



Smalltalk: Yes, We Can



Georg Heeg

Executive Director

STIC – Smalltalk Industry Council



STIC Industry Members



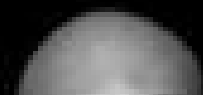
- Board Members
 - Cincom Systems
 - Instantiations
 - GemStone
 - Georg Heeg
- Treasurer
 - Cherniak Software
- Sponsoring Member
 - Precision



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**YES,
WE
CAN.**









Design for change

works

TALK-80





Change

- The World is changing
 - Everyday
- Change
 - Unforeseeable
 - Full of surprises



Change

- The World is changing
 - Everyday
- Change
 - Unforeseeable
 - Full of surprises





Example: Financial Change



The Financial Crisis

A Timeline of Events and Policy Actions

[Home](#)[Timeline](#)[Articles & Papers](#)[FAQs](#)[Data](#)[Gov't Links & Reports](#)[Glossary](#)

"The Federal Reserve and other agencies have taken many steps to contain the ongoing financial crisis and limit its impact on the broader economy. It is critically important that we clearly communicate our actions to better ensure their success. This web site was created to provide the public with useful information about major financial events and policy actions, both over the past months and going forward."

St. Louis Fed President,
James Bullard

[James Bullard's Web Site](#)



Example: Financial Change

J.P.Morgan

ASSET MANAGEMENT

COMMERCIAL BANKING

INVESTMENT BANK

PRIVATE BANKING

SECURITIES SERVICES

TR

► News & Announcements



Print



Email

JPMorgan Chase reports first-quarter 2009 net income of \$2.1 billion, or \$0.40 per share

Apr 16, 2009

Press Release

New York, April 16, 2009 – JPMorgan Chase & Co. (NYSE: JPM) today reported first-quarter 2009 net income of \$2.1 billion, compared with net income of \$2.4 billion in the first quarter of 2008. Earnings per share were \$0.40, compared with \$0.67 in the first quarter of 2008.

[View 1Q09 Earnings.](#)

Where innovation and commitment exceed client expectations.

JPMorgan is proud to receive the Risk Derivatives House of the Year Award.

As global markets evolve, we seek to meet clients' needs wherever they do business. We thank our clients for their enduring support and trust in our ability to provide the best in advice, expertise and service.

The logo for the Risk Awards 2008 is displayed on a blue, tilted rectangular background. The word "Risk" is in a large, bold, white sans-serif font. Below it, the word "Awards" is in a smaller, white sans-serif font, and the year "2008" is in an even smaller, white sans-serif font.

Risk
Awards
2008

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J.P. Morgan

- BISTRO
 - Invented by JP Morgan
 - “Primary product of the credit bubble”
 - (Spiegel, 16 November 2008)



J.P. Morgan's Product

- From JP Morgan's website: "JP Morgan's BISTRO product is a synthetic CLO [collateralized loan obligation] where risk transfer is achieved via a credit default swap on a large portfolio of reference entities rather than through a sale of the specific assets. This allows banks to buy credit protection to mimic the regulatory capital treatment of a traditional securitization while preserving its competitive funding advantage. Specifically, an originating bank buys protection from JP Morgan on a portfolio of exposures via a portfolio credit default swap and JP Morgan, in turn, purchases protection on the same portfolio from the BISTRO SPV [special purpose vehicle]. The originating bank provides credit enhancement through retention of the first loss risk. The BISTRO SPV is collateralized with government securities that it funds through the issuance of notes, whose notional is substantially smaller than the notional of the reference portfolio. The BISTRO Notes are credit-tranched and sold into the capital markets."
 - Source: <http://www.safehaven.com/article-502.htm>



