



Paralelná Polis / Praha, Bratislava





Paralelní  Polis

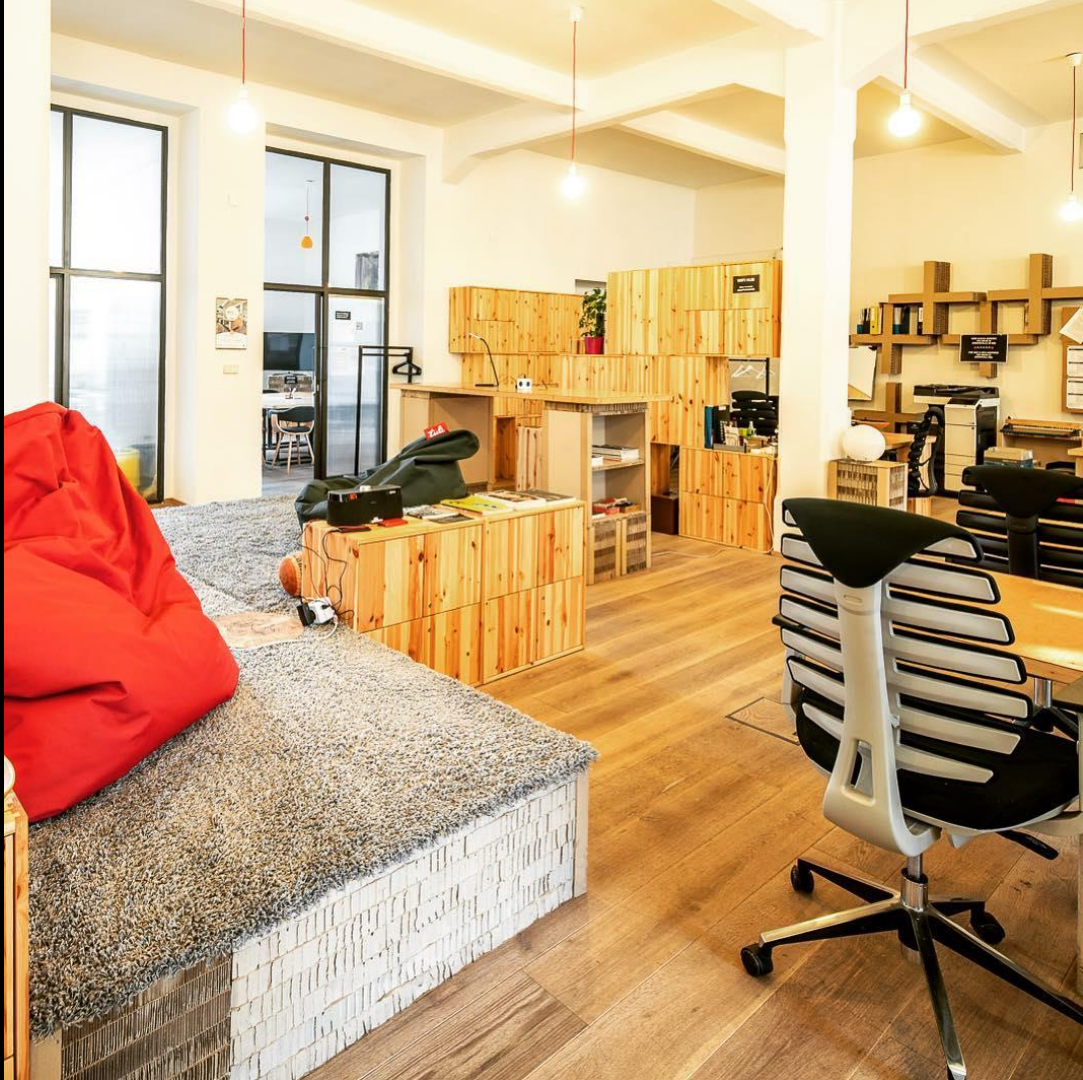
Paralelná Polis / Praha, Bratislava

 Paralelná
Polis

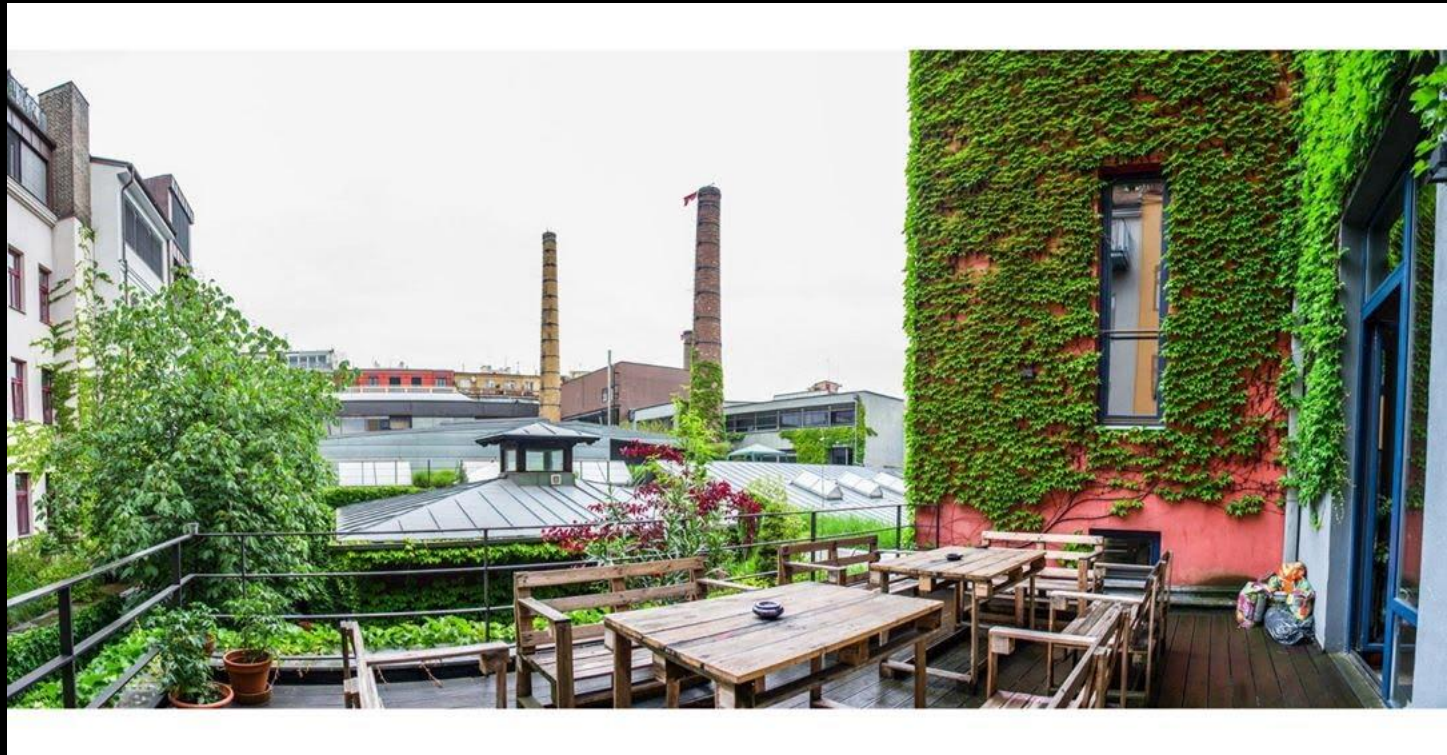
Paralelní Polis

- A house in Prague, Holešovice that consists of:
 - Bitcoin Coffee – first crypto-only cafeteria
 - Paper Hub – coworking space and soon-to-be CryptoHub incubator
 - CryptoLab - Crypto Hackerspace
 - Institute of Cryptoanarchy – educational institution and think-tank
 - Hackers Congress Paralelní Polis – cryptoanarchist conference in two weeks











Practical Philosophy of Paralelní Polis

Paralelní = Parallel

Polis = City (Greek)

Totalitarian regime of communist
Czechoslovakia => Charta 77 => rejection
=> Václav Benda's Paralelní Polis

Free education, religious expression,
communication (information exchange),
"black" markets, free culture, ...



It's not a scary "let's burn everything down" philosophy

It is a reflection on how current technologies can be used to get to personal, individual freedom - right here, right now, without changing the world

Operates in a digital realm, it is a virtual Parallel Polis

Institute of Cryptoanarchy
(practical joke) = can "anarchy" be "institutionalized"?

Institute of Cryptoanarchy



Cryptoanarchy manifesto

Timothy C. May, late 1980s

... These developments will alter completely the nature of government regulation, the ability to tax and control economic interactions, the ability to keep information secret, and will even alter the nature of trust and reputation.



