# The third wave of IT systems

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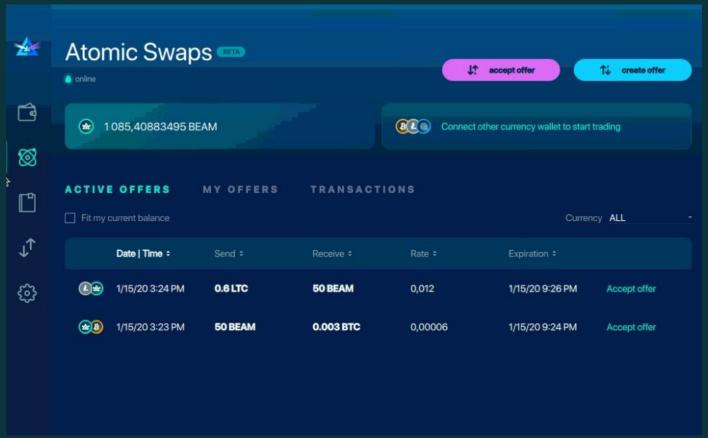
Tomasz Waszczyk Konferencja Blockchain i Finanse 17 stycznia Warszawa

#### Introduction - Tomasz Waszczyk

- Software engineer
- Ex trader Tier 1
- Psychology (psychometrics, transactional psychology)
- History

The presentation has no bias!

# BEAM - Atomic Swap



# First wave



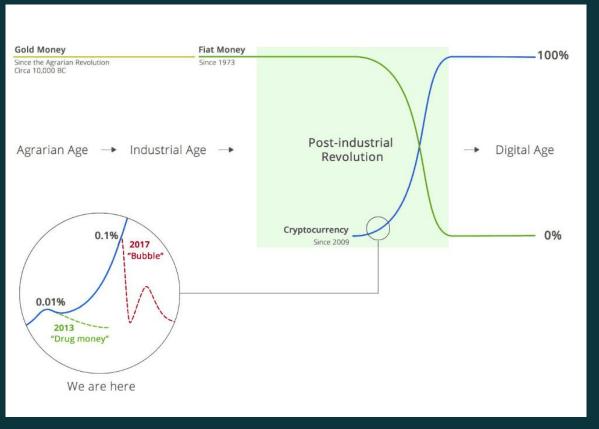
# Second wave



#### What does third wave mean?

- Easier entry to the marker together with big players
- Strategic industries:
  - 1. Food
  - 2. Drugs, medicine
  - 3. Insurance
  - 4. Reinsurance
- Strong need to cooperate with politicians (law)...

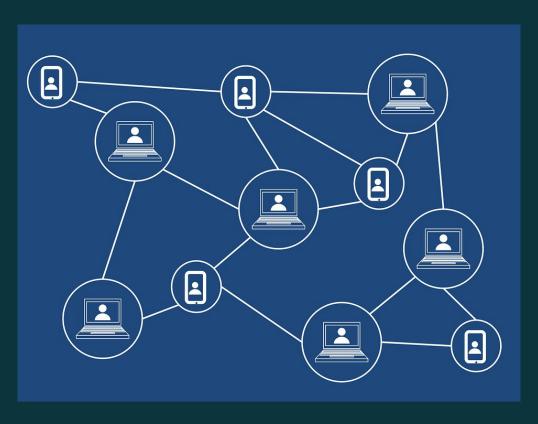
# Third wave (in terms of technology and money)



# Use case 1 - transformation of predictive software



# Use case 2 - reinsurance



# Common issue - formal verification - (not easy!)!



# Formal verification - (not easy!) - Ethereum

- EVM Level
- Solidity Level

# **EVM** verification challenges

"Verifying the EVM bytecode is challenging, especially due to the internal byte-manipulation operations that require non-linear integer arithmetic reasoning, which is undecidable in general."

"The EVM provides three types of storage structures: a local memory, a local stack, and the global storage. Of these, only the local memory is byte-addressable (i.e., represented as an array of bytes), while the others are word-addressable (i.e., each represented as an array of 32-byte words)."

