me personally, but my computer announces to everyone in the network that I am sending you this bitcoin. It's not going to say you're sending me back a cow unless that cow is on the blockchain also. But but but it shows you sort of that. And so this is really how these systems work is they are announcement systems. There are systems where in order for a transaction to be real, it's more than just signing the check. It's actually taking that. And then it's explaining to the network, here's exactly what happens, not in terms of like what the deal was for, but in

terms of where, but in terms of how the ownership of assets that are held on the blockchain. In this case, bitcoin are transferred and who owns them next. And so in this case again, instead of it being my name and your name, it's my public key and it's your public key, right? And then we each have our own private key, and our private key is used to control that public key to control assets received by that. And so when you're thinking about public and private keys, you can think about these, kind of like, a mailbox drop-box. That's your public key. Everybody can see it, people can put stuff into it, but they can't access it. And then you have the private key that allows you to open the mailbox and get the stuff out that's inside. So from a very high level, that's how blockchain sort of work to pull this stuff off.

**Whitney Johnson:** So we've talked about blockchain technology. Now let's talk about cryptocurrency. And if I understand correctly, it's an asset class just like stocks or Swiss francs or gold. And so when you or I are trading bitcoin or Ethereum, it's like we're trading gold or Swiss francs. Is that correct?

**Adam Levine:** Yeah, it's like that, except that it doesn't have a real-world counterpart. And by nature of not having a real-world counterpart, so many of the shenanigans that we see in the financial world are simply not possible. So that's the important distinction there. Is that by nature of their being. Because again, like you could have a gold-backed digital currency system, people have had it before. The trick is that you take a bunch of gold, stick it into a vault and you give people basically receipts that are native to the internet and then you allow them to trade those receipts. But then what if somebody as happens from time to time, you know, comes in and you know, it's a government and says, hey, we don't want you doing this, so we're going to take all the gold, right? This is not a hypothetical example. This is something that's happened several times in the last 20 years, and it's what led to systems like bitcoin, where there was no physical asset. There was simply the rarity characteristics that you wanted from gold. The fact that gold is limited is actually all the value of gold because it acts as a constraining factor. It stops you from doing what you otherwise might think is a brilliant idea. But unfortunately, you don't have enough gold to create the money to do the thing that you want, right? So that limiting factor part of it is super important to good money that will last over a long period of time because it constrains the ability of the people who manage the money to do whatever they want with it, irrespective of whether they actually have value to back up their ambitions. Bitcoin is that except you've gotten rid of the liability of the gold that can be seized.

**Whitney Johnson:** Hmm. All right. So what causes bitcoin to go up or down? I mean, there's a supply-demand, but as people are trading it, what, are they the same factors that would cause Swiss francs to go up or down? Or is there something else at play?

**Adam Levine:** It's the same factors barring the central bank part. You know, central banks effectively manage money and by managing money, really, what we mean is they manipulate money, right? Like money, you know, is just an asset. And as an asset, if it's in more demand than it's in supply, then the price goes up. If there's more supply than there is demand, then the price goes down. Markets generate and create and discover equilibrium within these types of systems because, otherwise, if the system is out of equilibrium, someone will take advantage of that opportunity. They will either see it as too expensive or they.

**Whitney Johnson:** Arbitrage.

**Adam Levine:** Exactly right. So some markets are really an incredibly important thing. And what you see in the world of traditional finances is that because money is an important way that we measure how our world is doing and how our leaders are doing. It's one of the most manipulated things in our world. And so when you look at bitcoin, it doesn't have as much of those characteristics. You can still have people who have big stakes and who choose to buy or sell in an attempt to push markets up or down. But they had to actually pay for that money. They can't just create it out of nothing. And that difference is substantial.

**Whitney Johnson:** So when you see bitcoin going up a lot or Ethereum going up a lot? What you're saying is that there is actually real, there's real demand or. Right? So there's demand for it. That's why the value of it's going up as opposed to dollars or francs, et cetera. There's potentially manipulation taking place in a different way than with bitcoin.

**Adam Levine:** I'm saying that it's a better system for those that because of those, I wouldn't describe it. It's not, again, like we're not living in a world where we get perfect solutions. We're living in a world where we're looking around for what's the least-worst solution. And so far, bitcoin is the least-worst solution that I've found for something like this.