J.P. Morgans Produkt

- Aus JP Morgans Webauftritt: "JP Morgans Produkt BISTRO ist eine synthetische CLO [collateralized loan obligation, besicherte Schuldverschreibung] bei der die Risikoübertragung durch einen Kreditausfalltausch über einen großen Bestand bezogener Referenzeinheiten anstelle eines Verkaufs der bestimmten Anlage erreicht wird. Dies erlaubt Banken Kreditsicherung zu kaufen, um die regelgerechte Kapitalhandhabung traditioneller Absicherung zu imitieren, während ihr preisgünstiger Finanzierungsvorteil erhalten bleibt. Speziell kauft eine Ursprungsbank Schutz von JP Morgan für einen Bestand an Risiken durch ein Kreditbestandausfalltausch und umgekehrt kauft JP Morgan Schutz für denselben Bestand von einer Zweckgesellschaft namens BISTRO SPV [special purpose vehicle]. Die Ursprungsbank erbringt Kreditverbesserung durch Selbstbehalt des Erstschadensrisikos. BISTRO SPV ist besichert durch Staatsanleihen, die sie durch Ausgaben von Anleihen finanziert sind, deren Nominalwert signifikant kleiner ist als der Nominalwert des Ursprungsbestands. Die BISTRO-Anleihen werden in Tranchen in den Kapitalmarkt verkauft."
 - Quelle: <http://www.safehaven.com/article-502.htm>



J.P. Morgans Software

- KAPITAL
 - Computerworld Honors Program Award 2004
 - Derivate risk management calculation system of world class