Cryptoanarchy manifesto

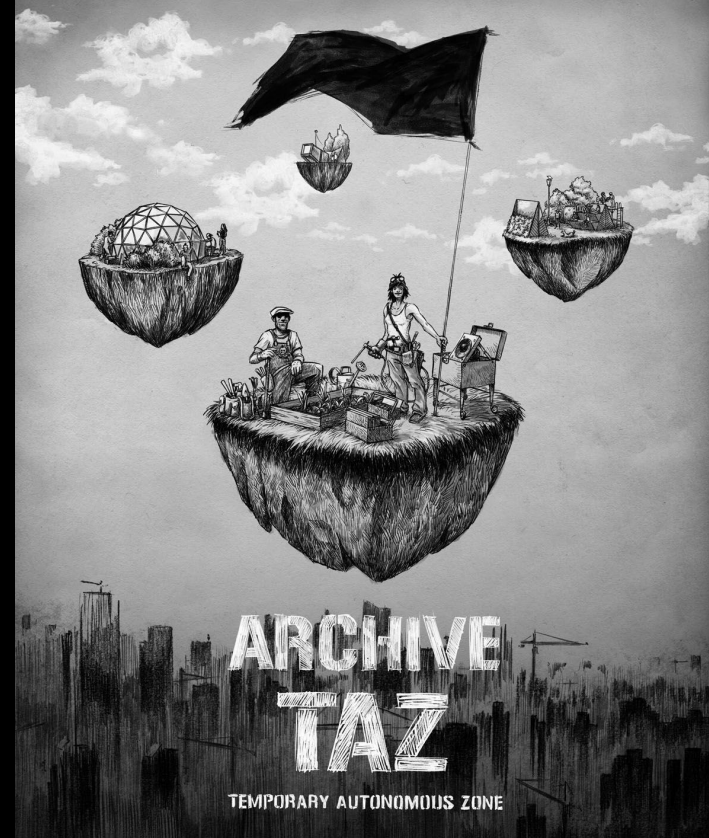
...The State will of course try to slow or halt the spread of this technology, citing national security concerns, use of the technology by drug dealers and tax evaders, and fears of societal disintegration. Many of these concerns will be valid; crypto anarchy will allow national secrets to be trade freely and will allow illicit and stolen materials to be traded...

This has already begun! States try to halt it (EU AML5 directive? Internet censorship?)



Hakim Bey's Temporary Autonomous Zones

One of the greatest advantages of Temporary Autonomous Zones is the ability to live as if you are **free -because you are, at least at that place and time.**



