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Charles Miller [00:00:00] Encyclopedias used to come as expensive books in many volumes - until the 1990s, when they moved to CD-ROMs, which were smaller, cheaper and included more pictures and video. But putting an encyclopedia online was better still because it could be constantly updated. That was the vision of a former Chicago day trader, Jimmy Wales, when, in 1999, he created Nupedia. But Nupedia's software and its editorial processes were so complex that he started again, with Wikipedia. This time anyone could contribute articles and edit them. Jimmy rejected the idea of supporting the business with ads and Wikipedia.com became the not for profit Wikipedia.org. Today, it's far bigger than any traditional encyclopedia has ever been. With more than 52 million articles in more than 300 languages, attracting one and a half billion unique visitors a month. They are also its editors and pay for it through voluntary donations. Jimmy Wales spoke at CoinGeek's London conference. I had a chance to catch up with him afterwards.

Voiceover [00:01:14] You're listening to CoinGeek conversations with Charles Miller.

Charles Miller [00:01:20] Jimmy, thank you very much for doing this very podcast. I want to ask you about the Wikipedia community and whether you see parallels between that and people who also feel very passionately about Bitcoin SV and cryptocurrencies in general? Is there some sort of... in both cases, the rest of the world was sceptical initially and then it won through.

Jimmy Wales [00:01:46] I mean, I think that there yeah, there's definitely parallels and there's differences as well. So one of the huge parallels has to do with the idea of decentralization generally. And you know, one of the big learnings of the Wikipedia and the Wikimedia movement more broadly is that talent is more widely distributed in society than traditional models accounted for. And so what I mean by that is if you were writing a traditional encyclopedia, right, you would think, OK, well, we're now we're going to write some pieces about Elizabethan poetry. So we need to go out and find some professors who are experts there and they're going to write these pieces and then that's it. Right. And you would just think, well, no one else knows anything about that. But that's not true actually. There are hobbyists who are very passionate about various topics. I always give the example for people to imagine of the bearded maths professor who loves Elizabethan poetry and had two great intellectual loves: mathematics and and Elizabethan poetry. And decided for career reasons to go into one rather than the other, but still has this great passion, incredible talent. I mean, there are polymaths, there are people who are talented across a wide range of intellectual disciplines, and academia really pushes people to specialise in a very narrow way. Okay. So what does that have to do with blockchain and Bitcoin and all of that? Not much, except that that idea that, you know, new models can arise that are really decentralized and sort of, you know, you imagine, okay, well, you're going to have some sort of an accounting ledger. So therefore, you're going to have to have that on one big server somewhere with a big bank looking after it and so on. But actually, we can do that in a completely new way, in a decentralized way in public. That's pretty cool. That's pretty fascinating. And I think a lot of those kinds of vibes around decentralization are something that are held in common.

Charles Miller [00:03:48] And I read on Wikipedia that you yourself were sceptical initially as to whether the contributions that would be sent in were going to be any good?

Jimmy Wales [00:03:57] Yeah, of course. Of course. Yeah. I mean, in the early days of Wikipedia, I would wake up in the middle of the night and go and check the website

because was afraid as soon as I went to sleep someone was going to come and trash everything - which we probably were vulnerable to for a short period of time. Also, no one knew anything about us.

Charles Miller [00:04:14] It proves that people are better than you might think in a way, doesn't it?

Jimmy Wales [00:04:19] For sure. I mean, I think one of the fantastic lessons of Wikipedia is that most people are basically nice. And I would say this this idea that, you know, that people are generous with their time. They're curious. They're interested. They want to help out. And that the number of people who are... I would say this, you know, a thousand people and nine hundred and ninety of them are gonna be perfectly nice, lovely people. Nine of them are gonna be annoying, but not actually malicious, just like irritating and a pain in the neck. And there's only like one in a thousand who are actively trying to undermine, actively malicious. I've made those numbers up, of course, but the point is, as a feel that feels about right to me that and that gives you a real eye-opening look at something like... I mean it's completely crazy. The idea Wikipedia if you really state it: ninety nine plus percent of the pages are completely open, you can edit without even logging in. Hit 'save' and its live immediately. That's completely insane. And yet it works. And it works largely because people are basically decent, most of them. And obviously you can't be naive about that one in a thousand or even the nine who you've got to figure out socially how do you deal with the consequences of their sort of quirks and annoying behaviours. But you can solve those problems.

Charles Miller [00:05:42] I think eBay discovered the same thing.

Jimmy Wales [00:05:44] Very similar, very similar.

Charles Miller [00:05:45] ...Will a person be trusted to send what they say. But coming back to the Bitcoin situation, I think perhaps the equivalent here is can we get to a situation where people are used to paying a very small amount for something that they have normally had for 'free' in return for not having advertising and not having data collection.

Jimmy Wales [00:06:08] So here's here's an area where I have some scepticism about consumer behaviour. What we're seeing by and large is, in my view, not driven by problems with not having the availability of being able to do micropayments, because oftentimes that would be quite easy to implement. But the consumers don't want it. They don't like it. It feels funny to them. One of the great things about, say, Netflix is you pay your monthly fee, which is quite nominal, really. I mean, I think most people would agree. That's one reason why it's so big: it's a good deal, like pretty cheap, certainly cheap compared to iTunes, buying a movie on iTunes. One movie costs the same as a month of Netflix. And there's something nice about that it's already paid for. And I just watch as much as I want. I don't think about 'is this worth a dollar? Is this worth 50 cents?' Right. I just think 'I'm just gonna watch it'. And it's nominal. Same thing with, say, Amazon Prime is a good example and actually a lot of Amazon services can be, could be, implemented on really a micropayment level because they've already got our credit cards. They can sum it all up and bill us at the end of the month for our usage on Kindle or something like this. And in fact they do that, but they only do that on Amazon Web Services where you can get a server for 3 cents an hour or whatever it is, and they just bill you at the end of the month, the amount. And so given that Amazon could do this if they wanted to, given that Netflix could do it if they wanted to, given that lots of experiences have been tried, what it seems

to me is that by and large, consumers are sceptical of that model, but it doesn't feel right to them.

