

#### Choose the problems you care about

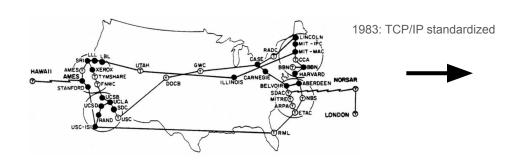
- Vendor lock-in
- Data Silos
- Lack of interoperability
- Lack of decentralization
- Biases
- Friction monetizing most content
- Poor compute / networking utilization
- Lack of transparency
- Barrier to entry
- Etc

## How did we get there?

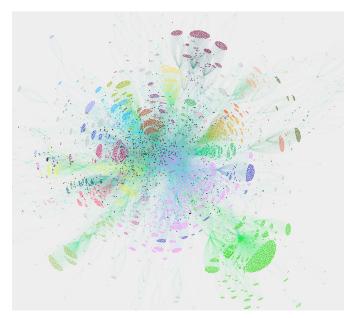
## Brief history of the Internet & the Web

#### The Internet

#### Network of Networks



~20 Networks



#### **Global System Statistics**

1203 Exchanges 30831 Networks 5461 Facilities 52 Campuses 181 Carriers 55100 Connections to Exchanges 50745 Connections to Facilities 7167 Automated Networks 44427 Registered Users 28699 Organizations

#### The Internet

- Connect any two Nodes with each other
- Peer-to-peer and completely symmetric
  - No node is "more important" than the others
- Get an IP address & start sending and receiving packets

#### The Web (1.0)

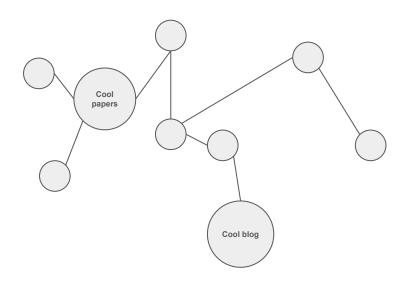
1990: Interlinked hypertext documents accessed via the internet

Interlinked: URL + Link (<a/>)

Hypertext: HTML

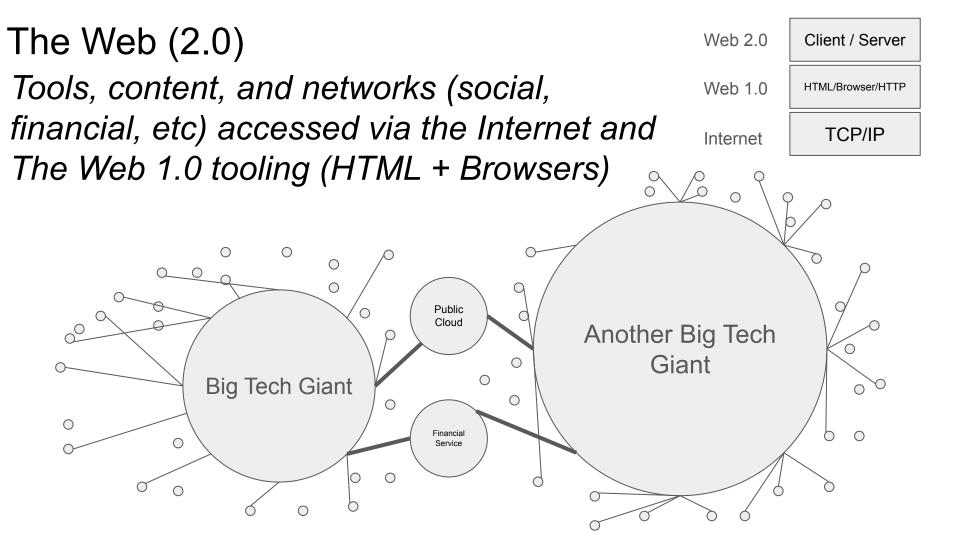
Documents: Browser rendering





#### The Web (1.0)

- Connect hypertext documents with each other
- Peer-to-peer and completely symmetric
  - Anyone can host hypertext documents, anyone can browse them
  - Trivia: Operating systems came bundled with HTML servers! Producer and consumers were the same



#### The Web (2.0)

- Back to time sharing: lots of dumb terminals and a few big important computers
- Client-server -> asymmetric
  - We have ~hundreds of very important nodes: "The Client-Server Supernode model"
  - Everybody else is a dumb client
- Extreme centralization of {data, computation, power, infrastructure, economic}

#### Two Lenses

#### **Downside prevention:**

"Centralization of {data, computation, power, infrastructure, economic} is bad" -> We want to reduce {bias, abuse, censorship, anti-competition, lies}

#### **Upside creation:**

Most interactions and computations that *could* be possible on the Internet DO NOT happen.

Coefficient of friction is **very high**, if you are not part of the aggregators you can't add new "features" to the Internet...