**Whitney Johnson:** So in the context of decentralizing, do banks get disrupted?

**Adam Levine:** Well, so it's not really no more banks, right? It's that banks aren't required. You might still choose that you want to use a bank, and I can tell you, you know, from my time in crypto that this idea of being your own bank has long been a slogan, and it's definitely possible. But there's a thing about being a bank that people don't talk about, which is that that's really hard, it's really hard, and you're the guy who is responsible. So if you screw something up, you can't yell at the bank and they give you back your money. You just screwed it up and it's entirely your fault. So I think again, like for me, it all comes down to options, right? It's like if you're forced to use one particular way, then it doesn't matter if that particular way is terrible or, for example, offers 0.001% interest on your deposits, right? While they're making a couple of points from the Federal Reserve. So like, that's the difference, is that to the extent that there are alternatives, we see that the existing options have to compete, and they have to actually offer a good value, and so it almost isn't even about using an alternative. It's about the availability of alternatives and the competitive pressure that that then applies. So yes, no more banks if you don't want them, but simply by nature of that being an option, banks should in fact get better. I honestly, I think that the entire point of all of this is competition and you can look back at, so when I first started doing the Let's Talk Bitcoin podcast back in 2013, I talked with one of the first episodes with one of the guys behind the free banking movement, and he told me why transactions? When you send money from one bank to another bank, even, you know, like from one side of the street to the other side of the street, right? Why that took like a week at the time, and today it doesn't take a week.

**Adam Levine:** Today, it takes like two days because bitcoin came out and it demonstrated that it didn't have to be that way. And so now there was competitive pressure where before there wasn't. And so now transactions settle in two days. And the reason why it didn't work like that before is because these banks would collect interest on the money that you sent. So your bank would send it to another intermediary bank who had nothing to do with anything, but they would collect interest on it overnight, and then they'd send it to another bank who would collect interest on it overnight. It was just a great deal for everybody, because who cares? It's the best option anyways. So yeah, that that competition thing like people with cryptocurrency and with bitcoin really get in their head about better systems being inevitable systems. And I disagree with that. Systems are inevitable because people use them, and that network effect then creates sort of this magnet that makes them inevitable. But getting from here to there is not straightforward, and it's kind of like there's a huge amount of survival bias in all of this stuff, right? Where you only see the systems that survive, you don't see all the systems that fail and so many systems fail. So that's where I come down to is that if bitcoin becomes the winner, that's fantastic. But if all bitcoin does is it forces the existing system to fix it. Pardon my language. Then that'll be a great outcome, too. We just need systems that work.

**Whitney Johnson:** So how do people create new currencies? Which ones are important right now and why would you want to create a new currency?

**Adam Levine:** I mean, I think that people typically want to create new currencies because there's an incredible amount of power that goes along with it, right? Like if you create a currency, you know, and many people have, then assuming you can get people to value it, you basically have just given yourself the right to print money assuming that your system allows for you to print money. So as far as the ability to do that goes, like people do it all the time constantly, there's just so much money in it. And you know, I want to go back a little bit to your prior question and answer it slightly differently, which is to say that the reason why bitcoin goes up or down isn't because of bitcoin, it's because of how people perceive other options relative to bitcoin, right? So bitcoin is just this thing. It's just there. Like, it hasn't changed. It's not going to change. Like I said, it's predictable in terms of the amount of money that's going to come out for the next hundred and fifty years. So it's not really, but it's also incredibly inefficient, right? You're talking about very, very low throughput. You're talking about transaction fees aren't very expensive anymore. But when it was really busy a couple of years ago, transaction fees were pretty decently expensive. So when you're looking at a decentralized system, really what you're doing is you're saying, what could I use besides this inefficient system in order to get the same result that I want? And if the answer is something, then you're going to use that system because why wouldn't you? It's more efficient and it still delivers the outcome that you want. But in a world

where every central bank is doing basically the same thing in terms of continuing to inflate their money, continuing to, you know, continuing to go down this path, we've been going down for about 20 years at this point and really accelerated over the last 10 years.

