

[Transcript] The Realignment / 327 | Welcome to 2023 - Navigating Political & Market Chaos with Bradley Tusk

Marshall here. Welcome back to The Re-alignment.

Everyone, thanks for the breathing room with the extended end of the year break.

Now the show is back and better than ever. Speaking of better, I've decided to start banking episodes so that we have more time to make transcripts, edit the show properly, and prep as much as possible.

The cost of this new plan is that sometimes the show will get a little out of date, so our conversation today about Kevin McCarthy's speaker election obviously ended up getting settled, but the underlying dynamics are going to continue throughout the year.

My guest today is Bradley Tusk, making his return appearance on The Re-alignment.

Bradley has worn a lot of hats. He's a venture capitalist at Tusk Venture Partners, where he invests in early-stage startups in highly-regulated industries.

He was the deputy governor of Illinois, ran Mike Bloomberg's 2008 Euro campaign, played a huge role in Uber's strategy to break into cities, and was the comms director for Senator Chuck Schumer, who is now the Senate Majority Leader. Because of Bradley's wealth of experiences, we're going to kick the year off with his analysis of how Republicans are going to proceed throughout the rest of the year, where the tech industry is going, his long-standing mobile voting idea slash case, and his predictions for 2023 at a broader level.

Before we dive in, a couple quick reminders. One, this show is brought to you by our supercast subscribers. We raised enough from the show last year that we are going to be able to independently run and produce the show. Moving forward, obviously, a huge shout out to Lincoln Neverco, who continues to support the show, but it just means that Lincoln and the Hewlett Foundation

support will go to up-leveling rather than just the foundation, which everyone here has been so helpful to support. Starting this week, we're going to significantly up the amount of subscriber exclusive content. Huge thanks to everyone who got us here. If you'd like to subscribe, you can go to realignment.supercast.com or click the link at the top of the show notes. Two, the sub-sac is coming back from its own hiatus. This Friday, you can go click the link in the show notes. You can find access to transcripts and all the other added features we're going to continue upping this year. Last but not least, this is a book show. We all love books here, so I want to shout out P&T NITWARE, which is Bradley Tusk's new bookstore in Manhattan. I'm going to definitely

check it out when I go back to New York in March. Plus, of course, the realignment's bookshop, which is available in the show notes. All that said, we're glad to be back. Hope you enjoy the show. Bradley Tusk, welcome back to the realignment.

Hey, thanks for having me back on. We appreciate it.

Yeah, I'm really glad to speak with you. Folks will know the show has been on the end of the year hiatus, so this is the perfect conversation to bring things back. I will note, we are recording this on Thursday, January 5th, so we're about to speak about the speaker's race, obviously. I don't want to date this too much, but for everyone's sake, at this point in the conversation, there have been multiple, multiple, multiple votes. This has gone way further than anyone would have expected. Would love just to hear your reaction before we get into the more meta-political aspects around it. Yeah, I mean, look, of course, I'm sort of loving it in the sense that it's just fascinating. I'm

going to depend on it. Now that not like either party, I actively dislike both parties, so I kind of enjoy what either of them are in chaos, but it's just fun for me to watch. Also, by the way, if you're a VC by definition, you kind of like lower shit up, right? That's where you're called to. So, like the chaos is fun for me to watch. Look, I mean, a couple of at least quick thoughts is, one, you know, this has been some ways from McCarthy the price you pay when you believe in nothing, right? Which means the reason why the Freedom Caucus keeps negotiating and renegotiating with them is they know he has no principles. They know he stands for nothing other

than his own ambition. And so ultimately, while he doesn't want to agree to provisions that will then make it harder for him to be speaker, he'll always take, you know, the chance of being speaker ahead of anything else or being an effective speaker. And so when you're negotiating with someone who believes in nothing, you can just keep pushing them all day long because, you know, there's no real reason to expect them not to. Actually, number one, number two is, you know, there are some people in the middle now kind of how Democrats were moderate. So I think our will be very empowered in regardless of how this turns out, you know, some Republican will be speaker, they will always have the Freedom Caucus right on anything that's not, you know, far right. And they're always going to need 5, 10, 15 Democratic votes to get anything done. And so the problem solvers caucus and disclosure, the head of the Josh Scott Heimler's sister or so were biased. But nonetheless, the Democrats in the middle who take ship from May, the AOCs of the world all the time, I think they're now going to end up being in many ways, the most relevant people. A couple things, and I'm glad you said this up in a way that it doesn't really matter whether or not McCarthy becomes speaker. The point is that this event happened, you know, on this is unprecedented. It's been a century since this has happened. So no matter who's speaker, when this episode comes out, this is significant. I want to talk about your point about VCs, liking chaos, liking things blowing up because obviously that means a space is disrupted, that means a new entrant, Uber, Airbnb, all the obvious things we've talked about before. I wonder how you think that tracks with politics. When something blows up in the political system, does that, let's say, does that hold? Does that open space necessarily get filled by something good? But how much does this idea track? Absolutely. So in fairness to VCs, when we blow something up, it's generally with an alternate system company approach in mind that we're trying to, we have, we're coming to a table with a solution, right? But I don't go looking for industries that I want to fuck with and then come back and say, let me find a startup who can do it. You know, I meet with a zillion startups a day like every VC and when I find ones that I really like, then I'm like, look, this industry is particularly entrenched, corrupt, you know, lazy. It would be fun to pick them on top of the fact that it's wonderful and the right thing to do in a good investment. You know, that's how it had to come to that conclusion. And the challenge you have in politics is, you know, they theory have solutions that they had, you know, the great new deal on the left or whatever crazy shit the Freedom Caucus is supporting. But in reality, they don't have solutions, right? All they want to do is create chaos and they don't actually want solutions to happen because then they're responsible for actually governing and legislating and getting things done. And they're not capable of doing that. It's like the differences in politics. The chaos just leads to more chaos along the time, whereas in tech and VC, it generally leads to an outcome of winning or losing, right? We won. We did sort of establish