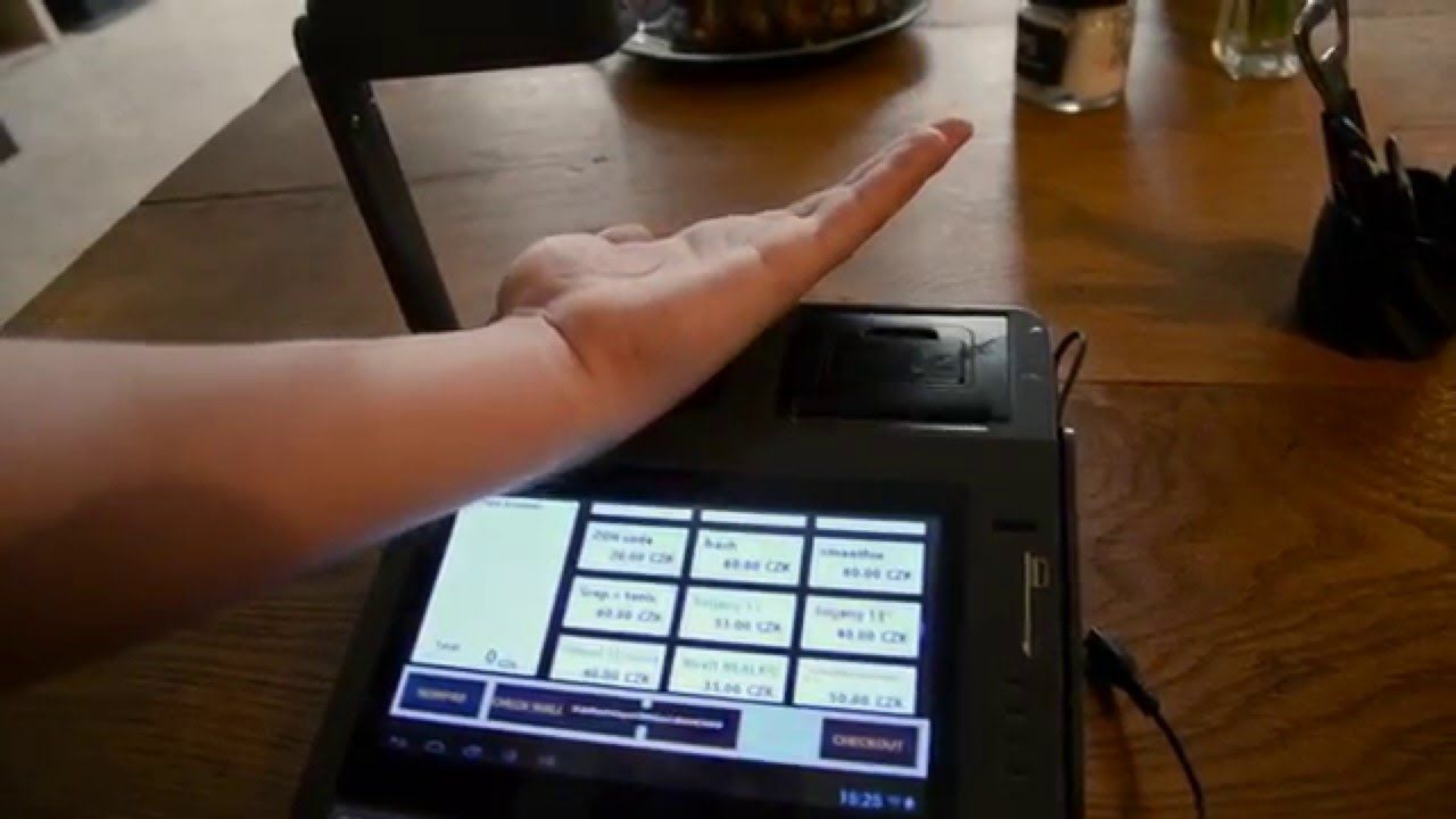


Hackerspaces

- Hackerspace movement - open source, hackerspaces.org
- Cryptoparties, workshops, lectures, tinkering, playing
- Every hackerspace is different and they are all really interesting - when travelling, visit one!
- 1383 active hackerspaces!

Practical experiences in Pararelní Polis Prague

- Interactions with the state (Electronic Submission of Transactions boycott)
- Testing real-world usability of cryptocurrencies
 - Bitcoin prehistory: Old wallets, couldn't spend unconfirmed outputs
 - High fees (or payments not confirming when a customer pays a low fee) => we had to start supporting Litecoin
 - Experiments with Monero – cannot spend an unconfirmed transaction (buy in ATM=>pay use-case not possible).
 - Lightning network (most people buy their first crypto at the ATM, but cannot spend it until the channel confirms)
 - Paper wallets, NFCs, NFC implants (pay with your hand)



20% soda	26.00 CZK	Bech	60.00 CZK	smoothie	60.00 CZK
Greg's tonic	40.00 CZK	Vegetary 1.1	33.00 CZK	Vegetary 1.1*	40.00 CZK
Small 1.1 (soda)	40.00 CZK	Small BEALIFE	33.00 CZK	Small BEALIFE*	40.00 CZK

