

“DISABLE YOUR DM’S TO AVOID BEING SCAMMED”

I have just joined the Kiwis N Kangaroos NFT Discord channel. After the longest CAPTCHA session I have ever experienced (since solving them all day to earn Amazon credits), I am finally verified as a human, the channel list is populated, and I am entered into a bustling, constantly scrolling general chat about the NFT-based project. Most of the discussion is directed toward the upcoming sale of 6,666 variations on a kiwi or kangaroo image as tokens on the Ethereum blockchain.

“We’re giving away a Lambo baby! LESSGO!”

- Jimi Jackson on Youtube

My bestie sent me a link to a promotional video Jimi Jackson has produced for Kiwis N Kangaroos. I think Jimi is a likeable guy, and funny enough too. His skits have unique character and more often than not elicit a chuckle from me. It is just intriguing that he is getting involved in the cryptocurrency space, where I linger watching from the outskirts with a cynical gaze, with the non-memory of a password to a long-lost, empty wallet still floating out there on the chain, perhaps for longer than I will live.

*“Heroes fall, into the ground
Like hell’s magnet pulls me down”*

- The B-52s, ‘Hero Worship’

Jimi’s video shows the car cruising around various newly constructed areas in Kirikiriroa. They’re all passingly familiar to me, and even in these rapidly developing suburbs and industrial zones, on the slick new tarseal flanked with pavement the shade of marble, the Lamborghini is quite a sight. Perhaps not directly around the corner from the car dealership, mind. Jimi is partnering with successful property developer Kamal Dhillon, who has a diverse portfolio in the area, including two berry farms, a machinery hire business and a local café. Jimi sits on the hood of the Lambo and reads the roadmap to his audience:

1. Open the Kiwis N Kangaroo’s [sic] Discord & Website (**we are here**), and launch the NFTs on 9 April.
2. Owning the NFTs will supposedly make the holder part of an NZ/AUS business community. It is promised 50% of royalties (?) will go back to the holders ‘in weekly prizes’. Events are to be arranged in New Zealand and Australia as meetups.
3. KNK NFT holders will be given access to brand merch which will be limited-release, although it is not stated if the merch will be exclusive to participants.
4. 60 days after the mint (so, by my calculation, they mean at the end of May) the KNK team will announce the giveaway of a sexy lime-green Lamborghini Huracán, or \$200,000 cash, to one of the NFT holders.
5. ‘KNK Girls’ NFTs will be created and distributed to the holders. At present there are only previews of the Kiwis and Kangaroos, although as a woman I am cynically curious about what these ‘KNK Girls’ will look like.
6. ‘Landing in Metaverse’ - the KNK team promise a metaverse game where the NFTs will be used as avatars. Nowhere is it stated what the mechanics of this game will be, other than it will be ‘play-to-earn’.
7. A second roadmap is planned as the final step of the current roadmap.

Jimi breezes through the roadmap with little in the way of further explanation. I am familiar with the structure of this project - there have been many like it, and there will be many more. NFT communities often reject questions about viability and critical viewpoints as FUD (Fear, Uncertainty and Doubt). Knowledge of the crypto space and all the associated jargon is assumed of participants, yet projects like KNK target people new to the scene, creating a sort of Dunning-Kruger Effect. The promise of play-to-earn gaming has been a common red flag for project management disasters in the space. Often the game is never launched or quickly becomes vaporware. Planning to launch a game without a solid premise or even a genre usually results in catastrophe, because the profit motive is prioritised well before delivering a satisfactory gaming experience. However, the KNK scheme offers something that I haven't yet seen from hundreds of failed cryptocurrency and NFT projects and scams, in that the Lambo, as seen Jimi's promotional video, at the very least *exists*.

"In a pandemic, ran it up"
- Lil Gnar, 'NEW BUGATTI'

The roadmap leaves me hungry for details, especially because the last step is another roadmap. I read the #hodl-plan channel, for 'hodlers' (meme jargon for 'holders') of the NFT. The roadmap is mutated into a 'hodl plan', giving 8 reasons someone should buy (and importantly, not sell) the token. The first reason, thankfully, is all we need to know about the core of the scheme:

Hodl raises the Floor Price... The higher our Floor Price rises, the project will be more desirable to latecomers who will pay extra to be a part of the community, giveaways, events, and the metaverse takeover with our play-to-earn game.
- Kiwis N Kangaroos BOT, #hodl-plan

The key is open price manipulation - making an asset seem more stable by avoiding the slightest trickle of sales, a sure-fire sign that a minor cryptocurrency or token is about to become completely worthless. The project becomes a 'shitcoin', and the inner circle move on to similar projects with a fresh batch of users. The mint price of a single KNK NFT is 0.3 ether, or around \$1,137 at time of writing. Users are urged not to resell the NFTs for less than 1 ether, which due to cryptocurrency speculation is valued at about \$4,000. Given that supply will be limited to 6,666 NFTs, the founders stand to make a best-case figure of \$7.6 million in cryptocurrency from the KNK launch.

For each KNK NFT sold, 10% of the sale is collected in royalties, 50% of those royalties go back to our holders.
- Kiwis N Kangaroos BOT, #hodl-plan

The 50% royalty mentioned in the roadmap is therefore only 90% more disappointing than it could have been. Something still doesn't add up here though. If 10% of the sale is a royalty, the other 90% is profit to the founders. What does that make the 50% of royalties they *don't* give back to the holders, let's not forget, in *weekly prizes*? This is just a backwards way of saying that the founders get 95% of the profits, and the other 5% is a lottery.