 - Highly sophisticated object oriented design
 - fast modeling of each thinkable
 - Finance derivate model
 - increasingly competitive
 - Market reaction.

A screenshot of a web browser displaying the 2005 Computerworld Honors Program website. The browser's address bar shows the URL: http://www.cwhonors.org/search/his_4a_detail.asp?id=4909. The website features a header with a globe and the text "COMPUTERWORLD HONORS" and "A Search for New Heroes". Below the header are buttons for "RETURN TO MAIN PAGE" and "CONTACT THE PROGRAM", and links for "ARCHIVES ON-LINE" and "SEARCH THE COLLECTION". The main content area displays the award details for "Kapital" by J.P. Morgan Chase & Co. in a table format.

GENERAL INFORMATION	Kapital J.P. Morgan Chase & Co. London, United Kingdom Year: 2004 Status: Laureate Category: Finance, Insurance & Real Estate Nominating Company: Cincom Systems
SUMMARY	A world-class derivatives risk management pricing system leverages advanced object-oriented design to enable fast modeling of practically any conceivable financial derivatives model, increasing competitiveness and market response.



Profile in Success: **JPMorgan**

JPMorgan Derives Clear Benefits From Cincom Smalltalk™





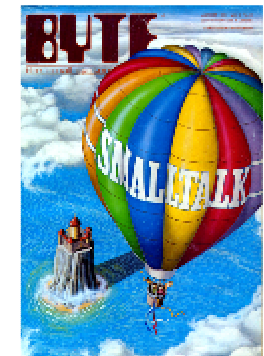
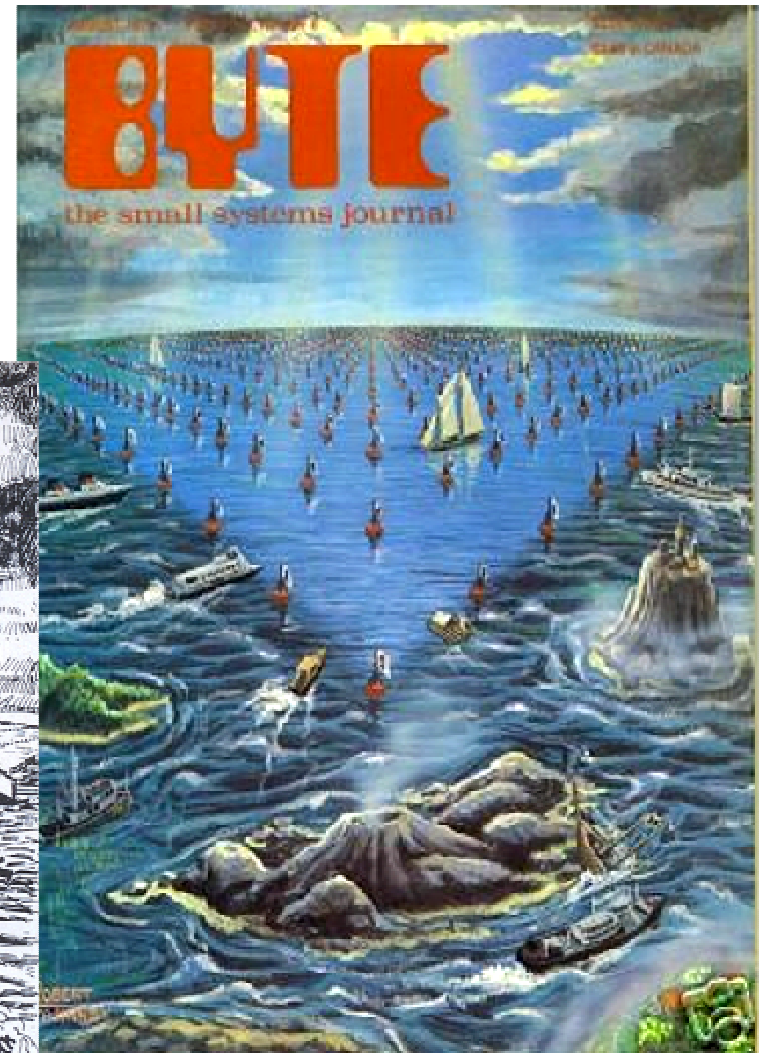
Why and How?