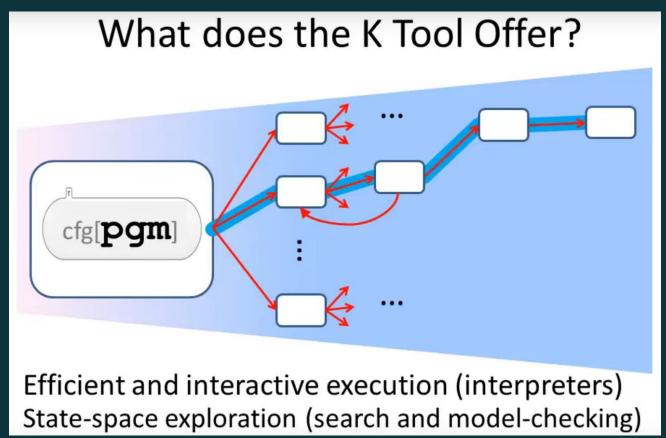
# Vyper (SmartPy in XTZ) as a solution?

```
# Auction params
     # Beneficiary receives money from the highest bidder
     beneficiary: public(address)
      auctionStart: public(timestamp)
      auctionEnd: public(timestamp)
 8
 9
     # Current state of auction
     highestBidder: public(address)
10
11
     highestBid: public(wei value)
12
13
      # Set to true at the end, disallows any change
14
      ended: public(bool)
15
16
      # Keep track of refunded bids so we can follow the withdraw pattern
17
     pendingReturns: public(map(address, wei value))
```

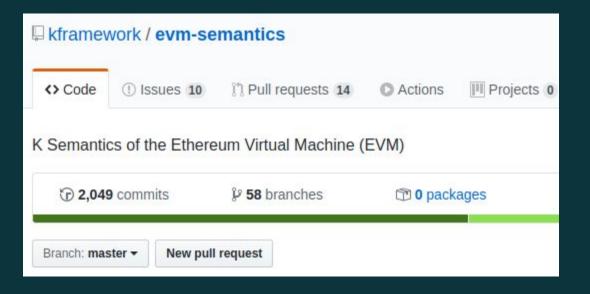
#### K framework as a solution?

"rewrite-based executable semantic framework in which programming languages, type systems and formal analysis tools can be defined using configurations, computations and rules. Configurations organize the state in units called cells, which are labeled and can be nested. Computations carry computational meaning as special nested list structures sequentializing computational tasks, such as fragments of program."

#### K framework



#### K framework as a solution?



#### Formal verification in XTZ





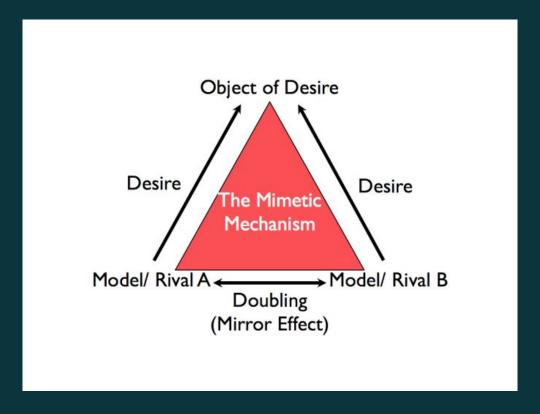
#### Michelson

Turing complete and **formally specified**, and can support a wide variety of different use cases.

# Formal verification - (not easy, maybe easier?) - Michelson in Tezos

```
parameter unit;
storage (pair timestamp (pair tez (contract unit unit)));
return unit;
code { CDR; # Ignore the parameter
      DUP; # Duplicate the storage
                  # Get the timestamp
      CAR;
              # Push the current timestamp
      NOW:
      CMPLT; # Compare to the current time
      IF {FAIL} {}; # Fail if it is too soon
                  # Duplicate the storage value
      DUP;
      # this must be on the bottom of the stack for us to call
      transfer tokens
      CDR;
                  # Ignore the timestamp, focusing in on the
                     transfer data
      DUP;
                  # Duplicate the transfer information
      CAR;
                   # Get the amount of the transfer on top of
                    the stack
      DIP{CDR}; # Put the contract underneath it
      UNIT;
                  # Put the contract's argument type on top of
                       the stack
      TRANSFER_TOKENS; # Make the transfer
                  # Pair up to meet the calling convention
      PAIR}
```