"Unless you know the tricks or don't declare you will have to pay tax no matter what..."
- BRMW, #knk-chat

None of the marketing material presenting KNK as a money-making opportunity mentions the fact that cryptoassets, including digital tokens, are subject to income tax per Inland Revenue Department policy. This is because they are considered, especially in the pursuit of profit, to be ‘assets for disposal’. In Aotearoa, the following activities are considered to be disposal, and are taxable by the IRD:

- Selling cryptoassets,
- Exchange between different types of cryptoassets,
- Paying for goods and services using cryptoassets,
- Giving away cryptoassets.

Interestingly, and perhaps more applicably, losses made when disposing of cryptoassets could also potentially be claimed. The KNK chats are speckled with not-so-bright ideas about how best to game the tax system, with many users bemoaning Prime Minister ‘Taxcinda’ and the conditions of our neoliberal economy which is struggling under a global pandemic.

“hey guys I love trans”
- Dizzy, #lgbtq

Old habits die hard. A current of melancholy begins to flow through me as I scroll the channel list. This NFT has a fully fledged online community, even a mental health channel, and people routinely use Māori words and phrases to build hype and loyalty to the project. I feel worried for everyone involved and sincerely hope they get out with their money, wellbeing and criminal records intact. This empathy does not extend to the founders, however. I have witnessed whānau in my community very deeply affected by multi-level marketing and so, so unfortunately, Kiwis N Kangaroos is just digital marketing quietly pulling people in once again.

“What the hell am I doing here? I don’t belong here...”
- Radiohead, ‘Creep’

Lately I have begun to feel the first sparks of a purpose, from flints honed against the gears of society. The words are ‘anti-marketer’. I have only found fulfilment in helping people find clarity and justice in a world largely controlled by market forces. This makes me the enemy of bosses, grifters, and those with the cop mentality of using censorship, intimidation and violence to defend the capitalist exploiters who dictate the status quo and manipulate it to their benefit. I digress.

*“They trap you in these systems that are phallic in design
Because they fuck you in the mind
Boy, they fuck you all the time”*
- Lil Ugly Mane, “COLLAPSE AND APPEAR”

We all want our shot at the stars. I buy two \$1 scratchies every week for no rational reason. Sometimes I can get free tickets or \$2 wins, and the good times continue all week. I know that the far more likely outcome is that I lose all five games on both and waste my \$2. I’ve never won more than \$5. The numbers involved in cryptocurrency are far larger, and the potential margins greater. *Hundreds* of bitcoins were sent to and from my former wallet lost in blockspace. Back when it was an emerging technology that pushed the limitations of open-source software, I bought a single T-shirt for two bitcoins. At the time, this was only about \$25. Bitcoins are now mega-inflated to a market value of \$60,000 *each*. Cryptocurrency,

unfortunately but inevitably, soon began pushing the limitations of fraud. To early adopters, cryptocurrency is play money. But to people investing in it, sold on the promises of the ‘founders’, it is often money they can’t afford to lose, money only put on the line because they *need* something better than bank interest rates that offer them little to no benefit.

*“There be something ‘bout the money, make a motherfucker crazy
When I die, bury me in my Mercedes”
- Mac Miller, ‘Make em Mad’*

Manufacturing scarcity is the name of the game. Participants can obtain the NFT for a discounted price of 0.2 ether (approx. \$855) if they are ‘whitelisted’ by the project. Jimi and the team have been running competitions for whitelist spots, furthering the illusion that participating in this financial scheme is an opportunity rather than a risk. To be considered for the whitelist otherwise, users must change their profile pictures on Discord and Instagram to a Kiwis N Kangaroos NFT, and add ‘KNK’ to their handle or username. They can alternatively participate in the Discord server to earn ‘experience points’ and be whitelisted based on the volume of their discussion of the project. Either way, users must become digital marketers for the KNK project in order to participate.

*“My face is the front of shop
My face is the real shop front
My shop is the face I front, front,
I’m real when I shop my face”
- SOPHIE, ‘Faceshopping’*

If these restrictions seem arbitrary, it’s because they are. OpenSea, the largest NFT trading platform, already has three different accounts purporting to represent Kiwis N Kangaroos. None of these accounts are the ‘official’ KNK account. They all contain different copies of the same NFT kiwi and kangaroo characters taken from the promotional material shared on the KNK-affiliated social media. This is a fundamental problem with attempting to manufacture the scarcity of something that can be represented by a digital image. People have simply saved the preview images the team is using to hype the project pre-launch, and minted them as NFTs on various different blockchain platforms. The clone NFTs have then been listed on OpenSea where they cannot be easily differentiated from the originals because the image data is exactly the same. These clone NFTs also reveal a critical inefficiency of the system - this duplicate data will be on the blockchain and consuming energy until the blockchain is no more.

*“Watching humans interact with machines...”
- Lil Ugly Mane, ‘COLLAPSE AND APPEAR’*

I decide enough is enough. My heart is weary from the Discord notifications that present a barely-planned sale of ugly images as an exclusive investment opportunity that I am lucky to be a part of. I exit the server and fetch my physical wallet, its missing button giving me no resistance as I unfold it. Dark, wrinkled red leather softly creaks as ‘NEW ZEALAND’ in worn, golden text is illuminated. Reaching past the collection of outdated overseas currency, rendered useless by economic happenings unknown to me, I grasp two \$1 scratchies folded over each other and slide them out over my vaccination pass. The purse button opens with a dampened pop and I fumble inside for a once-shiny copper 10c coin oxidised to a matte

ochre. Placing the cards on my desk, the coin scrapes their surface into a blue-grey lint that drifts slowly to the floor.

*“Went to the corner store to buy me cigarettes and some papers
When the girl at the counter caught my eye, asked me to meet her later”
- Fat Freddy’s Drop, ‘Midnight Marauders’*