**Adam Levine:** You know, in that world, bitcoin is attractive because that's not happening. It's just there. It's just money, right? And that's what we want for money. Like, we don't want money to accomplish our political aims. We don't want money to, you know, to do things for us. We just want money to be money where when we earn it, it stays money. If we save it, it becomes more money and the value of that money. You know, we can then accrue, and then through accruing that money, we can have the power to do what we want with it, to enact change, to create businesses, to again, to do what we want with it. That's what really drives bitcoin is that if the world wasn't going through this thing that we're going through right now, I don't think bitcoin would be interesting. I think that it would be interesting to wonks like myself, right, who you know, are in it for basically ideological reasons, which is again, like, I just want good systems and I just want better systems. So even if the system, as we have it now is working well, I would still be interested in better alternatives. But given that the system that we have now isn't working well and given that we desperately need these types of alternatives now, I think that's why we're seeing so much interest in not just bitcoin, but in anything, anything that isn't the traditional system.

**Whitney Johnson:** One of the things I'm wondering is, you said, you said that we know exactly how much money we have and we will know that for about over a hundred years. Why did you say that? What's in place that makes that true?

**Adam Levine:** It doesn't really matter what the numbers are. It just matters that the numbers are public, that they're understood, that they're unlikely to change, and that to the extent that they do change, it's a process that involves consensus throughout everyone who uses this, rather than just a couple of very smart, well-intentioned people. So the number is 21 million. Twenty-one million is the amount of bitcoin that will ever be out. As it stands, right now, we already have the majority of the bitcoin that will be created out. It's one of those systems that starts off with a lot because there's nothing. And then as you get a growing supply, it tapers and tapers and tapers, you might say, well, twenty-one million bitcoin doesn't seem like it's enough because there's way more than twenty-one million people out there. So are we really going to live in a system that has like 0.0001 BTC as like the life savings of like the average person? And that is a fair question. The interesting answer, though, is that because this is digital, because this is just numbers, right? Just numbers you can effectively take and you can read denominate that down. So what is twenty-one million today in terms of bitcoin? Well, that could be two hundred and ten million if we just add a single zero to it, right? And we call it something slightly different and you could add nine zeros to it right and take it down to what we call Satoshi's, which is one one hundred millionth of a bitcoin that's right now in the protocol, the smallest amount that you can separate these things to.

**Adam Levine:** So it's like saying so I mean, like if you have that type of divisibility and if it's not something where you have to literally be like ripping dollar bills into tiny, tiny pieces in order to pull it off, then that kind of means that you're not supply constrained. It means that there is, as far as the big unit, well, there's a set number of those, but how you divide it, that really just comes down to interface and how and, you know, kind of how the system is working at that particular moment. So it basically means that if you did take it all the way down to just Satoshi's, just one one hundred millionth of a bitcoin, you would have plenty of bitcoins or plenty of Satoshi's, right? But money powered by bitcoin to service the needs of the entire world. And that again, is a code constraint. So if we wanted to, we could take that and we could go to one hundred decimal points. So it's really it's an arbitrary number insofar as that twenty-one million versus 20 million, why did they pick that? Who knows was arbitrary, but it doesn't matter because that incredible divisibility of this digital system means that we can take even if it was just one and we could have one bitcoin then become the entire financial system for the entire world.

**Whitney Johnson:** Hmm. Interesting. And it is interesting the idea of the S-Curve of like, So where would you say we're on the S-Curve? You said we're almost to, like if 100 percent is saturation, are we at 90 percent? 95 percent?

**Adam Levine:** So, yeah, so looking at current stats, we're at eighteen million nine hundred and five thousand. So over the next 150, we should see a little bit over two million bitcoin be created and 19 million effectively bitcoin have already been created. So that early adoption period pretty much over at this point.

**Whitney Johnson:** What's an NFT?

**Adam Levine:** An NFT is what stands for non-fungible token. What an NFT actually is is it's what we were talking about earlier, right? It's how you track stuff on the internet. And we've been talking about bitcoin a lot with bitcoin. The stuff you're tracking is money with NFTs. The stuff you're tracking is stuff, right? And you know, it can be, you know, a preorder for a pair of shoes. You know, that's one of my favorite use cases very early on. You know, like if you took something like Kickstarter, which is now actually in the process of decentralizing itself and you said, OK, well, instead of giving people back promises, we're going to give them back tokens that represent a claim on the particular reward that they have. You open up all kinds of really, really interesting opportunities today. NFTs, for the most part, are really one of two things. They're either on the one side, they're art, and it's a way to own digital art in the same way that you would own a piece that you would hang up in your house and people do hang these up in their houses. They just have really expensive special monitors, right, that then display their NFT collection. And then on the other side, they've basically become what I kind of consider the online equivalent of a country club membership or a social club membership where you buy an identity. And that identity then gives you something in common with a group of people. And there are so many of these communities out there that have started up over the last year because it's become a very popular thing to do, especially with the lockdowns and with people not wanting to socialize.

