

[Transcript] All-In with Chamath, Jason, Sacks & Friedberg / E135: Wagner rebels, SCOTUS ends AA, AI M&A, startups gone bad, spacetime warps & more

This is going to be a feisty episode.
Is it?
Two of us are on Greenwich Mean Time.
Two of us are in Pacific.
J. Cal still asleep in his head.
I'm good, actually.
You good?
I'm good.
All right. Well, great to be back.
Welcome to the All Conspiracy Podcast,
where we repeat false statements
and help spin them into tales of struggling
against the establishment,
the elite, and the mainstream media.
We will deliver to you the people,
the revolution,
against the powers that be.
Unless it offends.
Still trying to get my invite for next week.
We also enjoy Friedberg.
Mom's the word.
We'll also enjoy sharing with you
fantastic stories of opulence.
Let's be neutral.
Opulence, leisure, and benevolent greed.
Here we go.
Joining me today are my co-hosts,
General David Sacks,
commander of the Fourth Battalion
of the Internet Tweet Brigade.
General, welcome.
Joining us from a remote location.
In Moscow.
Has there been like an establishment
takeover of the pod?
I mean, what's up with this intro?
Yeah.
Every argument they make against us
you're basically just conceding.
It's true.
I know.
Exactly.
From his 12th century Mediterranean castle,

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Il Duce,
Chamath Palihapatia.
Welcome, Chamath.
How is the Mediterranean diet treating you?
Blue.
Blue?
Blue.
And Emperor Nero Callicanus,
ruler over podcasts, paid events,
entrepreneurial universities,
and dental SPVs.
Emperor, thank you
for letting me sit in your throne today.
It's good to be here.
Thank you.
Dental SPVs.
Shout out to my dentists.
Well, you say King of STDs?
SPVs.
Oh, SPVs.
Dental SPVs.
Yeah.
That's the thing with certain STDs
where once you are King,
you're going to be King for life.
Absolutely.
And it said we open sources to the fans
and they've just gone crazy.
Love you guys.
I'm Queen of King.
Love.
I'm going all in.
TheSyndicate.com.
Yeah, thank you.
You've been doing,
you said five shows a week lately.
Your voice is shot.
My voice is starting to go.
So I asked you if you'd moderate
and you thankfully said yes.
I've got the energy.
I missed last week.
I enjoyed listening to you guys

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with VG, great episode.

Sorry I couldn't join.

But let's kick it off.

That's funny.

I saw them and watched the episode that I missed.

He's not interested, huh?

He's like, I'm not on the show.

I'm not interested.

If I didn't have time to participate,

I don't really have time to watch it.

The truth is, Saks,

why don't you admit to everyone

that when you're in a show,

you probably watch it four or five times?

All right.

So let's kick this off.

Obviously, you guys recorded

right before the Wagner group

attempted coup or potential coup

or theorized coup began last week.

So Saks, you kind of sent out a text

saying the show is already stale

because you kind of missed that

that news cycle by publishing

right after it started,

but you recorded right before.

So let's do just a quick recap

of what happened with Russia,

Ukraine and particularly its Wagner

Wagner group rebellion.

Last Friday, the Wagner group,

which is a Russian paramilitary organization

led by Evgeny Krogosian,

launched what seemed like

an armed insurrection against Russia.

Wagner had occupied portions of Rostov-on-Don,

a city of over a million people,

a regional capital and headquarters

of Russia's southern military district

before setting off towards Moscow

and then abruptly stopping,

I think about 200 kilometers

before reaching Moscow City.
At that point,
there was supposedly a negotiation.
The president of Belarus got involved
and Krogosian decided to step down.
Putin said,
I'm not going to prosecute
or I'm not going to prosecute you
for these crimes.
He was given immunity
and it was announced
that all the members of the Wagner group
were given the option of returning home
or joining the Russian military
and the Wagner group
was going to be dissolved.
Saks, maybe you can kind of give us
your summary of the events
that took place
and then we'll talk a little bit
about the interpretation
of what we think this means
for the conflict in Ukraine.
Well, you're right
that this rebellion took place
just after we dropped our last episode.
And so everybody,
both on Twitter
and in the comments
was dunking on me
for my take on last week's episode
that the much hyped Ukrainian counteroffensive
was not succeeding
that it was in fact failing.
I think there's abundant evidence for that
which hasn't changed.
Even CNN had written an article
basically supporting the idea
that the counteroffensive
was not living up to
what had been promised.
And so everyone was in the comments
saying that my take