this new approach, this new way of doing whatever it is, or we lost, right? And the interest sort of their power holds. But either way, we kind of get to an outcome. Whereas in politics, it's just indefinite. And it's in the interest of the people, the radical rousers on the far left and the far right, keep doing it. You know, if anything shows the need for not probably a third party, but it's four parties, right? The the best thing that could happen to the system, or one of them would be if the Freedom Caucus had screwed us, we're starting the freedom party, right? And if the DSA type said, screw this, we're starting the, you know, the Socialist Party or work in that, then all of a sudden, they're no longer competing in primaries with mainstream Democrats or Republicans. And that gives mainstream Democrats or Republicans a lot more leeway to work with each other to compromise, to build consensus, because you're not worried about only radical voters from either side of the aisle, who are going to participate in your primaries. So like this morning, someone said to me, why can't the Democrats just cut a deal for a moderate Republican? And I said, they could, and maybe by ballot 43, that's what will happen. But, you know, they're all going to be afraid. And if they say, okay, let's make Fred up to the speaker, whoever it is, that then they're going to have a primary in the last two years. And they're going to say, this person supported a Republican for the speaker of the House representatives. And then after the fen against that, right? And that's the main thing they're worried about is is not earning their chances of reelection. And so the extent that we could bifurcate the parties, that would be great. You know, I've been advising the forward party a little bit in Andrea and a little bit on kind of what they can do. And look, I'm for pretty much every kind of political reform, so happy to help them. But I think in politics, it's much easier to kill stuff than it is to create stuff. And so in some ways, seeing the two parties fracture is probably a higher likelihood than seeing a third party come to life and be real successful. You know, it's interesting when you when you're talking about like, you know, left and transgences and right and transgences, there's been a lot of talk about how, well, you know, when Nancy Pelosi won her final election for the speakers for this, you know, speakership, you didn't have the squad perform similarly. There are a bunch of like theories of the case on why the left and the right end so the two parties kind of behave differently in Congress. But what's your theory of the case here? I don't think it's I think it's just that it's her. It's not that right. I think the extremists are extremists on either side of the aisle. And look, the left might not be doing that as much in the House, but they certainly see it in city government, you see it in state government. It's not like we don't see that similar type of behavior. We just don't didn't we didn't see it under Pelosi because she was so good at her job that she was able to through persuasion, coercion, threats, whatever it was, ultimately get, you know, people on board McCarthy is just not as smart as she is not as talented as she is. People aren't afraid of him, obviously, right. And so, you know, he just can't perform in the way that she did. But if you had a really weak Democrat, who was the leader of a hockey, I think it's not a week. I think it's actually a no no hockey for a long time. And I think you guys are very strong and it's a great choice. But let's just say it had someone a McCarthy-esque type on their side, and they took back the House in two years or four years. I think you don't say that's fascinating. Yes. So making this really a story about in both cases, this is less about the two parties and about the specific individuals who found themselves on the precipice of power there. I want to take one other step back. We're going to get into your kind of tech centric

predictions. I want to talk about like the broad narrative around the tech industry right now, like obviously towards the end of the year, you know, a bunch of things blow up literally and figuratively. You obviously had struggles with Tesla's, Tesla's stock, you have all the troubles with Twitter's stock, you have social media, both from a, let's say stock performance level, but also at a user engagement level kind of crest. It seems as if the period that really bookended your rise and your success in the VC industry, right? This post iPhone, mobile, social to cloud period is just kind of coming to an end. I'd love for you to say whether or not you kind of agree with that framework, whether this year feels different than last year, but then also what do you think occurred during that period if we can bookend it?

Yeah. So look, so I don't know that it's coming to an end because when you look at all of the sort of analysis of what's happening in VC right now and the cloud and everything else, no other than crypto, which we can discuss separately, no one really says like, oh, it's because this sector got too much power or wasn't powered enough. No one's really talking about specific fields, technologies, industries with the exception of crypto. Yeah. So I don't think that's what it is, nor do I think by the way, like the strong Web 3 may lose a little bit of sales because people are afraid to say it, but ultimately we're still moving in that direction, right? Like that's still, it may not require, it may or may not include cryptocurrency. I think it will, but either way, blockchain serves a lot of punching the purposes that are still going to be here. So really to me, it's just more of the sort of classic pattern of economic cycles where there are too many DCs and they raise too much money without a really good reason. So like, I think there are two types of VCs that will sort of weather this just fine and come out ahead. The big institutionals that they're not going anywhere, but Sequoia have a big black eye with FTX. Yes, is it going to change their ability to stay business? No, right at all. Or much smaller funds like us that are truly different, right? You know, we are the only venture fund that I'm aware of that goes out and solve your political problems for you. One's campaigns to legalize ride sharing or fantasy sports spending or prescription via text or, you know, e-sports or wherever it is, right? So for us, because our value add so radically different over the rest of the sector, I feel really good about what we stand. And we're actually investing at a faster pace right now than we were for the second half of 21 and most of 22, because the valuations are coming down, not good time, but they're coming down a bit. And it's often found just valuations, but the tenor has changed, right? So like, the heat of it, I get on a call with a founder in theory, they're pitching me, but then I'm told 20 minutes after the call, you know, it's a bit of a term sheet today, you're out and use my answer, but go fuck yourself. I'm not going to lie, be bullied at the submitting a term. If other people get it first, because that's what happened, so be it, right? That has seized all the leverage to shift it back. So that's not even, so that's though it's not even on the table anymore, the presumption. Yeah, I mean, I don't even look the hottest deal ever, maybe, but basically, I didn't found it, by the way, it's how it should be, which is founders are pitching us and we owe it to our LPs to conduct really extensive diligence, call customers, test the product, come up with every argument as we possibly can, tear apart their team analysis and build our own, whatever you can think of. And then if we can still reach some conclusion, like, yeah, this is a worthwhile investment, great, we should have met. And then we've got, you know, some percent of chance of that actually then succeeding, right? But, but I think what you