**Adam Levine:** It's also a way to demonstrate affluence and to sort of flex either how rich you are or how smart you are, right? Because when you look at somebody who has like a crypto punk or like crypto punk, this iconic, you know, these iconic pixel art images that were not successful when they came out and basically they were free. But it was one of the earliest projects that now you've got Jimmy Fallon buying one and you've got just all kinds of people who are out there who are spending incredible amounts of money to buy what is effectively an image that you don't own, except for the ability to use it as a Twitter profile picture, right? And really, when you see somebody doing that, they're showing you one of two things. And it's hard to tell which of those two things it is on the one side, they might be saying, I'm so smart because I got this when nobody else recognized that it's valuable and now I'm rich because of that. Because they're worth so much money. And on the other side, you've got people who are saying, I'm so rich that I didn't need to be smart, but now I'm smart because I got one of these right? And so it's kind of a combination of all of those factors. There's definitely some world-changing projects that are out there that are doing really important stuff. But the vast, vast majority of projects fall into one of those three categories, and there's a lot of overlap between them, too.

**Whitney Johnson:** You've started a company called Tokenly, which I want to hear more about in just a few minutes. But what are some? Is there a big project that you're working on right now that you're really excited about?

**Adam Levine:** So I want to work for CoinDesk a couple of years ago, and I built a podcast network for them, and I'm currently in the process of transitioning out from that, helping them hire to replace me at the moment and transitioning full-time into a project that I've been passionate about for coming up on a year now, and I've been working on as much as I can. For about six months now. So I love disruptive technology, and the reason why I love disruptive technology is because I'm the hardest working lazy guy you'll ever meet. I'm always trying to figure out what's the least effort I can do in order to bring about the thing that I'm attempting to manifest into reality. And so where we are with cryptocurrency actually is a little bit mature for me. It's, you know, like I've been successful in this space and I have a lot of knowledge in this space, and I really like talking about the philosophy. And so I've stayed here longer than I typically would have. But what I've really been getting sucked into recently is this fundamental disruption that's coming to the way that we view art and to the way that we create art and to the way that we sort of determine what is art almost. And so what I'm talking about here, not to get too technical for a second, but I will for just one minute.

**Adam Levine:** There's a company out there called Open A.I., and they created this algorithm called GPT3. That's basically like autocomplete for your phone. Except instead of completing the word that you're writing, it'll just write sentences and paragraphs and just write in your voice. And it's really good. It's like surprisingly good. And so I discovered this a couple of years ago when a person who I really respect wrote a blog post about it and explaining it and why they thought it was important. And at the end of it, they revealed that actually they didn't write the blog post. The algorithm wrote the blog post, and it just blew. My mind completely blew my mind. And so they sent me down a multiyear rabbit hole that wound up, you know, towards the spring of this year with my discovering a set of

technologies also released by OpenAI in the open-source space called Clip, and a Clip basically is. Is opening, I took the internet, right? And they scraped 400 million images and the text that went along with them. And then they trained this model to understand imagery as they relate to specific words and words as it relates to specific imagery characteristics, right? And the model that they wound up distributing had none of the images, none of the text within it. But it had this statistical understanding of how these things relate to each other in a really comprehensive, really amazing way.

**Adam Levine:** And so this was a precursor technology, in my opinion, that has now caused a sort of renaissance that most people are not aware of where people have now taken this technology and they have connected generative engines to it, they've connected ways for people to use artificial intelligence to now create images simply by speaking words, right, simply by describing what they want. And really, what I view this as is the invention of the self-driving car for creativity. You no longer need to know how to how to drive the car. All you need to know how to do is to ask for what you want. And if you ask for what you want, chances are pretty good. You're going to get it and you're going to get it faster than you ever could have in a prior generation. With literally within minutes, it's going to cost almost nothing in order to do it, and it's going to take almost no time. So those things to me are incredibly important because our world is constrained by: what does something cost? How much time does it take? How much expertise is required for me in order to generate what I want? And this is an order of magnitude reduction, at the very least, and it may even be more significant than that. So it's not something that, you know, is going to change everything in the world today, but give it three to five years.