#### **Psychology - Mimetic theory**



#### Let's conclude third wave

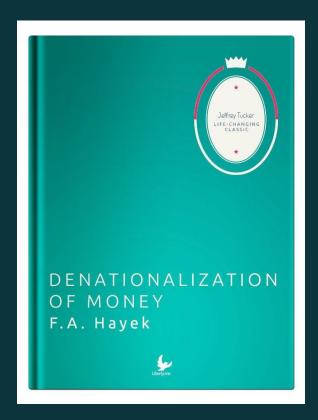
- Gig economy
- Deindustrialization
- Dopamine economy
- Daily life gamification
- Political correctness
- Attention economy
- Algocracy
- The end of offline, offline becoming the new luxury
- Psychology
- Virtual > Reality

IT systems from third wave will impact on psychology of every human beings, how we

meet, how we communicate, WHY we communicate, how we think, WHY we think

etc. etc.

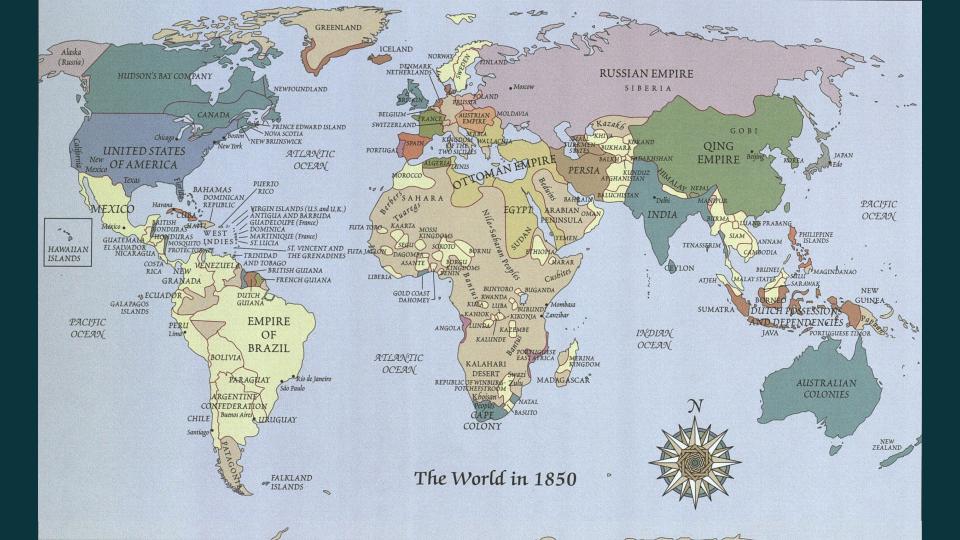
## The Denationalization of Money



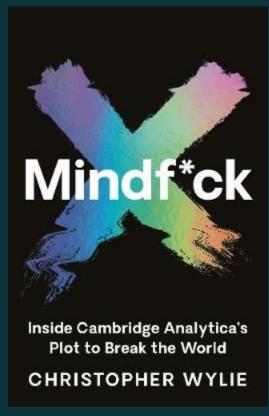
#### Return of the city-state

Nation-states came late to history, and there is plenty of evidence to suggest they won't make it to the end of the century.

	DEVIATION FROM	
CURRENCY	ANNOUNCED	OUR TEST
	STANDARD	STANDARD
	%	%
Ducats (SGB)	-0.04	-0.04
Florins (FNB)	+0.02	+0.03
Mengers (WK)	+0.10	+0.10
Piasters (DBS)	-0.06	-0.13
Reals (CNB)	-1.02	-1.01
Shekels (ORT)	-0.45	-0.45
Talents (ATBC)	+0.26	+0.02



#### The end of democracy



# "People don't have ideas. Ideas have people." — Carl Jung

#### **Smart contracts =? Government**

"bonds of words are too weak to bridle men's ambition, avarice, anger, and other passions, without the fear of some coercive power" (Leviathan, p. 69).

## Silesia Blockchain Meetup



Thank you for attention, for invitation!

Any questions?!

Feedback and hints are welcome!

Fast contact with me: <a href="https://tlk.io/kbif">https://tlk.io/kbif</a>