had instead were so many funds, didn't have any real reason to exist, other than that it was easy to raise money, and they had to deploy the capital, right? And so like, they were just government people without much diligence, without anything else, and in some ways because the incentive is being totally perverted, which is, I believe that a lot of funds were raised in reverse, meaning the founders say, 2%, I need this many million dollars a year to run my business and have to take home as a salary. True, that times 50 is X, right? So if I need 20 million dollars, I mean, they need a billion dollar fund for the 2% annually to meet all of my needs, I'm going to go ahead and raise a billion dollars. They're not even really thinking about or worrying about the carry, right? They're just thinking about, well, for the next 10 years, I have this guaranteed revenue source, and if I can raise more funds on top of that, it'll just grow and grow and grow. And their incentives became totally disaligned with the LPCs, right? And as a result, you saw so much money chasing so many bad deals, because if you're a fund like that, let's say you're \$800 million series A and B fund, you know, we write for series A deals, checks that are typically \$5 million, for reasons number six, and that's generally, we think that's the right way to do it. By the \$600 million series A fund, I don't write \$30 million checks, right? I would have like an endless number of deals that wouldn't work, and each are a \$15 million check or \$20 million check, which automatically screws up the valuation, makes it way too high. And then the sad part is, everyone was in on the joke. So every successive phase, you had VCs who just said, I gotta deploy capital, and I don't really care what the valuation is, I just have to get the money out of the door, which is why you get to a point where companies in series G, they finally go public at a \$50 billion valuation and three months later, it's a 15, because the capital market is doing exactly

what we should have done in the first place, which was, you know, accurately analyze, you know, how good is this business, what's the PE ratio between everything else, and reprice it. And the reason it got a control is not because the public market investor didn't know what they're doing. It's because, you know, the incentives on the BC side totally flipped in a way that was just not aligned for the backfile. You know, two things come to mind here. And once again, I like speaking with you because you have your VC hat, which just gave us what I want to ask you to put on your political operator hat. So you just raised two, let's just say squirmy circumstances for politicians. So firstly, just crypto, right? So you had Mayor Suarez of Miami go very in on like the crypto branding like very aggressively stuff like city coin started Miami is like the city of like crypto, I'm like this future centric candidate, etc, etc, etc. And then you had obviously in New York, where you're coming to us from, you know, Mayor Adams, like talked about like getting his salary in Bitcoin, I believe. So like in both cases, you kind of had politicians leaning into the boom. So a, can you just like comment about how you think voters receive that in either direction? But then be like, how would you advise any politician in general handling kind of the once again, like I'm not anti crypto, but there's just definitely something a little, I'd say like off putting about like the financialization bringing that part in. How would you advise people think about that? I actually have no problem with what Francis or Eric gave. And I'm not sure I would have advised to do anything differently, even knowing what I know today. So number one, your first question is, how does it impact the kind of voters, their political position they are right now? It doesn't, right? So this is maybe the most important one I can make in our conversation overall, which is voters go into the voting booth with two or three things

in their head. And that's it, right? The party kind of an overall feel like this guy's creeper, this guy seems nicer, whatever it is, and maybe one or two issues, but maybe I am, right? So there's sort of not going into the exception of the hardcore Bitcoin maxis who generally don't vote anyway, the people actually voting in primaries, they're not looking at most specific issues, right? There might be one thing that they're obsessed about or mad about or wherever it is or happy about. So what is it never was going to impact the ultimate outcome of what a voter would do. So what Eric and Francis were both trying to do at its most base political was to establish themselves as innovative and future oriented, citing B, because the press likes the cover spouse that that's new and innovative, especially crypto, it generated a lot of coverage for them, right? And C, you know, if they do it right, maybe it has some substantive benefits. So Miami, I think it did benefit quite a bit because a lot of startups moved out there, we incubated a circuit down there, a lot of people have a lot of funds moved down there. And so I think, regardless of Miami city coin, you know, Swara's actually did a pretty decent job in taking a tech chapter that was pretty dead in Miami and turning it into something. And if he used crypto as a vehicle to do that, that spot, right? Or for Eric here in New York, where I've been more involved in these conversations, we're a global home of finance, right? And crypto has become a meaningful part of the financial system, we should be very actively working on what are the city policies that can best attract this industry here, because regardless of the price of Solana, Ethereum, Bitcoin, whatever it is, we want the jobs here, right? Like, yes, I understand that conceptually, cryptocurrency is a sovereignless thing. And that's what makes it interesting in cool and a lot of ways. But people are still physical, man, the station, right? We're adults, right? And like, we got to be civil. And sure days, as a New Yorker, I want those jobs here. And so, Eric's showing the industry that, hey, I care, I'm interested, how can I work with you? I think it was a really important step, especially in an empty city politics week here, but his predecessor Bill de Blasio, who was so hostile to tech and so hostile to business, you know, carried a flip phone to make the point that he didn't like or believe in technology, that the message being sent to startups and funds were like, get the fuck out of here, we don't want, right? Which was very frustrating for me because we spend the Bloomberg administration, you know, I was Mike's campaign manager, 12 years doing the Outser. And Mike is a tech entrepreneur, right? And he worked incredibly hard to build the sector in New York because he wanted a diversified economy. We saw eight years of de Blasio sort of tearing it down. And so, Eric, just extending that message, even by taking the first three paychecks in Bitcoin, it's said a lot to the tech community, the VC community broadly that I think was really important, regardless of whether that paycheck now is 50% of what he would have gotten if they can catch or 200% or anything else. Okay, so then the more personified manifestation of this then is like the SPF dynamic, a bunch of candidates, institutions, political operations took a bunch of SPF money. I'm not alleging anything corrupt, gave a lot of money to a lot of people, that's kind of like the strategy. But how would you, like putting on your campaign advisor hat, that suggests that candidates and organizations just think about this, right? Because if you'd sat down if either the candidates or Vox, like the people who took money for like their future tense project, they couldn't have like articulated or even like unpacked whatever FTX was doing. They just know there's this guy and he has money and he seems smart. So how should people handle