**Adam Levine:** And I have almost one hundred percent confidence that we will see a complete reinvention of how we interact with art, who is an artist, what artists can do. And many people look at this technology and they say, OK, well, if we can create art for free, then what's the value of being an artist? The value of being an artist is that you're an artist and you actually have the ability to create incredible material that can then be amplified by these types of technologies. Where you can take a single piece that you spent a year working on and you can have a thousand different versions of it created. And you don't have to be the one who created them, your actual audience can be the people who created that by using their words in order to, in what we call dynamic collaboration, to create their own sort of variant of your particular piece. So the technology, to me again, game-changer because it is a fundamental rethink of what is possible and what is impossible. It is the most important technology I have found since blockchain, and it appeals to me in largely the same way, which is that it's going to take years for people to really appreciate and integrate what this has changed. But it has changed almost everything and it will become to recognize that in the future.

**Whitney Johnson:** So, you know, what I love about that is that it, so if you think about the human potential movement and you think about all the research of social scientists around, you need to be able to say not I run, but I am a runner and you can create by saying those words, you can make them become true. What I love about what you're saying is that this technology means that your words will become much more powerful by orders of magnitude because with your words, you can create.

**Adam Levine:** That's right.

**Whitney Johnson:** That is incredible.

**Adam Levine:** It is. And it's addictive, too. That's the other thing that I found about it. Like, it wasn't my plan over the summer to build a product that was specifically focused on this. It was the result of an addiction that I developed to creating because the process of creating is so empowering. And we're in such a time right now where there are so many things that are outside of our control and so many things that we are subject to that, really, it's just not about us. And so the ability to create and the ability to simply, I consider it a form of magic. I mean, like magic is this idea that you have something in your head and then you use your words or you use your expressive capabilities to then create something that evokes those characteristics into real life. And that's really where we are right now with this type of technology. And it's not just one technology. There's a bunch of different technologies that are out there that are all sort of empowering this moment. And again, like, we're in a very interesting part where, you know, like where the capability is there, but it's still really expensive to do it.

**Adam Levine:** So it's not something we're like, you're going to take this technology to Africa and you're going to change the world there. Like, this is an affluent technology right now, but that's a very temporary state for it because so much has been done in the open-source. And because there's such a vibrant community around creating these types of things and because it's also something that's tied to technology, right? And technology has this beautiful thing called Moore's Law, among other things, that means that the things that we need to power these will get cheaper. They will get faster and they will get more available over time. Right? And right now, we're in the middle of, you know, a supply chain utter disaster, which makes it more expensive to do stuff like this than it would be under even normal circumstances. So there's going to be an eventual end to this. And at that end, I expect this just to absolutely explode.

**Whitney Johnson:** Well, so what are you doing with this? So you said you're enraptured. And sold. What are you doing with it? Are you starting a company? Are you? What are you doing?

**Adam Levine:** So I already have a company. My company is called Tokenly, and I started that back in 2014 actually. I was the earliest, largest user of non-currency tokens. We did a rewards program called LTB Coin that was basically for audience and creators within our podcast network. And then I shattered that project in 2017 when I sold the network and there was a buyout where people who had those tokens were able to exchange them for tokens from the new owner. So I've been going down this non-currency path for a really long time, simply because I was one of the earliest users. And so I needed the tools that I was building for my own use cases in order to accomplish my goals. So that's Tokenly. What I started at the beginning of this year actually is a project that I've been incubating inside of Tokenly, but which will actually spin off on its own. It's called 330 A.I. is the company and the product that we've been building is called PixelMind.AI and Pixel Mind is basically taking all of these technologies and putting them into an interface where normal people can interact with them and create and be empowered by them without having to learn all of the specific incantation signs and signals, right? Because that's the thing about magic is like, well, it's really empowering, but you need a lot of specific knowledge around that. And so what I what I saw very early on was that I was willing to do that work right. Like, I'll spend, I'll sit there and I'll spend a week figuring out how to use this thing in order to generate the results that I want.

