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## **Adam Mosseri – TED Talk**

Power is shifting.

History has taught us that technology will take power away from the establishment and give it to people. This has been true since before the advent of the printing press. But the path is rarely a straight line, there are always detours along the way.

The internet is no exception. The promise of the internet was that it would push power down into the hands of people. And it has. It has weakened yesterday's gatekeepers: music labels, news publications, TV networks, have all lost much of their power and prestige.

But at the same time the internet has created a new establishment. It has pushed power up to the largest of platforms, like Instagram. This wasn't expected.

But I believe, over the broad arc of history, this unexpected outcome – this concentration of power in a handful of new platforms – will be a blip, not a lasting trend.

Over the next ten years, I think we will see a dramatic shift of power away from platforms, like the one my team and I are responsible for, and towards a group of people I am going to describe as creators.

Let's define a creator as someone whose personality is their brand, and who uses platforms like Instagram to turn their passion into a living.

Creators like Benny Drama, Blair Imani, DNICE, generate new ideas. They push boundaries. They drive culture. We follow them just to see what they will do next.

Now, imagine a world where these creators own their relationships with their audience – they don't just rent it, they actually own it. A world where all of us are directly invested in their success. A world where platforms actually act like platforms, and do more to support creators, because we *can* do more to support creators.

Fifty years after the birth of the internet, we can all see the trend. Everywhere you look the attention-based industries – books, TV, art – have all been disrupted.

Musicians like Childish Gambino and Frank Ocean have found ways to reach an audience without a label. When Jessica Yellin was the Chief White House

correspondent for CNN back in 2012, the network averaged 670,000 viewers – today she reaches nearly that number on Instagram alone. Star athletes are more relevant than the teams they play for – LeBron James has more followers than the Lakers... and Cristiano Ronaldo, it has been reported, makes more on Instagram than he makes from Juventus.

My team and I work at the point where creators and audiences meet... and platforms, like Instagram, have done much to empower creators. My team is obsessed with figuring out how to support creators. But today creators are too reliant on too few platforms. If we accept that technology will continue to change, and more power will shift to creators, then the platforms will need to change.

Platforms are not going away. New ones will rise, and some will fall. All platforms will see the value in creators, and be increasingly open to handing more power over to creators, particularly small creators.

This might be surprising coming from me, but I see this as a good thing. I have to believe, over the long run, that what's good for creators is ultimately good for organizations like mine. The more art people make, the more they trade ideas, the more creativity there is in the world... the better off we all are.

We haven't always seen the world this way.

For the five years before I came to Instagram, I was responsible for News Feed at Facebook. I was there through the US presidential election in 2016. I was in that role during Cambridge Analytica. I traveled around the world talking to publishers and policy makers, most of whom took the time to tell me everything we were doing wrong.

I'm sure some of you in this room hold my company responsible for all sorts of things... but I can tell you that we learned a lot from that experience. I know I learned a lot. One of the key lessons I took away was how much publishers value predictability. No publication can build a business on a platform that is too volatile. And no business should be overly reliant on any one platform. And the same is true for the creators.

Today, we are at the precipice of a new internet that is built on fundamentally different technology than the tools of yesterday.

There is a set of technologies that are making new ideas possible. Cryptocurrencies, social tokens, non-fungible tokens, smart contracts, decentralized autonomous organizations, are a group of ideas known as "web3," and each is built on a technology called a "blockchain."

The most important thing to understand about a blockchain is that they remove the need for trusting an intermediary. How many of you have put money in a bank? When you did

that, every single one of you trusted an intermediary, in this case the bank, to take care of that money on your behalf. A blockchain, on the other hand, allows you to hold digital money directly, in this case cryptocurrency, without relying on a bank. And so the blockchain offers the potential for a transfer of power.

What is interesting isn't holding money digitally – there's nothing new about that idea – what is new is how power is shifting from those who have historically held it to those who have not.

There's an opportunity here.