Byte Magazine

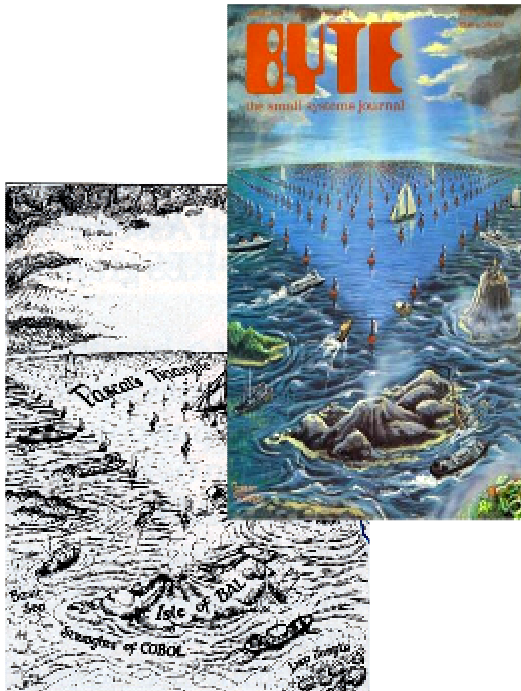
August
1978:
First time
Smalltalk
is
mentioned



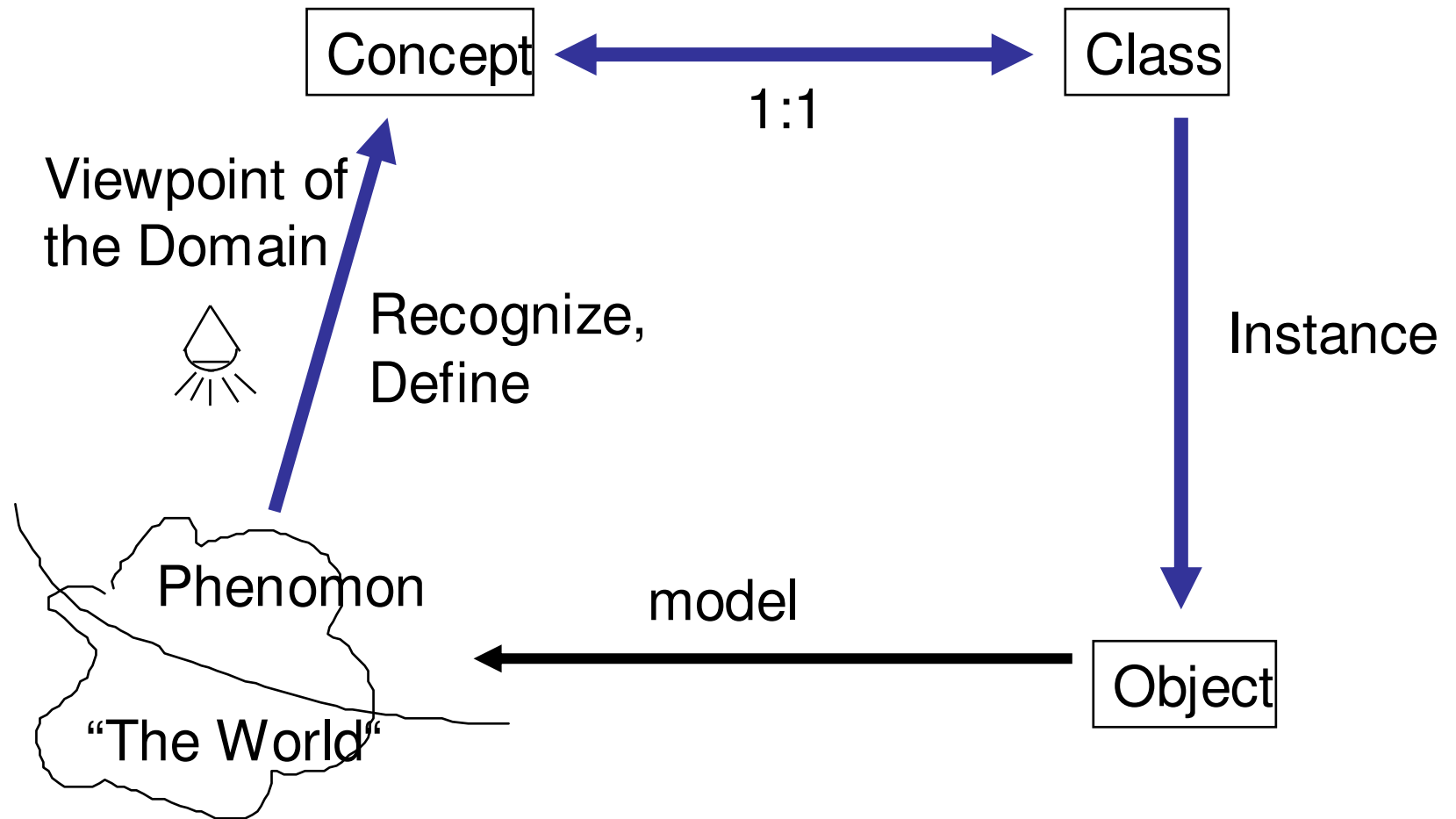


Richard Helmers

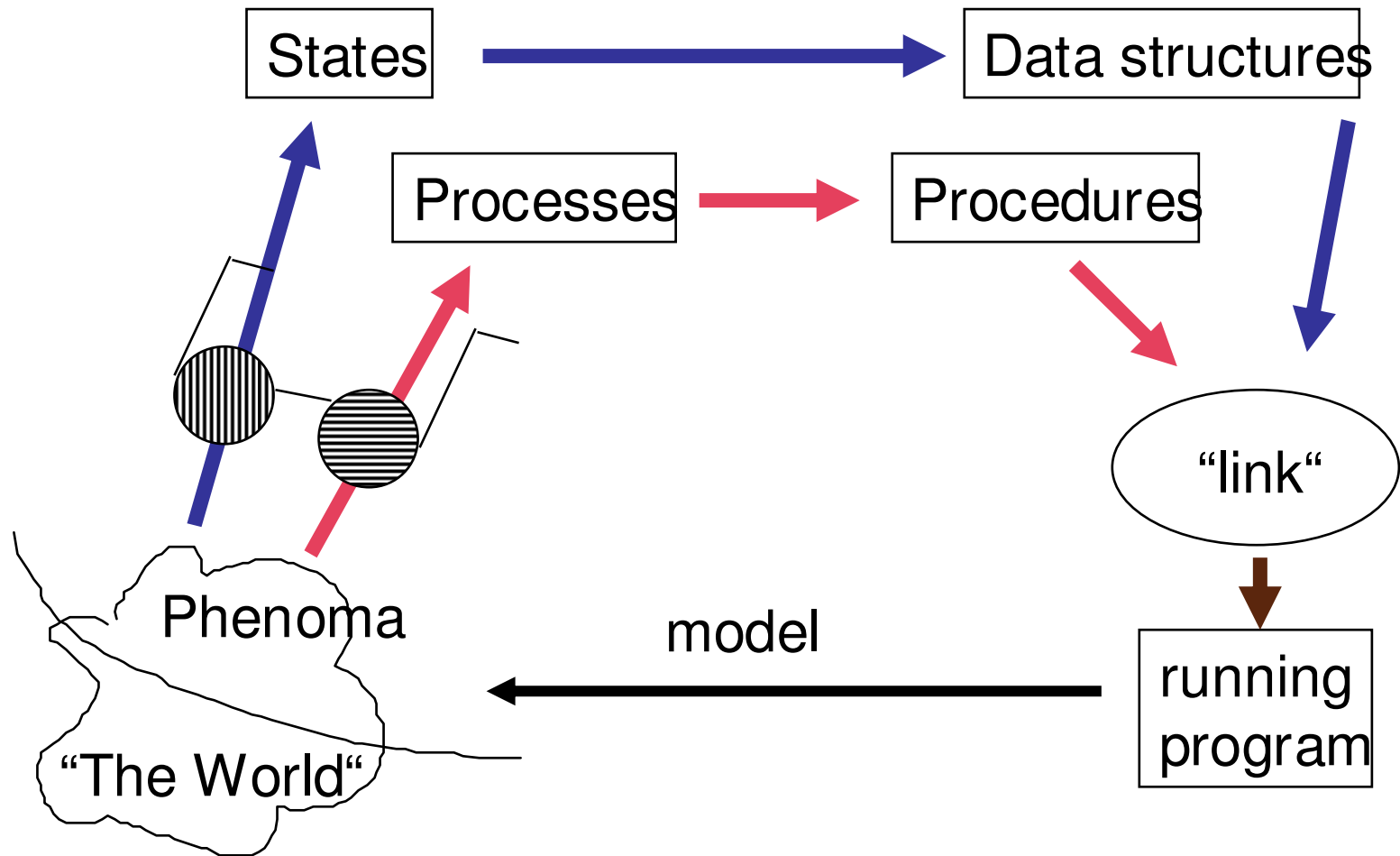
- *Traveling upward (in the picture) through heavy seas we come to the pinnacle, a snow white island rising like an ivory tower out of the surrounding shark infested waters. Here we find the fantastic kingdom of Smalltalk, where great and magical things happen.*
(Byte Magazine Aug 1978, p. 18)



Magical Things?