**Adam Levine:** But at the end of that, I wind up with something where I can change three words in it, and I can create a completely different image, a completely different piece of art. And that's something that anybody can do, right? And so like, what I built wasn't super sexy, but what it is it's really, really easy to use and it completely eliminates that learning curve where basically you come in and you pick an artist who you want to do a collaboration with, and then you're faced with what is effectively a Madlib right where it's like you can add a word here, you can add a word here, you can answer a sentence here, something like that. And then it just you watch as it's created. And then at the end of that process, you say, OK, well, am I happy with this one or do I want another one? And if you want another one, then you just create another one because it's almost free, takes almost no time, and it's really fun to sit there and see how close you can get to it. And then at the end of that process, we use NFTs to say, OK, pick your favorite one and now mint that as an NFT. And now you actually own that piece on a blockchain and you actually own the commercial exploitation rights to it as well. And if you want to sell it to somebody else or you can sell it to somebody else because it's an NFT. And if you want to just collect them and you can collect them and really, what we're doing as far as with these NFTs is that in order to participate in our most rare series, our most sort of specific questions or exclusive opportunities, you need to have a token from this collection and a token from this collection, then a token from this collection.

**Adam Levine:** So it's kind of a game, right? We're creating a game around the creation of artwork because especially in a world where, again, I'm convinced that everyone is going to be creating 1/1 pieces of artwork with this type of technology in almost every context in life within about five years. In that world, why is something valuable? It's valuable because of the art. That's a prerequisite, right? You have to have that in order for it to be valuable. But it's not the thing that makes it valuable. What makes it valuable, as with anything, is the context into which it fits, right? It's the specific sort of moment into which this is a piece of and the reason why you want it is because you want a piece of that thing. And so that's kind of what I've learned from NFTs is again, like you'll notice that I talked about NFTs at the very end of this project. It's an element of it, but it's not the important part. It's a prerequisite in order for us to have this ownership on the internet. But the really important part is the creation of the art is the partnerships that the artist is kind of all of the other pieces that come in. And then that's just how you represent

ownership. I think that's where NFTs really are going in. The more medium-term is they will stop being as sexy and they'll just become everything

**Whitney Johnson:** Right, right? It'll be like, it's a dollar bill. Nothing exciting. Yeah, yeah. Got it. Although we don't even have paper money anymore. So if people want to find out more about this project, this business that you're creating, if they want to see a sample of what you're doing, how can they find out more? They want to invest in what you're doing with, I don't know, NFTs or cryptocurrency or something people are going to want to know, So what's the doorway for this?

**Adam Levine:** Yeah. So if you are just interested in kind of learning more, then you can go to PixelMind.ai. If you're interested in investing or have any specific questions, honestly, the best way to do is just to reach out to me directly, which is Adam@Tokenly.com. And you know, like for as long as I've been doing any of this stuff, the one constant is that I like to talk about it and I like to talk to a lot of people. And that's just kind of, you know, my superpower. I'm actually an introvert, believe it or not. But this whole, like I've worked remotely from home for 15 years like I've done a whole bunch of stuff like this way before it was cool, just because it's just, I'm a weird guy. But yeah, no, that's kind of the best way to do it. And then the other thing that I would say is that we have a discord. If your users are using Discord. Discord has become the place to be if you're doing an NFT related project. But the cool part about our discord is that we actually have the creation turned on within it. And so within these collaborative effectively, discord is a chat is like a chat server type thing. So within particular channels, within our discord, you can watch as community members are creating hundreds and hundreds of images. Watch what they're the words that they're using to evoke those that control. And then you can learn how to do it yourself, and you can try it as well. And really, that's how I learned. That's how everybody who is who I know has learned, and it's a really fun, collaborative, empowering experience that I really can't recommend highly enough. It's called Discord. And yeah, you can find the link to that at PixelMind.ai.

**Whitney Johnson:** Oh, we'd have to go check it out. Coming back up to the high level for people who want to learn a bit more about blockchain, about cryptocurrency, are there one or two really reputable articles or sources that you would recommend people go to if they want to do a little bit deeper dive on this?