We can use this technology to empower creators to establish a direct financial relationship with people, independent of an intermediary.

Today subscriptions are an important revenue stream for many creators. Platforms like Substack, Patreon, YouTube are amazing, they all provide meaningful services, particularly around subscriptions, to creators. They host your content, they distribute that content, they handle payments on your behalf. But the cost to you, as a creator, is that you are now beholden to each platform where you show up and you have to play by that platform's rules.

Now, let's imagine something entirely different. Let's imagine a subscription, between a creator and a fan, that doesn't rely on any one platform, but that works across all platforms. On a five-year view, the blockchain offers the opportunity for creators to directly own their relationships with their subscribers.

Imagine Lisa is a songwriter from Georgia who establishes herself on Instagram and then wants to branch out to Twitter. What if Lisa could sell tokens, think of them as membership cards, to anyone who wants to subscribe to her? Let's say everyone in this room gave Lisa a few bucks a month to support her music and get exclusive access to new content. Lisa now has a dependable revenue stream of a few thousand bucks a month.

If we get every platform – Twitter, Instagram, Facebook, SnapChat, and so on – to agree to honor these cards, then, when Lisa wants to branch out from Instagram to Twitter, she brings her subscribers with her. And for those of us who subscribe to her, we only have to do so once.

And because these tokens are on a blockchain, no company can ever take her community away from her. Instagram could disappear tomorrow, and she would maintain her relationships with her subscribers and her couple thousand a month.

Now let's take it further.

As technology changes more and more quickly it's increasingly clear that the future is going to bring even more volatility. For creators, this means that new talent can succeed faster than ever before, and at an incredible scale. But at the same time we no longer see the same stability in careers that we saw 50 years ago.

Now we have a problem. Our financial infrastructure, specifically the way we finance our ideas, largely predates the internet.

Today, the predominant way businesses raise money, and the only real option available to creators, is to borrow it as debt. But there's a lot of downside to debt... as anyone who has struggled with mortgage payment or taken on student debt knows... I mean, it took me four years to pay off my dark gray Saab 9000 with a sagging roof... I loved that car.

So what if, instead, we invested in people the same way we invest in startups?

As a creator, you should be able to use technology to raise money to finance your ambitions. If you so choose, you should be able to sell equity in your future. You should be able to set the terms... for a \$100,000 investment you'll pay out 5% of what you make over the next ten years, with those terms codified as a smart contract. We can connect the rev-share you make from YouTube, the subscription fees you get from Patreon, and the merchandise sales you make on Instagram, all to one token that someone who believes in you can buy.

You'll be giving your audience the opportunity to share in your success. To buy a share... to build equity in the creator they believe in. Creators, like Lisa in Chicago, can build a community that is directly invested in her success. And with the money she raises, she will have more space to explore. More space to create.

Meta cannot build this, no single company can. This can only happen if we come together across the industry.

And every new frontier needs its pioneers. Established creators are going to have to prove the model at first. But the idea only gets interesting when it's available to everyone.

I sometimes imagine my own path if this opportunity had been available. Instead of bartending, designing websites on the side, and taking on student debt, I might have sold equity in my future. Who knows? What might you have done?

But what's exciting isn't the opportunity this idea affords an upper-middle class white kid from the suburbs of New York City. It's the opportunity it affords Oumi Janta, a

rollerskating phenom in Berlin... Caitlyn Smith, a country singer from Nashville, TN... or Terry Loewenthal, one of my favorite photographers in California.

And if we build these ideas, we will have helped to realize the original promise of the internet. We will have shifted power to people, in this case, to creators.

Creators will own their relationship with their audience. And anyone who wants to invest in creativity, will be empowered to do so.

And we will have created a world in which anyone with a compelling idea can turn their passion into a living. Which at the same time affects perhaps one of the greatest transfers of power, from institutions to individuals, in all of human history.

Thank you all for listening and thank you to all of the creators who inspire us.