RECEIPT CHECK BALANCE CHECKOUT

18:25

Decentralization

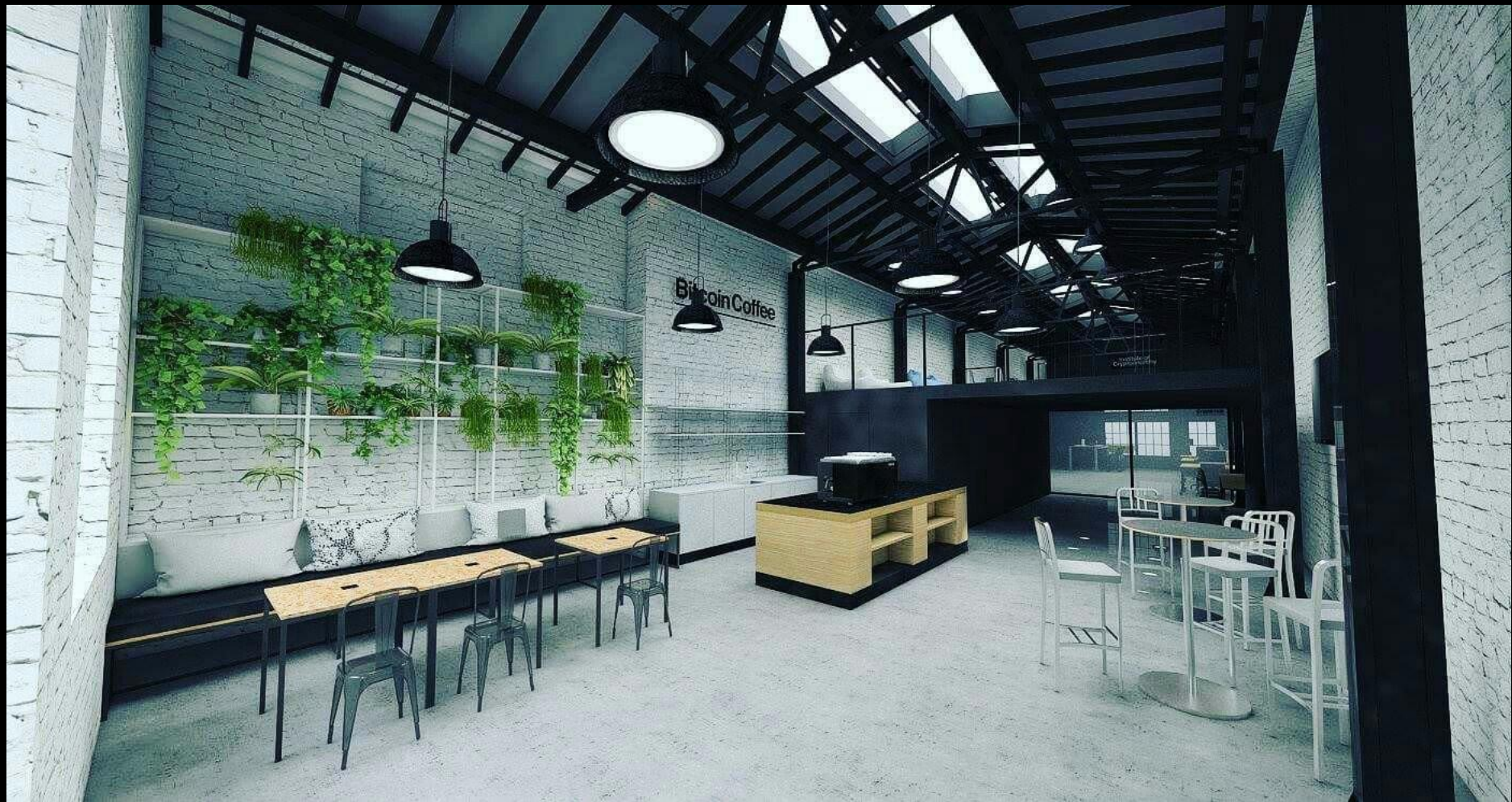
Paralelní Polis Decentralized

- Start your own PP! The first fork is in Bratislava
- Open-sourcing all know-how, helping bootstrap parallel societies
- Bring more people to cryptos, help businesses & HODL=> 😊

Small scale is important!