that, especially as crypto wealth goes over, goes up in general? How do people think about that? So I think as we're looking, if you look at the SPF indictment specifically, for what I could tell, there's sort of two categories, right? There's financial fraud, and then there's sort of political corruption, right? So I think if you are a member of a house or whatever it is, and some crypto guy wanted to donate to your campaign or wanted to donate to the DCCC or whatever it is, fine, right? Your job is to raise as much money as you can. You vet people to make sure that they're not, you know, unable to donate because they're foreign residents or whatever it is. But beyond that, you know, basically, you take the money, right? That's a big part of your job. So I don't blame whether it's Vox or, you know, any key and everything else. The second half, though, which is straw donors, right? And actively manipulating campaign finance. Could explain what those are, straw donors. So straw, so if I want to raise money for a key and the date, and let's just keep keeping the house to make it simple, I can give \$2,900 to the product for the primary \$2,900 for the general election. So let's say Congressman Axe comes to me and says, can you raise me 50 grand, right? For me, it actually held a lot easier to write a check for \$50,000 than it is to go ask all these people for money, right? Because if I ask people for money, A, it takes up my time. My time is valuable. B, there's no such thing as a free lunch, which means that all the people are then one day going to come back to me on something, whether it's a candidate they like or their kid needs a letter to get preschool or whatever the f**k it ends, right? I'm going to have to do something, right? It's a lot easier, cheaper for me to write the check. So if I were engaging a straw donors, I would say to you, Marshall, I'm going to send you \$5,800 in dead mow or crypto, whatever it is, and you do me a favor, and then you don't really give money. So your ability to request something of me is significantly lower, right? Because you'd actually have to deal with it. So people do do that because they're trying to get around can be finance laws. That's very early, right? And it seems like SPF did it both with the people who lived in that crazy real world house of heads, right? And they were doing it. And with people in the political consulting business itself, there are going to be a lot of subpoenas, you know, in that part of my world. And I think a lot of that will be fine because it'll be, you know, people who had some interaction, but there was nothing specifically illegal proposed, and, you know, they'll have to test a buyer or at least go into the, you know, your attorney's office and explain what it was. And there will be some people who very actively did engage in corruption, they should and will go to jail. And look, SPF is fucked, right? Because all of his top people already flipped them, right? So he has no incentive at the end of the day, despite whatever you're saying right now, not to cooperate as much as he can to bring down his sentence, right? Because it seems to me that if Elizabeth Holm got 11 years, if I'm the U.S. attorney in New York, I'm like, well, I got to beat that, right? And the truth is, what SPF did is probably much worse, right? So as a result, I think you're looking at 20 plus years. I think his parents are looking to jail. I think there's a lot there. So the logical thing for SPF to become once he sort of accepts this new reality that he's in is, okay, how do I negotiate this down as much as possible, get my parents off the hook, maybe I get 12 years if I'm 24, and either give all these people up, right? And I don't know how they survive. So I think you will see people go to jail, you will see careers ending. And look, I do know people who were approached by various types of kind of independent-friendly campaigns that were funded by him, that were so cryptic in Vegas to where the money was coming from, and so unwilling to disclose it. But they said, you know what,

this is too sketchy for me. And these are candidates. But these would be typically independent expenditures. So an independent expenditure is, you're ready for office, I don't have a \$5,800 to you, you use that as you see fit. But let's say rather than me raising you 50 grand, I say, you know what, I can just write a check for 50 grand to this PAC supporting morpher for Congress, and they can spend it on whatever they want. That's fine. But, you know, there is disclosure from the Dovah Jar to PACs. Again, if they're hiding it through all these different layers, that's a girl. And I know firsthand, that was definitely happening.

So the takeaway basically is that at the end of the day, there's only so much you can do as a candidate. So you should probably just not do, once again, it's one thing to get money from somebody. It's not a thing to let's say, then compromise your values or something you wouldn't do. Like that's probably the thing you have control. Look, I mean, I think at the end of the day is look, I think generally speaking, he was the one to be taken for a ride by the politician, not the other way around. Right. The political sector is brilliant at exploiting people who are really rich, and really unsophisticated, but think that they know a lot. Sandberg, for the problem with what it was, he didn't know what he didn't know. But that's easy, the problem for them on different, right? But certainly politically. And so I think they were all just milking the guy like a VC, who I work with, or she sent me an email, when it was all blowing up saying, despite all of this, I want to have the kind of influence that he did. How do I do that? And I said, well, he just stole a bunch of money and then gave it to the Kingsgate and I did, right? He didn't do anything. He didn't like develop policy proposals actually went anywhere. He wasn't able to influence actual legislation and be for where regulation and meaningful way. He just gave them, they told him how brave he was. He gave them their his money. And they used them just like they use ever. And so, you know, the one thing maybe not to do is look, if you truly don't understand a sector, and most people in government don't understand crypto, 99.9%. Crypto, it's wanting to take his money. If you were to do something publicly that he needs, you have to vet it a little more, because it's not like a housing thing or health care, something that you do all day that you can kind of accurately assess the pros and cons and the risks and the benefits of these.

You know, this brings to mind a recent episode you did. So you were discussing how you've largely given up engaging like at the federal donor level, gridlock problems. It's actually like much more effective to engage like state, local city. When you're bringing up SPF being taken from a ride, like just tell us about like this space then, right? Because it seems as SPF thought that if he donated X amount of money legally or illegally, he could have influence over the system. You're suggesting that even if he had not been caught, you're skeptical of the amount of like actual things that are really.

It only works if the politicians believe, and this is true in any local government, that you are going to be sustained crests, right? So if you come in for one cycle, show us for example a lot in the charter school movement with the hedge fund guys, right? I work with them. Most of them really genuinely want to try to do some good to help kids and I think a lot of charter schools are fantastic. I'm a big believer in them.