Magical Thinking

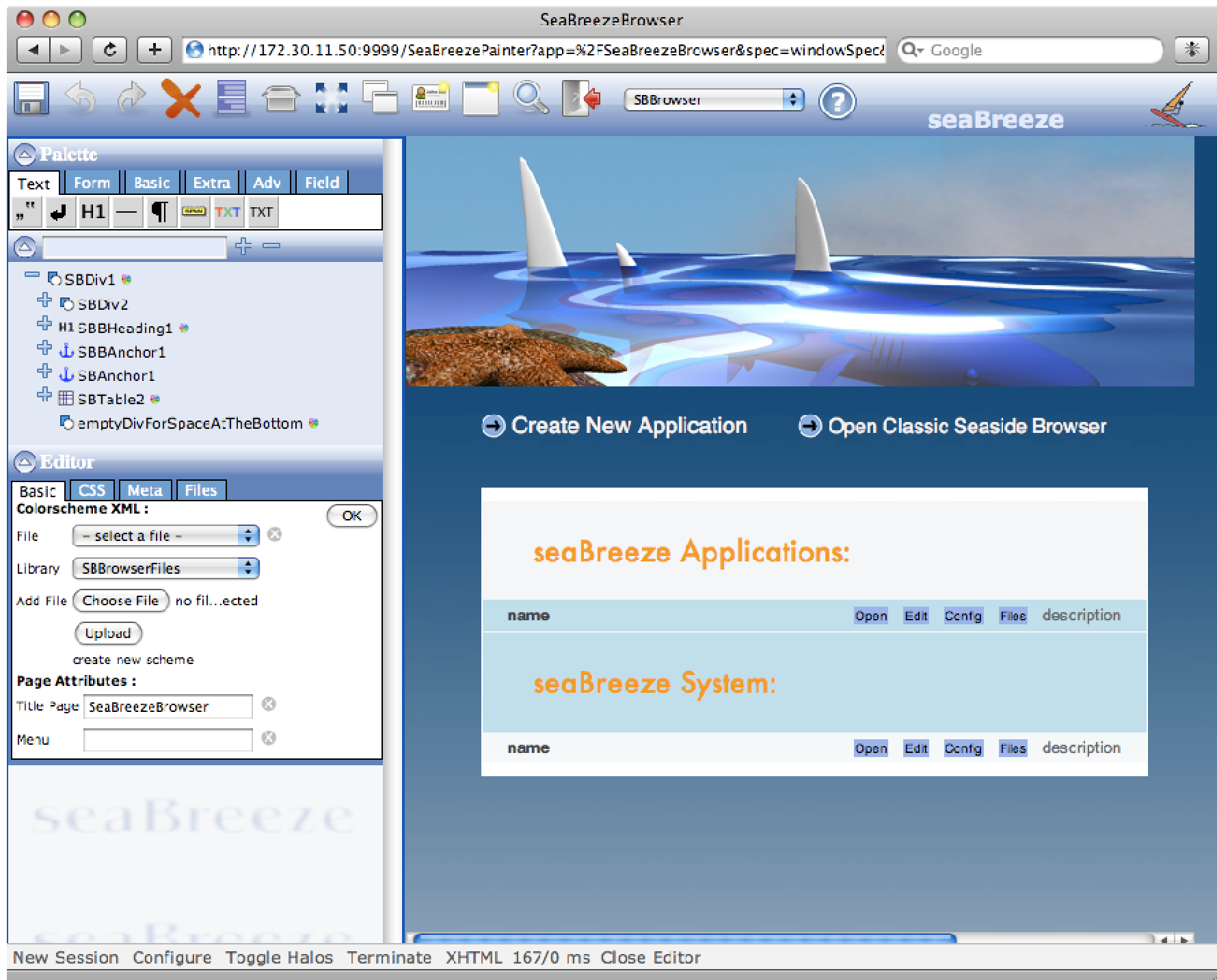




1878 – 2008

- Searching the Bach House in Köthen
- Two were found
 - by modeling knowledge in Smalltalk







RailsConf 09: Robert Martin, "What Killed Smalltalk Could Kill Ruby, Too"





His arguments

- It's too easy to make a mess in Smalltalk



His arguments

- It's too easy to make a mess in Smalltalk
- Wrong:
 - It's so easy to **recognize** the mess you made if the mess was made in Smalltalk



His arguments

- It's too easy to make a mess in Smalltalk
- Wrong:
 - It's so easy to **recognize** the mess you made if the mess was made in Smalltalk
- All the other arguments
 - James Robertson's BLOG
 - Industry Misinterpretations



What Killed Smalltalk Could Kill Ruby, too

- Totgesagte leben länger



What Killed Smalltalk Could Kill Ruby, too

- Totgesagte leben länger
- There's life in the old dog yet.



What Killed Smalltalk Could Kill Ruby, too

- Totgesagte leben länger.
- There's life in the old dog yet.
- It's All Good:
 - There Is No Such Thing As Bad Press!



Do you remember Smalltalk?

9 October 2008

Mark Driver (Gartner):

- “Smalltalk is a meal with a fine Bordeaux and a petit filet mignon”
- “Java is a meal with a cold beer and a t-bone”
- “Bottom line:”
 - “Smalltalk is cool again.”





Can you

- After one week
- After one month
- After one year
- After 25 years





YES, WE CAN 