Decentralize internally in Bratislava - no hierarchy, only coordination





Bitcoin Coffee

Bitcoin Coffee















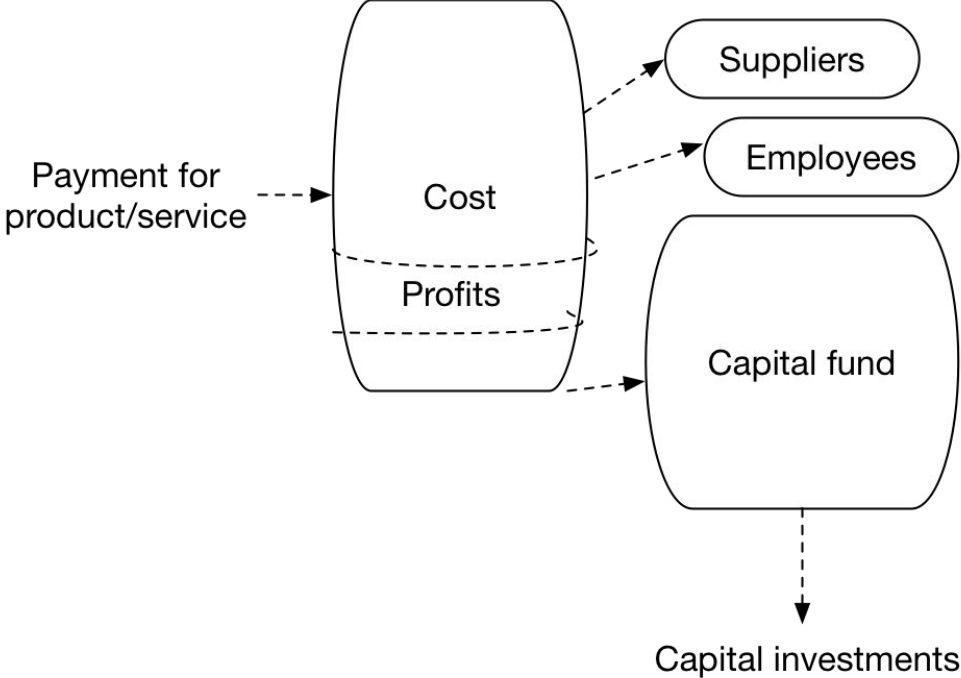




Practical experiences: How to survive volatility?

- All interactions are in cryptos, even if converting to fiat
 - Suppliers
 - Employees
 - Conference tickets
 - Coffee
- How to survive this in volatile environment? Turn it into an advantage!





Personal and business strategies

- Purse.io
 - Save 15-30% on anything from Amazon except Kindle books
 - Pay in crypto (BTC and BCH)
 - Amazon.co.uk and amazon.com (and a few others, but not .de)
 - Creating a liquid market for Amazon gift cards
 - Avoid credit card surveillance
- VAT arbitrage
 - Buy in countries with lower VAT
 - 6% in Netherlands for food products
 - Lower sales tax in the US or Asian countries (you have to bring it yourself)
- Combine VAT arbitrage with Purse.io - 30-40% savings are possible (compared to European prices)
- Sharing crypto by helping people save money is great - they need a better reason than “It’s decentralized”

Home-baked collateralized loans

- When crypto is low, you need to pay suppliers, but you don't want to sell cryptos
 - Use crypto as a collateral, borrow money
 - Low-risk for both sides, although we should really “refeed” collateral when crypto goes down
 - Capacity is limited (or interest rate goes too high)
- Also note that we are non-profit, so bank is not an option (and we are crypto positive, so not an option at all)

When no one wants to lend us money

- Find more funding (still doing it)
- Sell crypto (nooo!!!)
- Apply for an EU grant scam scheme or a state subsidy
- Do an ICO
- Don't pay invoices, be a jerk, wait with opening, steal a dishwasher

or...

LET'S PRINT SOME MONEY!!!