But the skepticism that I got from politicians that wasn't awarded as well, you know, they like this thing right now, how would they find some new lobby in four years? And if I take on the teacher's union, it looks like it would be their support meeting for it, right? And that's a really

big problem. Same thing with anything, right? You have to say, I'm going to be here election after election, support you to oppose you, whatever it is, whether you like it or not. And once they accept that you're going to be a factor, then they have to deal with it, right? So you could be the shiny toy. And yeah, look, if they had a stable going bill going through, would SDF had the ability to at least talk to members about it more than, you know, Brian Armstrong or someone else? Yeah, absolutely. But overall, it's being that kind of sustained political presence, which really also means understanding how elections work in the first place, right? So we live in a world where 99% of districts, and again, this is true with useful government, state government, federal government, are jaring at it, right? Which means the only election that actually matters most of the time is the primary, right? And primary childless country putting the presidential aside, it's typically about 10 to 15%. Right? And so what all you're really doing, electric changing the system, which is what I'm hard to do with local voting, but putting that aside, you have to say to the official, I can move that 10% I can either influence them negatively against you, I can get them possibly going towards you, or I can bring in another 5% from somewhere else that normally doesn't vote, but I can make this happen. And that's going to screw you up, right? So for example, we legalized Fandall for Voter Company of Arts, first, for example, we ever made, I remember meeting with politicians in a different place and saying, this is sports betting, right? Yeah, sports betting. Well, this was actually DEA, this was the electronic sports betting. Yeah. Meeting with them and saying, listen, you have 9,000 draftings of Fandall customers in your district. Let's be honest, they don't know who you are. They don't even know where a state rep is, let alone, you know, who you are, but they fucking love this thing. And right now, they never bother you. They don't ask you to burn your thing, kill one of your primary, if the fact that we don't exist in your world. If you take this away from them, they're really pissed and they're remotivated. I'm gonna make sure they don't. And that was enough to basically lead to why we won everywhere, right? And the reason why is every single policy output is driven by a political every single decision made by every single politician with one or two examples, like Mike Bloomberg, is how will this affect my next election? And if you can show them, you can either help them win reelection, or you can potentially cost them reelection, they will work with you and do what you want. If you can't impact that, you're completely okay. So obviously, you have a degree of bias for Mike Bloomberg on a couple of different levels, but I'd love from a model perspective then to talk about why you're saying like Mike Bloomberg, even if people wasn't operating on that level. Sure. Let me just to establish with the audience a little bit credibility. I've worked in city government, both in Philadelphia and New York. I've worked at agencies and city all, I've worked in state government, I was deputy governor of Illinois, I've worked in federal government, I've worked in communications director, executive branch, legislative branch, I've worked in campaigns, I've worked with lawyers, I feel like I've really seen this in every conceivable angle. And Mike was one of the very, very, very few people I ever met that just didn't make decisions based on that criteria of reelection. In fact, if you told him this would be good for the next election, he would get angry at you and it would actually make it less like. And by the way, I just can't pay manager really fucking frustrated, right? Because lilight would have been a lot easier if we could have been more traditional in some ways and said like, okay, so and so, like, you know, yeah, you care about this

and you matter in the election, we're going to try to work with you. If Mike didn't believe that what they wanted was right, it didn't matter how well they were, he just didn't do it. Now, that's great. It's what we should want in our politicians for sure. Thought with the K penny manager. But you know, look, in fairs to the other 99.5%, or whatever it is, Mike came into the into office already a billionaire, already CEO was 60, we took the mayoralty. And so, you know, he was a grown man who didn't need the job was wildly successful, but accomplished so much already, that he had a completely different mentality than everyone else. Most people go into politics. This is the best job they're ever going to have, right? If you accept that 99% of politicians are desperately self-loathing and secure people that can't live out the validation of holding office, it fills the hole in their side. And any individual policy is not as important as as filling that hole. So let's, let's give an example from each side. You're a Republican congressman from Florida. This was a sharing manager turned out 12% your primary and already numbers make a half that 12%. You may understand it, but actually, that's fucking crazy is we can walk into a store and walk out when they change 47 20 minutes later. But you know what? For as long as 50% of your vote share is NRA members, you'll never get a welfare assault weapon ban. Because for you losing your seat is a lot worse than a school shooting a Walmart shooting a church shooting. We wouldn't admit that publicly. But clearly, you feel that like you didn't, you would pass this bit, right? Or on the left in New York, Amazon wanted to set up their second headquarters in Queens. And it was great for the city. The city is a whole wanted it. The district is a whole wanted all including show that 25,000 direct jobs, 10 to 1000 more indirect jobs. But the state senator, Mike Chenaris, who was really, really powerful, who's an opportune state senator at the time, must delay surgery. He understood his voters really well. And he knew that, you know, the 90% turn out in his primary where people will fucking hate Jeff Bezos, hate Amazon, hate Benz, hate tech. And if he were to support it, he would be punished by them not reward. I remember when the politicians who started opposing you did so almost said, well, you're all going to lose your next election. And I wrote my next call from Dale and he's saying, no, they're not, they're doing this because they want to win their next election. And by the way, the council member, this Congressperson, the state senator, state rep, they all got reelected with well over 70% of the vote because they read the electorate. Correct. The problem is, is with these very, very narrow groups, the only ones who are relevant, keeping these people in office, which means keeping them from hating themselves and keeping them from like, feeling like a failure or people will generally not have the talent to go to some other industry and make lots of money, right? So they call all the shots as we're seeing just wrapping the stack onto our first question, the speaker's race right now. So mobile voting, which I've been funding and running the campaign nationally, which it means vote on your phone securely so that we can get primary turnout from both percent to 30% simply because as engaged as much they were might say they care, out of that, just let everybody listen to this podcast right now. The fact of voting in every city council primary, every state rep primary, help because it's a pain in the ass. You got to go somewhere on a random Tuesday late to work or after school, whatever it is. If you could press a few buttons on your phone, you wouldn't definitely do it. But your odds of doing it will go way up. The reason we beat tax and legalized Uber