**Adam Levine:** Yeah, I'm not going to point you to articles. I'm going to point you to a couple of books. The books that I would recommend actually come from, in my opinion, one of the best educators or possibly the best educator in the space who I've worked with for a lot of years. His name is Andreas M. Antonopoulos, and he's written several types of books on the technical side. If you want to understand how Bitcoin, Ethereum, or the Lightning Network work. He's the author and co-author of a series of O'Reilly books called Mastering Bitcoin, Mastering Ethereum, and Mastering the Lightning Network. Those are all available now anywhere that you get your books. And again, Andreas M. Antonopoulos is the author. And then if you're looking for more of the philosophical underpinnings of this thing, which I actually think are much more important than the technology, if you want to be someone who works on the core technology and by which I mean like the protocol level technology like the TCP IP level stuff, then that's a really it's a strong argument to understand the technicals. If you're really just trying to understand what the hell is going on with all of this stuff and why does anybody care and why does it matter, then I would recommend a series of books called the Internet of Money Volume One through Three. And that is actually their adapted transcripts of talks that Andreas gave over the course of three or four years, very early on, when he was sort of the preeminent speaker traveling around the world to give talks to companies and to conferences and things like that. And those are really fantastic. They're very digestible, very short, require no technical knowledge whatsoever, and you'll come away from each of them with a much better, deeper understanding of why bitcoin and why any of this matters and what the challenges are with the current system that the current system is never going to tell you about

**Whitney Johnson:** What will be different about our everyday life in 2030 because of blockchain?

**Adam Levine:** I can make a lot of specific predictions about what different things will happen, but it requires a lot of things to happen in a particular way, and I really have no confidence in any of that. So I will just say that that the one thing I'm very, very, very confident of is that blockchains will continue this push and it will accelerate greatly over the next several years where everything that has an online presence will be represented by some form of blockchain ownership. And we'll call them NFTs at first, and then we'll probably just call it whatever it is, right? If it's, you know,

if it's a lifetime membership, we'll just call it a lifetime membership, right? If it's like a tokenized version of a computer that's still sitting at a factory in China, but which you're selling to a customer and then it's going to be dropped to them. We'll just call it a computer, right? So like, that's where we're in this moment right now where the nomenclature is really important because we have to differentiate everything between the new way and the old way. But the old way will eventually become the thing that we're differentiating. Oh, that's not on a blockchain. And then you'll have to explain why it's not on a blockchain, right? So within a 10-year time frame, I'm fairly confident that we will see that that transition complete, and I do hope that we will see the transition on the money side complete too. And that could look one of two ways. On the one hand, you could see the folks who really kind of manage money and run money around the world.

**Adam Levine:** You could see them return to sanity and say, OK, well, even though we have all these great ideas that we really want to create more money to spend on these things that we're completely convinced are going to be worth the money. But in hindsight, typically aren't. You could either see them pull back on that, acknowledge their limitations, and become more humble administrators of a system that's not supposed to be about enacting ends. It's supposed to be about enabling us to interact with each other and to store value over periods of time. I would pick that as a low likelihood outcome. And then I think that there's a higher likelihood outcome that they continue to gun the engine and that the system just implodes. And then it'll be a messy time for a while until something new emerges. And I would expect at that point that we would see, you know, the IMF's of the world put the like strategic drawing rights, SDRs, up as what they think should be the new basis of money. But of course, it's a continuation of the old system just at a higher level of abstraction. And then on the other side, you'll see people saying, Well, maybe we want neutral systems where nobody has control rather than somebody has control, even if they say that they have really good intentions and something like that is far more likely to be bitcoin than it is to really be anything else as far as I can tell.

**Whitney Johnson:** What are one or two practical, practical things that people can do after listening to this episode, whether it's in their everyday life, whether you're running a business as a startup CEO, whether you're an executive inside of a Fortune 500 company? I'll let you take your pick. But what are one or two practical things? Call to action coming out of this that you would give to people?

**Adam Levine:** Yeah. So I'll give you two answers to that. One is passive and one is active. The passive one is if this thing that's happening with money is happening, then it doesn't matter how much bitcoin you have, it just matters that you have some bitcoin because the multiplier that we will need to see in order for bitcoin to become sort of a ground truth for money in the world, not necessarily the money that you use every day, but what? But the thing that your money is backed by in the same way that perhaps in years past, you know, gold reserves would have served that purpose that is such a higher number than it is today that even buying an insubstantial amount, you know, \$100 or whatever will wind up being. An incredibly good value in the future. And so again, like I wouldn't recommend trading, I don't trade myself. And I think it's very challenging and it's very stressful to so, you know, there are definitely opportunities in that. But I would just say that the passive idea here is to, you know, just open an account with like a coin base or something like that and dollar cost average, you know, like ten dollars, 20 dollars, something like that once a month. And even those are really small numbers in the event that the world does do this flip flop off of traditional money or off of fiat money and into this new blockchain-powered money that will wind up being a game-changing decision for you.