Charles Miller [00:07:48] Isn't the difference that this would be much smaller payments than you're talking about in those situations? They'd be so small in that you might not notice it. And yet you get a pat on the back when somebody pays you. Like, you know, you might like to have a 'like' or something on social media at the moment. I mean it might be that it's the same leap of faith that you had to take with Wikipedia and that it doesn't look I mean plausible at the moment but...

Jimmy Wales [00:08:17] I think we'll see. I'm not sure myself but... And one of the things that I think deeply about and a lot about is incentives, the structure of incentives and what it drives people to do. And I've been thinking a lot about this and things like 'likes' and, you know, like we're well aware there's more and more news reporting around some of the problems around vanity culture and liking and so forth for young people and so on. And, you know, I'm not sure adding payment mechanisms helps with that.

Charles Miller [00:08:53] You mean, it wouldn't be a bad thing if that culture got stronger?

Jimmy Wales [00:08:57] It might be. It might be or it might change it, you know, in some interesting ways, I don't know. But, you know, like if it cost me a tiny amount of money to 'like' something, maybe I wouldn't 'like' so many things. But is that a good thing or a bad thing? It's not clear to me. Right. It just depends. I mean. My daughter posts something on Facebook about something great that happened to her at school. And I send a 'like', it would be weird if I had to pay to 'like' something my daughter's posted. Right? That would feel weird to me.

Charles Miller [00:09:30] Yes. Because she would she would receive the money?

Jimmy Wales [00:09:32] Yeah, well that's fine, but it's still weird. The whole thing is kind of weird. Like 'congrats daughter, here's one tenth of a cent', you know. I should maybe give her 20 bucks.

Charles Miller [00:09:40] I guess it would be sort of play money in a way because, you know, it's so small.

Jimmy Wales [00:09:45] Yeah. I mean, it's interesting. I don't know. I mean I guess my point is we should recognise that apart from it being a globally instituted thing across multiple platforms, there are many platforms who could do this quite easily already. Certainly as an opt in. I mean, Facebook could say, sign up here and we're gonna give the money from your 'likes' - and it's a penny a 'like' to the person you liked the thing of. And just like, well, an example of this is Amazon has their affiliates program where you can post links to books. And if the book sells, you get, whatever, a commission. And it's small, and they have rules like, well, only when it gets up to twenty dollars or fifty - I don't know what the rules are, I haven't looked into it in years. But then we cut a cheque at that time. So they could do it. And in some cases they do. In that case they do. In other cases, I don't think the barrier to people doing it is the lack of cryptocurrency. The barrier is just nobody really wants to do that anyway. I'm not sure.

Charles Miller [00:10:48] Just stepping back from the sort of micro level and the microtransactions and things. What about the idealistic side of this kind of a community,

which does have a vision of, in a way, making the world a better place because of the level playing field between different jurisdictions and so on. Does that appeal to you?

Jimmy Wales [00:11:09] Yeah, I mean, certainly. I mean, one of the things that is interesting about the open source software world, which is really where the Wikimedia movement comes from that universe and that sort of thinking, is this idea that we, you know, we can organise society in new ways using technology. And, you know, in the case of open source software, there was this view - I mean, I remember when I first saw open source software, I thought, oh, this is cute and fun, but it's not going to amount to much. You know, I got that one wrong because at that time, the view of the business model of software was you write some software and you put it on a CD and you put it in a box and you put it in a store and you sell it that way. This is kind of the pre-Internet distribution model. And that made sense in that world. And it was very hard to envision how this other model could work or would work. And I think that now the energy around blockchain and a lot of the people, they are quite optimistic people and they are looking for new innovative solutions. And I mean, this is the important thing, I'm known as a critic but one of the things that's really important here is to say, look, I find the technology fascinating. I mean, the whole idea of blockchain is just... I mean, when I first saw it and first understood, I was like, well, this is the first, like, really different idea I've seen in a long time. It's super-interesting. And I've been a fan of PGP and public key encryption, all that. And this brought some things together in a new way. And I like that actually genius. But also we're in a bubble. And one of the things that I can say and I have a great beard to prove it, I was an Internet entrepreneur from just before the dotcom boom and lived through the dot com boom and the dot com crash. And we are currently in a bubble around the blockchain world, which means there's hundreds and thousands of really bad ideas being put forward. Right. That doesn't mean the whole area is nonsense. Right. But it does mean, you know, investors should be very cautious. Entrepreneurs should be very cautious. Right. Don't get so caught up in the hype that you forget that actually this has to be a practical business at the end of the day. And so if what you're doing, if you can't see your way forward to that, you're probably going to fail. That's all right. Lots of things fail, that's the nature of entrepreneurship. So, yeah.

Charles Miller [00:13:34] Well, Jimmy, thank you so much. Whether you're a critic or not, I think most people here are a big fan of Wikipedia. And thank you for that. And thank you. Thank you for your thoughts today.

Jimmy Wales [00:13:44] Brilliant, thanks for having me.

[00:13:48] Many thanks to Jimmy Wales. And what an incredible achievement Wikipedia is. Next week, we'll be getting back to Bitcoin Technology with Angela Holowaychuk, the CEO of Taal, the Vancouver based blockchain service provider. Thanks for listening and goodbye for now.