is because we were able to mobilize our customer base and over a couple of years period, several million people emailed, called, texted, tweeted in some way through our app, hold politicians, I want this thing. And that was enough to win in every single market. So what that said to me is it's not that people too apathetic to ever do anything. They're too apathetic to show up in person for election that it doesn't seem that important, right? So were all of them vote on their phone as they could? No, but again, if we went from 12% to 30%, what that would mean is the underlying base of voters becomes much more mainstream as a result because the higher the number goes, the more we get towards the mainstream. And that changes the underlying incentives for the politician, which makes it a lot easier to do compromise, to support consensus, to try to get stuff done, because you're not as vulnerable to primary from the far left and far right, because the turnout is still a lot higher. So we have funded elections in seven states, 21 jurisdictions so far, people haven't been able to vote on their phones in real elections, basically deployed military people with disabilities. We had for the last year and changed now, but building our own mobile voting technology that I have funded and my foundation personally, that we will release hopefully in Q2 over this year, and it will be completely free and open sourced, and it will be the most secure electric technology ever built, if nothing else, because it'll be the most recent, because I have 10 million bucks on that money building it. And so my hope is that once this technology is out there, I don't think anyone would have paid the bill, the government wouldn't do it because they don't want to change the status quo because they know how they have power now, and the election companies keep doing it because one, they don't have 10 million bucks to invest in this thing, two, the products, unless there's a clear demand for it by the elections, right? So it requires someone like us to come along and do this. So my hope is once we could prove that's at least as safe as paper ballots and voting machines, we can start building up movement for it. And it was interesting, this can go to mobilevoting.org, there's tons of good folks. Yeah, and we discussed the mobile voting at a higher level or kind of a more nuanced level on your first appearance, so folks should check that out. We discussed the security stuff a bit. I want to focus on the part of the picture I'm really interested in, which is the trust issue. So key theme of this show, especially the past few years has been that America and Western societies in general were becoming more low trust, 2010s, post financial crisis, the 2020s. I'm curious, do you think it would have been easier, put us like once again, the security and the technology aspect? I'm sure it's easier now to use the internet to do this than it was in the 90s. Do you think it would have been easier to pass these reforms when the US was at a higher trust level? And if that is true, how do you navigate the political question? Great, great question. I'm going to take it apart for a few years for a piece. So the first question would be, let's use the 90s as the contrast here. Would it be easier order for us to build this movement? So on one hand, politics was easier because you didn't have social media, you didn't really have 24-hour cable networks, you didn't have this entire world of constant chaos, colonization, Donald Trump, you don't have any of that. So getting anything done was definitely easier than it is today. On the flip side, even in 1993, every politician in the office would still say to themselves, well, I figured I had to win in these little turnout

primaries. I managed to make it easier for someone to come along and challenge me because now all of a sudden, the voter base is a lot bigger. So politics are always protected themselves and will cost any point in history. And so maybe the argument is, we're only going to win this thing because of social, right? I need an Arab Spring to happen in this country effectively where enough millennials, enough Gen Z voters say, fuck this, we know it's safe and we were fused to let you prevent us from using it just because not your personal interests. That's the way this is going to happen. I got a cast bill that will be in all 50 states. The entire institution, Republican, Democrats, unions, lobbyists, trade groups, they're all going to oppose us, right? Because all of that, I figure out a win in the current system and none of them want to make it hard, right? And so I don't think I could actually win this by, and I still might not win it, but I don't think I could win it without social media. So I'd say weirdly, most of the time, if you're asking that question, the answer would be the 90s, the 90s, the 90s, right? But in this particular case, I'm going to go with now. But then the other question really is, when did that lack of trust happen? So I would argue that it started with the Vietnam War, and I also argued the birth of cryptocurrency was effectively the Vietnam War, not the White Cape or 2009. Because it was, you know, the first time that we had a war that was at least in Vermont or in Israel, you're right, kids speak to the Spatchener or whatever the like, that was clearly a bad idea. Oh, you mean giving the Iraq War? I mean, the Vietnam. Oh, Vietnam, okay. My point is, I think this started much earlier. Okay. I did, when Vietnam came along, it was such an unjust war, and such a war that had so many terrible casualties of most people and someone that had died before, that that changed it. And trust in government from that moment on, never recovered. And then as time went on, that became applied to Wall Street, the church, the media, high and red. And to your point now, if you look at what Pew does really good polling around this, trust in any institution is close to zero. And so what does that mean? It means, one, people are not going to participate in the system, so they don't vote. Two, they're going to get to really polarized places because they're angry, right? And they feel like their lives have to be taken care of and shaped. Or three, they're going to look for alternative systems, right? And where alternative system became cryptocurrency, right? So, you know, 2008 was another really big example of trust chatter, right? The banks that were supposed to be kind of, even the economy afloat and did up, sort of, basically screwing everything over. And there was no real context, right? Yes, really, brothers went out of business, a couple others got acquired, but no one really went to jail, right? And so the White Day brewery, you know, but Nakamura came off the next year, I think, at least in part because of the AI range, you know, by the fact that there was no accountability for what happened. I just another example, the lack of trust. So with crypto, once blockchain became a thing, right, which wasn't really possible until the last 12, 13 years or so, even conceptually, for people who were really disaffected by the system, they'd say, you know what, fuck this, I don't trust the government, I don't trust the central banks, they're just going to screw me over. I'd rather throw my mind with other people, I'll never know their names because they think, no, hidden. But nonetheless, they think the way I think, and so I'm going to buy this thing called Bitcoin instead, right? And I think that's ultimately that lack of trust that began at Vietnam is what led to cryptocurrency, which means while this current manifestation of