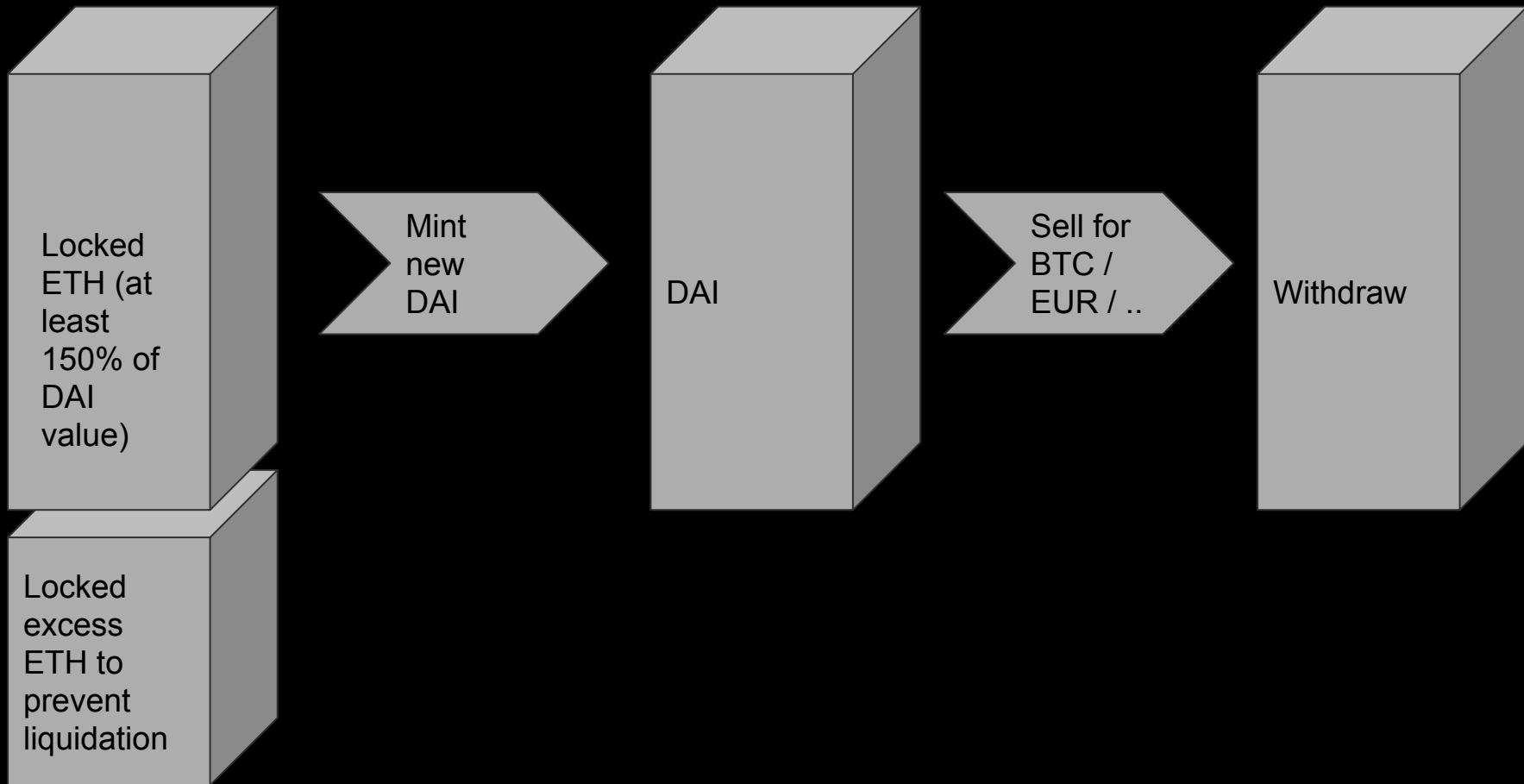


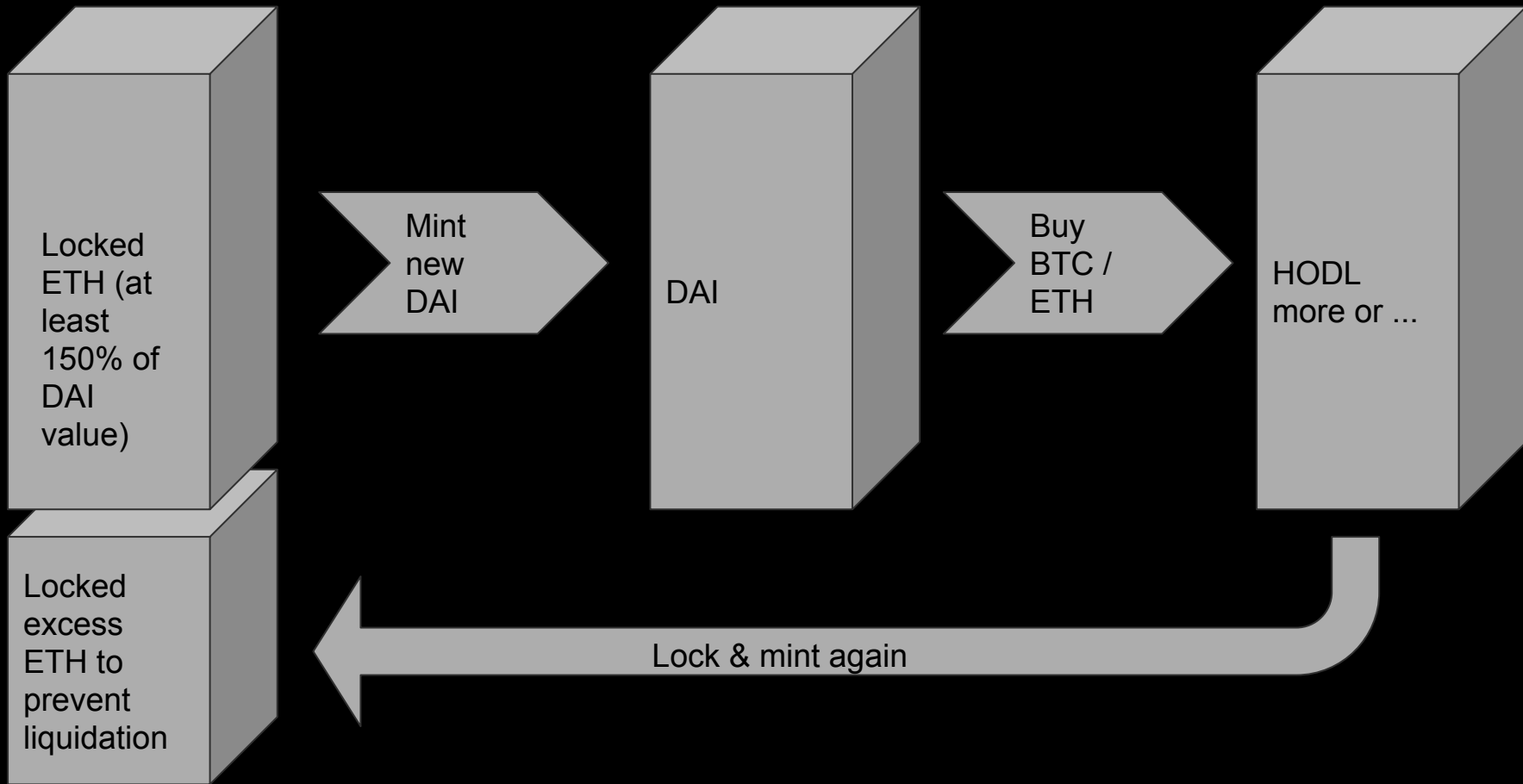
What about...printing
some fiat?

