

Patrick Collison Talk

2018-04-12 (Building the Future)

Notes by Frank Lin

Introduction

Few people know that while Facebook was a startup, in the same house, they were working on another startup (Wirehog); for a while, it was unclear which would be more successful

Idea of Stripe conceived as: virtualized hosting with easy setup while maintaining control

Mistake: waiting too long to get a first customer, not listening to them intensely enough

Keep an eye on everything your first customers are doing, improve accordingly

e.g. created a chat room for users; got paged when customer didn't get response within 30 minutes; anecdote of being crouched in bed, responding to users

Timeline:

First lines of code Oct 2009

First customer Jan 2010

Release Sept 2011

Cofounders staying together is the exception, not the rule

Usually startups fail and it's miserable

But even when successful, it's still miserable

Constant problems, committing yourself to a life of problems

Need a cofounder who you can be very candid, blunt, unfiltered with

e.g. Patrick & his brother John

High opportunity cost of life

We only get one life, we only get to live each year once

Interesting how most people go to college and follow a standardized track

Generalized suggestion: if you're really thinking for yourself and making deliberate decisions, you will have to be able to explain what you're doing

Danger of thinking for yourself: you better be right

World's default mode: you will end up in the median case

If you think for yourself, it can be unboundedly bad (lol)

Collison, coming from "middle of nowhere in Ireland" came in "with less of a grid"

Whereas the default for most people is just to snap-to-grid

People have a very strong status quo bias

For longest time, the belief was that you start a company online \Rightarrow you accept credit cards

However, people e.g. those in China, could not always pay you since they use Alipay, etc.

Therefore, there seemed to be a clear missing piece of internet infrastructure

"Impedance mismatch", "needless Balkanization"

Stripe's goal: to build a universal Internet finance infrastructure

How to bring happiness and fulfillment

Create things that enable creation for people

People seem too focused on solving friction space

Not enough people working on getting people to do the happiest thing they'll do all year

Observation: increase in firm performance heavily tied to when management is well-trained; this is almost like alchemy, all you need to do is train and you will obtain gains

"I like my reddit memes as much as the next person"

Observations on the world today

The baselines in the world right now are very low

We live in a world where people still use Google Docs to collaborate, and where Google Docs still has "pages"

But when was the last time someone actually printed a Google Doc? why pages still?

Why don't we have a URL that lets you basically just share everything with someone?

When debugging, lets you share your terminal, your IDE, everything

"I think everything sucks, basically, but that's a good thing"

Because the baselines are so low, there is tons of room for improvement

Choose a project area at random and you can make a difference if you're passionate

One person: Laura Deming - human longevity

To succeed as a founder

You have to be structurally pessimistic, you have to be "tilted that way"

But you also have to be optimistic, you can't just be Eeyore

You must perpetually believe that everything is terrible, while also believing that everything will eventually gonna get better

Most people are not suited to be in this weird space

e.g. in the two-year gap between first code and Stripe's release, there was lots of doubt

Lots of thinking "shit, maybe we are wrong" for leaving MIT and working on this

Peter Thiel meeting

Didn't prepare much, during the meeting told him all the things about how PayPal was bad

Remembers that while biking back, he thought the meeting did not go well

"Oh well, there are others in the seed round"

But turns out Peter Thiel likes contradictions, paradoxes more than anyone he ever met

Thiel said he would happily invest 200k

In some sense, the meeting was so bad that it became good

Other observations and life advice

Observation: 40% of people at MIT go into finance

This is despite individuals all coming in from different backgrounds with different interests

Advice: choose a path where you have to explain yourself

But make sure it's yourself, and not something that could also apply to your best friend

Have mentors who you can exchange mental models with

Not even necessary to converse directly with mentors

e.g. Machiavelli: dialogues in mind with ancient texts

Cold outreach works better than you think, if your e-mail is good

Richard Hamming - it's important to both believe and not believe at the same time

But we also need to be generative, extending hypotheses: "be a fertile garden"

Sharing your ideas with friends is important

In life, more often it's time that is a limiting agent, not instances of being wrong

Spend a lot of time reading, listening to podcasts, continuing to learn

Worldviews are very skewed to what we want to be the case over what is the case

is vs. ought

e.g. trying to understand Trump-ism and other things which work but which we don't understand why

Important to understand the strong arguments against what we support, detachedness (e.g. arguments against globalism)