crypto may not succeed in all the ways everyone thought it would, it may evolve differently, some companies may still make it, some may not, whatever else. This notion of people don't trust society, don't trust the system, and there are some people looking for an alternative mechanism, that's going to stay, right? And that's why crypto survives long term, why other things will happen too, because I don't see any world for a long time where that trust comes back. Now look, if my mobile or anything were to happen in over a 20 year period, there was a lot more done by government because there's a lot more consensus, maybe that would start to rebuild trust. But you know, that would still be several decades. Yeah. So one last thing for we get to close with your predictions, let me just reflect back on what you're saying. So when I'm hearing your articulation of the need for let's say like an Arab Spring-adjacent movement with millennials and Gen Zs, I'm interested in the order of operations here. So think of like the last great era of political reforms, like the progressive area, women get the right to vote, you institute the director election of senators, that once again, this is me just doing a PUS history here, not a historian, but that to me seems to be how the progressive movement comes about. There are a series of ideas and the only way to actually implement those ideas were those bigger sets of changes to society. It seems to me that my critique of how you're making the argument for mobile voting and how Andrew Yang articulates the argument for the forward party is it's kind of like arguing for the process and the procedures, not attached to a specific set of things you want. So I could see a millennial Arab Spring happening if let's say like social security is about to blow up tomorrow and government has to say, we either favor silence and boomers or we favor millennials. If you were to say, hey, millennials, if you guys don't all vote via this mobile reform, you're already financially screwed, I could see that as a catalyst for change. But I'm just kind of curious about whether the technocratic argument works. One is what? So I'll give you at least how I'm going now, but that doesn't mean I'm right. One is, I think climate change is an issue, right? Like I have a 16 year old and a 13 year old and they are so motivated by this. They're so convinced that their lives are going to be significantly worse because of the inability to respond to climate change that I didn't know were based in a way that's different. And I think that's true across the board for Gen Z pretty much. So one is, I think that you're right, we have to latch on to an issue because a process so we base campaign can never win. That's probably the one. So number one. Number two, you know, we're trying to kind of lay the groundwork now. So I've got an employee sitting near you in Austin who all he does all day, he's talking about mobile voting, Instagram and snap, but mainly TikTok. Because the more that we can take people now about why this is the right thing to do, the more we will have lay the groundwork. So when the Arab Spring has to come, people already be familiar with it. So that's number two. Number three is going to be, you know, I'm going to need some really deep pocketed out as I have funded the mobile voting effort solely by myself so far than like 15 million bucks or a lot of my pocket. I've done well as a VC, but not well enough to fund the same. Definitely. And so I will always succeed if other people who have resources and really want to change the system are willing to come on board with, which is so once we were releasing technology, the next thing for me to do is not go past bill because I wouldn't be able to pass them yet. It's to find allies, right? And then the final part would be bringing the comfortable voting into mass culture as much as possible. The movement that I like to look at is the same sex marriage, right? Which was incredibly successful. It moved really fast.

I didn't part because the world had just changed quite a bit in terms of technology and everything else. But also, I remember talking to a friend of mine, this would be like in 1997 or eight, I said, when do you think this will happen? He said, it's one queer eye for the straight guys, number one shut. And he was right, meaning it was a cultural change, social normative change that then produced the political change, right? And ultimately, the judicial change, which was still a political decision, but that struck a good decision. So I think that we've got to get mobile voting into the vernacular as much as possible, you know, work it into TV shows, work it into podcasts, work it into the culture of what we can, because if people sort of see it that way and they start getting used to it and used to the ideas of it, when it's then time for them to rise up and say, hey, state of Oregon, we're going to do you have to do this thing. And the more that's already in their minds, the easier it's going to be for us to do it. So look, with all that said, I'm still talking about something required up in the entire political status quo in this country, unbelievably hard. On the flip side, and I believe, and I'm sure you believe never since this podcast believes, apparently, technology always wins at the end of the day, right? The question is, what's technology and over how long? But ultimately, that's always the victor. And so, well, even if I did nothing, at some point mobile voting will happen, right? Because the world will just evolve in that direction. It might be 20 years, 30 years, 40 years. But my view is every year we don't have it is another year of polarization or another year of dysfunction. And so if I can cut that period from 40 down to 12, I hopefully produce 28 better years. And so that's really what I'm trying to do. We sort of just get us to that place faster than what happened otherwise.

Yeah, no. And I appreciate the point you're making around the order of operations there. Okay, so let's close with just a couple of sectors that you've done a lot of thinking on, and that I especially have been interested on the show. So, one, let's talk about infrastructure, right? Like, we could put away our infrastructure week jokes, bills passed last year. So, like, what's your take on infrastructure going into 23? Yeah, I think it's, well, I think Biden does have three or four things that he can genuinely say, I accomplished this, and I think infrastructure is clearly one of them. And one of the, look, a lot of it is just basic stuff that should have actually much greater numbers of repairing bridges and roads and tunnels and, you know, all that kind of stuff, frankly, from the infrastructure. But the thing that they did, that was really great was they included hundreds of billions of dollars for electric vehicles, for climate, for clean tech. And then in the Inflation Reduction Act, which was really ultimately a climate bill that was just called back as Manchin wanted to call back, hundreds of billions more for the sector. So, what it means is there's now a lot of money from the federal government, and what's different from before is that it was really smart what they did. They gamed, seated over a 10-year period. And the reason why that's important is investors like me, we were literally, Jordan and my partner, I were having this debate this morning about this of, like, you know, Jordan said, we're about carbon capture. And, you know, Bob Freely, who's our climate expert said, well, here are all the things that you should know about it. And the Jordan's response was, well, it seems like 2008, why don't we do it? And I said, well, the wanting to figure out it might be different is, technology is a pretty long time, right? So, for us to make an investment at Cedaray and exit, still it should happen within a 10-year period in that window. So, even if the subsidies do eventually run out and these companies do struggle, there's an argument