And the best fiat is
backed by crypto!

MakerDAO & DAI

- Stablecoin backed with collateral of Ether
- DAI is created when you lock in Ether collateral with at least 150% value (150% or less goes to liquidation)





Our strategy for “printing money”

- Find a hodler of Ethereum
- Convert our crypto to Ethereum
- Put together $\geq 200\%$ collateral (1:1)
- Ether is “locked” now, we mint new DAI coins.
- Convert the DAI back to crypto (or fiat), buy a dishwasher and pay invoices with the crypto
- Hodl the collateral and wait until we make some profit on it. Split the profit with the other hodler.

Locked E
ETH from
entity A

Mint
new
DAI

Spend DAI

When
ETH
moons..

Buy &
return DAI
(it is
destroyed)

A receives
value(E)-
value(DAI) /
2

Locked
excess E
ETH from
entity B

B receives
the same
as A + their
E ETH
back

Benefits

- As our other reasonable option is to sell all crypto, we can keep some upside at least of ETH
- ETH goes down => we lose the collateral
 - same as selling the crypto in the first place, dishwasher is already cleaning the first residues of hipster flat-whites
- ETH goes up => split the profit with the other hodler, so our upside is lower, but still, we have an upside

Practical information

- Chrome/Firefox + Metamask or any other web3 browser
- Fund metamask (or trezor) with ETH
- Go to dai.makerdao.com, follow the video tutorial
- Mint DAI
- Send DAI (from Metamask or dai interface) to an exchange
 - OASIS DEX
 - Bitfinex
- Buy crypto / other fiat, enjoy, ...

Result

- Thanks to our amazing community (volunteers, sponsors, entrepreneurs from the board of advisors, donators, ...):
 - We were able to (almost) finish the place in a bear market
 - January 2018 - not the best time to raise most of your money in crypto
- We tried our two strategies (short and long accounting intervals)
- We have experimented with home-baked collateralized loans
- We have cheap financing through DAI with some crypto upside

Rant about stability

- We don't use the "stability" feature of the DAI stablecoin (although you can!)
- Is there a stability in the world?
- Should prices be stable at all?
- Crypto is incredibly stable in some economies (African countries, Latin America) and moderately stable in others (Turkey) compared to local state shitcoins (...that are not backed by crypto:)
 - Also, these people are used to volatility and chaos
- Should we consider volatility a feature and experiment with strategies to make use of it rather than fight it? **Definitely yes!**

We really need your help!

<https://paralelnapolis.sk/support-us>

BTC →

juraj@bednar.io

<https://juraj.bednar.io/>