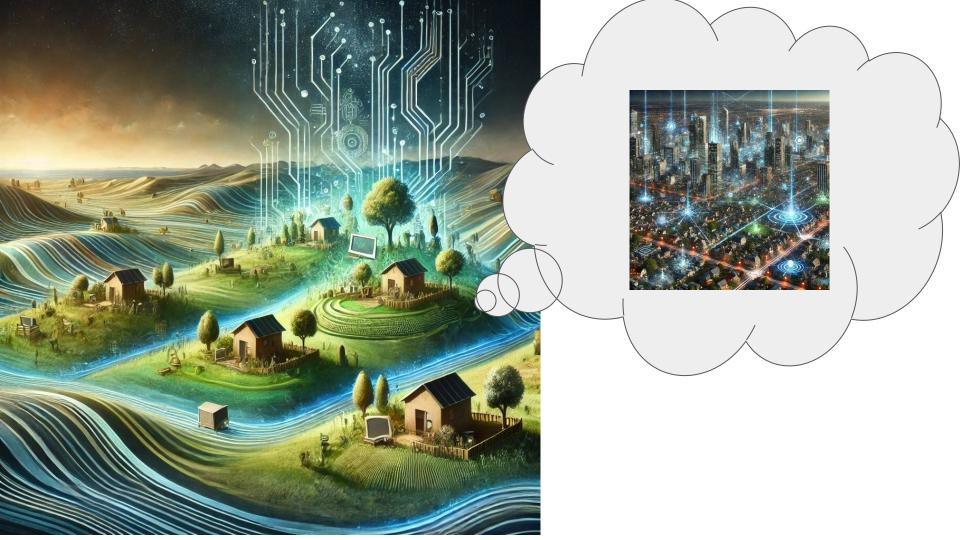
...Unless "you go through Y Combinator and build a company"



The Internet:
The primordial digital sea



The Web (1.0):
We climbed out of the primordial sea and built small digital villages





The Web (2.0): We are stuck in the Theme Parks



#### The Theme Parks

> YOU ARE HERE <

The Web (1.0)



The Metropolis

#### Rewind

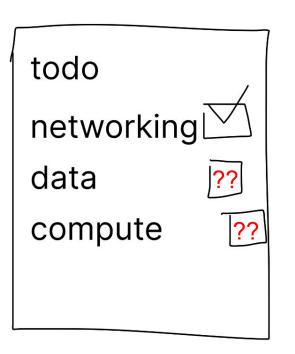
- We were on such a good path!
- What happened?



## The Internet created the **Perfect Pipe**

- Delivers packets securely across the entire world
- Peer to peer
- Fully encrypted point-to-point
- Symmetric: works for all nodes!
- Civilization Scale
- Built entirely with Gen 1 Cryptography
  - Asymmetric encryption (identity)
  - Symmetric encryption (hiding traffic)
- Email, SSH, Torrent all built *only* with the pipe

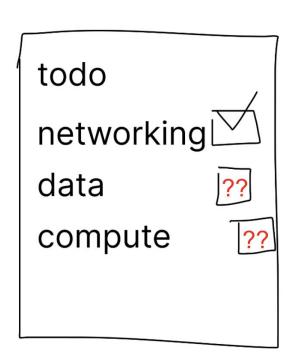
#### civilization dashboard





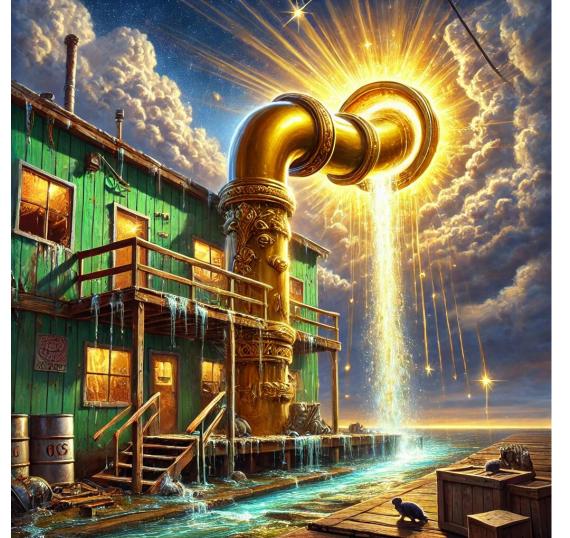
Trust in the Networking

#### How do we tick the other checkboxes?



- How do we build beyond P2P data transmission systems? (ie: Email, SSH, Torrent)
- How can we compute over mutually private data?
- How do we authenticate the origin, transformation, and aggregation of data?
- We <u>Trust</u> the networking, now how can we trust the data and the compute?

=> HACK: Client Server architecture + Institutional Hardness



## We connected The Perfect Pipe to *what we had*

- Blackbox / Opaque servers
- Default (without accumulation of brand / iterated game) is abuse, data leak, downtime, etc
  - That's why we (usually) don't give our data / payment details / etc to random websites and apps!
- Some nodes did better than others and started accumulating power

#### "Trust me bro" as a fallback

- We merely started believing Compute and Data with client-server architecture
  - Compute in these servers and store your data there. Believe in what comes out. Accept what you cannot ask for.
- Rarely hear about abuse / friction / hacks / downtime / antitrust at the networking layer
- Often hear about these issues in the data / compute layer
  - Hacks
  - Censorship
  - Downtime
  - "API not supported"
  - Abuse of monopoly and power

#### After all, we could not have done better

- 0xPARC believes it is **impossible** to do better than the Perfect Pipe without Generation 2 cryptography
  - (we are trying to mathematically prove it!)
- The Perfect Pipe is as best as we could do with asymmetric encryption (cryptographic identities), hashes, and transport layer security







Networking Compute Data

# OxPARC believes we can collectively add new dimensions to the Internet with Programmable Cryptography







Networking

Compute

Data



### PC can be used to construct the **Perfect Packet Of Data**

- Cryptographically authenticated:
   API, a camera, the government, etc:
   integrity can be verified.
- Verified transformation: Operation on the data can be verified.
- Information asymmetries:
   Properties can be hidden and transformed just in time



## Advanced form of PC – FHE, MPC, iO – can deliver the **Perfect Computer**

- Fully encrypted: Input, Compute, Output
- Always online perfect liveness
- Permissionless: anyone can use it.
- Public data is really public. Private data is really private.
- Leverages The Perfect Pipe to operate as a network, consumes and produces Perfect Data







Networking

Compute

Data