that because of the certainty that Congress provided, people like me can deploy capital because I feel comfortable enough that there's enough time for me to make it through the entire process. And look, the only way we're going to beat climate change ultimately is, again, we're a technology. Humans are completely incapable of changing their behavior in any way to lower emissions. Like, you know, they can't make this conference to agree on what the number should be, let it look at it and actually do anything about it. So, join behavior is never going to change. What could change is that carbon capture becomes a reality. And also, if you can suck vast amounts of carbon out of the atmosphere, then all of a sudden the one and a half, two-degree difference doesn't mean as much because you've reduced the underlying amount completely. So, you're going to need various types of technology. Tweakies that can absorb carbon dioxide, whatever it is, to solve this problem. And that some of that will come from government research and money, but some of it will come from private money. And the great thing the government did here is, they made it a lot easier for private investors like me to justify it. And just a quick thing, when you were referencing 2008, like you're referencing how green tech, which was kind of more of the term, can you just give a quick, like, 30-second explainer of the difference? Sort of the first kind of real birth of green tech and clean tech, where people said, hey, you know, you can build an entire new sector around retrofitting buildings, you know, renewable energy, creating, you know, rooftop gardens, whatever it was, they were really excited about that. And it led to a lot of private sector investment, but a lot of losses, right? You know, most notably, Kleiner Perkins and John Doar, he made a huge bet on it and was trying to do the right thing, lost it. Incredible amount of money. And his reputation never really fully recovered, right? To some extent, if they did, but I think it was always, you know, he took ahead, Blackstone, right? You know, they had multiple climate funds, they all fit, right? So, lots of people invested a lot of money, but ultimately, the certainty needed for those products to come to fruition and for the subsidies to continue until they really became, you know, market-based entrants wasn't there. And as a result, it failed and it scared off investors quite a bit, right? So, even though we've had a record amount of VC investment over the past five years, not that much of it, comparatively, as we've gone at the Klein and it's compared to St. Acker, Digital House or whatever else, even though it's probably the one thing that society needs the most. And so, and the difference is in 2008, the idea was there, the excitement was there, but the certainty wasn't necessarily there. They didn't even realize we needed it at that point, right? I mean, this time around, Congress did a really good job and I've rarely coupled at Congress. In fact, this morning, I was saying to a friend, like, why doesn't matter if the house is inoperable, right? Other than maybe the debt ceiling vote coming up, like, so what? You know, what's being declared war? Like, they don't do any good anyway. Who cares? But in this particular case, they did do. And then the other sector I'd love to hear your thoughts on, so two-part question about this. So one, just like transportation. And then two, we'll close on your political perspective of how you think Pete Buttigieg has done. Because I think what's been fascinating is, normally, you know, he didn't originally want transportation secretary, but this has been the most relevant. That position has been, narratively, with supply chain crisis, airlines, transportation. So what are your thoughts on the sector? But then two, let's close off your thoughts on his political

performance. So on the sector of transportation pack, I'm definitely happy to ask for that space. Third, Uber, we're probably done. You know, Clearbird and Nexar and 10 others, too. From a regulatory standpoint, we are really shitting. In that technology, a lot of these companies has advanced a decent amount, not as far, you know, we were here in level five of autonomy by five years ago, and I think we're still.

And that's self-driving cars, right?

That's both self-driving cars. But overall, the technology significantly exceeds the permission that companies have to use it by the gut. And the main reason why is things can get done. Things can get done and stay cut. Nothing gets done.

And so for the last seven years now, we've been waiting for USDOT to promulgate rules on how interstate autonomous vehicle driving will work, right? So the federal government regulates the car itself. The local government regulates the speed limit, stop sign, wherever else it is.

So you need both. And states have actually introduced a move forward with legislation on.

It's like we're investing with Kodiak, which is an autonomous trucking company. They operate successfully in big states, California, Texas, things like that, where, you know, just with investing itself, you can do a decent amount of work. But most trucking is an interstate activity. If you can't legally cross state lines, they're stuck, which means the development entire sector is stuck. And so I think we're at this point where with the long exception of drone regulation, which has been more progressive, most transportation regulation has been stalled.

And that was true when a Ling Chao Transportation Secretary on the truck, and it's been truest under Buttigieg now. And so, look, while about to get Buttigieg, you know, some good marks for how he's sort of appeared on TD and wherever else, in terms of, has he meaningfully furthered innovation in the sector? No, he has not. He seems to be just as useless as the rest of that. What he has done, it's good. It's he's got it. He's positioned himself really well up there.

So I don't know how much there is there. Do you have to ask me, is he more of a Mike Bloomberg, one more of a Kevin McCarthy? I would say he's much more yet. He's another ambitious person by his impressive resume, who wants power, right? And we'll do what he has to do. So supply team or all kinds of airline problems, whatever else, give him the ability to be out on TV all the time, and he's exceptionally good at it, right? So he has been able to get a great platform to promote the I like himself, so that when he can run for president again, whether it's a Biden doesn't aren't 24 or 28 or wherever it is, he's done a good job using his time wisely to make him seem that much more relevant and oppressive. But you know, it's just, he's been an impressive spokesperson. He didn't solve this in Christ. He just sort of explained it, right? He didn't solve massive airplane cancellation delays. He just talks good, right? So like, I'll tell you, if you like someone who's sort of is really good at talking, people who does your guy, I would love for him to be someone that also is going to do it. I have yet to assume.

Man, to close here, you're asking is he more Kevin McCarthy or is he Mike Bloomberg? Well, at least unlike Kevin McCarthy, he's known for being able to speak well. So you really just see how Kevin McCarthy is really just, he's really in a league of his own of like the level he was able to rise to relative to his underlying political or dual abilities is very low.

I'll take it more in terms of motivation principles, but yeah.

Yeah, for sure. So Bradley, this has been really great. It was always awesome to check with you. I'm sure we'll do it another time. Thank you for joining me on. Oh, actually,

by the way, where should anything you want to direct folks to? Yeah. Sure. So one is, if you like this podcast, I've got a podcast as well called Firewall. It is specifically about usually the intersection of pack and polish. And so every commercial I just discussed is what we talk about twice a week. Once a week, I caught up, I don't want to get every someone to drop in the space. So if you're trying this, please check out Firewall. I'll now make a shameless pitch, which is if you're in New York City and it's either a resident or a tourist, I opened up a bookstore and podcast studio the summer called P&T NITWARE. It's an independent bookstore that loses tons of money. But I love bookstores. I thought it was right to be many ways. It was the only podcast studio that we're aware of. It's free for anybody to use, give the event space away to the community, people who stock the shelves, have exacting health care, people who want to venture capital fund, meaning I think I'm doing a good stay here, but I'm losing a shit ton of money. So if you would like books, please check us out. We're a 1-8-WATCHER STREET between Houston and Stanton, and we could use all the help we can get. Awesome. We'll be checking it out when I'm back in New York next month. Bradley, thank you for joining me on The Real Amendment. I hope you enjoyed this episode. If you learned something, like the sort of mission, or want to access our subscriber exclusive Q&A, bonus episodes and more, go to realignment.supercast.com and subscribe to our \$5 a month, \$50 a year, or \$500 for a lifetime membership. Rates. See you all next time.