**Adam Levine:** And it's one that's very inexpensive to take today. The active option that I would say and the one that is my favorite guidance to give is to look around your world, right? Because what I've described here are two different technologies, both of which have utterly game-changing potential. Our other step changes right there, just fundamentally different than the reality that we have made all of our assumptions in. And so what I spend most of my time doing and when I have spent most of my time doing over the last 10 years, is looking at these new technologies, understanding the things that they're good at, and then reexamining all of my old assumptions across many, many, many different areas, from my personal life to my business ambitions. And oftentimes what you will discover is that there are huge implications that nobody else has thought about yet. And if you are in a situation regardless of the industry that you are in, where you can take that basic understanding of what's changed and then apply it to your reality, then you can find incredible StepChange opportunities to completely reinvent how you do your business and to skip years ahead of the competition as a result.

**Whitney Johnson:** What was useful for you in this conversation?

**Adam Levine:** You know, for so long, this was really weird, right? Like being interested in money that was weird. Like nobody understands money and being interested in ownership on the internet. That was weird. Nobody cared about that. And it's really only in this last year that we've started to see this movement towards people who have frankly been disrupted themselves by the world that we live in, who have started to look around for these options. So I don't know if it's anything either of us said, but I think that the fact that we're having this conversation continues to indicate to me that we're on this path towards boring, right, where this isn't something that you have somebody on to talk about specifically because it's just obvious, right? But we're not there yet, but we're a lot closer than we were last year.

**Whitney Johnson:** Oh, that's fantastic, we're on the path to boring, that's that is amazing. All right, so Adam, any final thoughts?

**Adam Levine:** I really appreciate your time. And yeah, if anybody is interested, you know, like I said, this blockchain stuff is great. But for me, these days, it's all about the intersection of AI and art at PixelMind.ai.

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Thank you again. Thank you. We covered a lot of big topics today, but here are three takeaways that apply specifically to personal disruption. Number one, if you can't change the system, build a parallel system that will eventually replace it. We've all felt this in our personal lives and in our companies, sometimes processes, habits, and self-interest are so ingrained they become intractable. It may take too much work to change them from the inside. One solution is to build a new system from the ground up, learning from the mistakes of the old one and hopefully avoiding them. If your vision is right, a big if, then the new system will replace the old one because it has to. It will Disrupt it because people will want it. This is really valuable with personal habits as well. Rather than breaking a bad habit, consider starting a new one. You may find the previous struggles become irrelevant.

Number two, get on the path to boring. We don't love what we do because it's boring. We want to be excited about our projects and our growth. But Adam's point is that while blockchain and NFTs are really hot right now, the end goal is pretty banal. We're just trying to find a better way to see who owns what stuff. So if you're exciting project starts to get boring, that's a strong sign that you've succeeded. Don't get bummed out. Pat yourself on the back and get ready to jump to the next S-Curve.

Number three, use your words to create your life in our book Smart Growth, we talked about what psychologist Gregory Walton describes as psychologically precise interventions or using your words to change how you think or feel. What he found is that if you said I am a voter, there was an 11-percentage point increase in voter turnout versus saying, I vote. Adam is talking about using your words to create, but where my mind went was if you and I can start to see the impact of what we say in real-time, we'll start to believe that our words not only create art, but they can create our world. And that is magical.

If you enjoyed this episode, you may want to also listen to Aisha Evans episode 217 about the wonder of technology, Jacqueline Novogratz episode 233 about integrity and changing the world, and Chris Dancy, the world's most connected man. Episode 230 about harnessing technology for personal growth. Thank you again to Adam B. Levine for being our guest. Thank you to you for listening. Thank you to our team: Matt Silverman, Producer; Whitney Jobe, audio engineer and editor; and Cassidy Simpson, production assistant.

I'm Whitney Johnson.

And this is Disrupt Yourself.