had basically aged like milk
and this arm rebellion
or mutiny by Progosian
was evidence that the Russian regime
was about to collapse.
That Russia was in fact
on the verge of civil war
and you saw the exact same people
who had oversold the counteroffensive
now overselling this mutiny
as something that would bring down
the Russian regime
and the war.
And of course
that that did not happen.
It was certainly a highly unusual event
and I've read takes now
from every different corner of the internet
about what it was
and what took place.
You have people speculating
that this was all staged.
I do not believe that.
I do believe that it was
insurrection or mutiny by Progosian.
I think the trigger for it
was the fact that
his Wagner organization
was being merged in
with the Ministry of Defense
and the regular Russian army
and his men were all being made
to sign contracts
with the Ministry of Defense.
That would have resulted
in a giant loss of income
and status for Progosian.
Simultaneously for months now
he's been criticizing
the Ministry of Defense
specifically the Minister of Defense
Shoigu
and the Chief General

of the General Staff
Jarasimov.
So he's been vocally critical of them
and I think that
this basically erupted into
a mutiny by him
where he basically
tried to leverage his position
like you said.
He marched
what they now think
are about 8,000 men
which is about a quarter
of Wagner into Rostov-on-Don.
He then took the Ministry headquarters
and sent about 3,000 of his men
on a convoy to Moscow.
I think that
although this is probably best described
as a mutiny
I think that it did have
coup optionality to it.
I think that Progosian
was seeking to find out
how much support Putin had
and who might
join him and he had put out
a number of statements
that I think from the Russian regime's point of view
could be described as seditious
that morning and
there's a lot of evidence that he staged
this attack on his base.
He claimed
that there was a missile attack
by the Ministry of Defense
and that's what launched this
March for Justice
and in his comments
he was careful
not to criticize Putin directly
but he had a lot to say
about the Ministry of Defense

and the overall conduct of the war
and it was I think
harshly critical
indirectly of Putin
and I think he was looking to see
who might support him
and what happened is that
on the way to Moscow
during this convoy
nobody supported him.
In fact, all the statements came out
from the other generals
including Sir Vekin
including all the regional governors
of members of the Duma
and other important figures
in Russian society
and there wasn't a single person
willing to publicly support
Progosian
and that's when
Putin went on TV
called this basically an act of treason
and a stab in the back
and at that point I think
Progosian's options were pretty limited
and he basically took a deal
that was brokered by Lukashenko
in which he would go into exile
in Belarus
in exchange for basically being allowed to live.
That was basically the deal
that was ultimately cut
and so I think where things stand today
is that although I think this was an embarrassment
and a black eye for the Russian regime
it never looks good
for a regime to have any kind of mutiny
or insurrection
and I think that it does raise questions
that Putin's now going to have to answer
to his various allies
and supporters

about how stable his regime is.
I think ultimately
Putin has ended up
in a place of consolidating
Russian society behind him.
Like I said, there were no power centers
that supported this mutiny.
They all rallied to Putin's defense
and the people of Russia
even though Progosian is a popular figure
being kind of a war hero
from the Battle of Bakhmut
the Russian society supported Putin.
I think he's at something like 80%
poll numbers.
So I think where things stand to...
Who's poll?
Well, like Lovato Center
which is an independent polling agency
for example
these are not the Russian regime's own numbers
and when they're poll numbers...
Would you say in a poll
that you don't support Putin?
Yeah.
Well, I don't know how Lovato Center
what their methodology is
but these numbers
when the numbers are bad
are cited by Western sources.
But there are other forms of evidence too.
You may have seen this video
that went viral over the past few days
of this song
that's now the number one chart buster
in Russia
where it's this very patriotic Russian song
where they're basically singing
I am Russian
that's sort of the main chorus.
Nick, can you pull up the song?
I'd like to see this, please.
Coming at ya, 95.5

I love Russia.
Oh my God, this is some serious propaganda.
Wow, yeah.
I mean, that looks like a pretty good party.
If you look up the lyrics to the song
the English translation of the lyrics
that just of it is
I'm basically proud to be Russian
and I don't care
who doesn't like it.
That's basically the lyrics of it.
How do you get invited to that party?
I got so many jokes.
I'm not going to make it.
I know you got to be careful.
Be careful here, folks.
You got to be careful here.
It looks like a fun party.
It's a catchy song.
I mean, I love to dress up and show up.
Tell me where to show up, Putin.
I think the point here is
that Russian society is united behind the state
in wanting to fight this war.
And I think that part of the reason
why progosians mutiny was so oversold
as an imminent coup
that would bring about the collapse of the Putin regime
and of the Russian war effort
and of their frontline
is because that we since the beginning of those war
we've had this narrative
that if we applied enough pressure to Russia
that there'd be a palace intrigue
and a palace coup
and that liberal forces inside of Russia
would rise up and topple the dictator Putin
and basically get them out of this war.
And I think what's happened is fairly predictable
but it's the opposite of that
which is the Russian people
are rallying around the flag
and rallying around Putin the war leader

and they are a patriotic people just like the Ukrainians
and I think both these countries
that both the Russians and the Ukrainians
are proud people
and I think they're in a fight to the death
and I think that both countries
regard this as existential
and we have basically stuck ourselves in the middle
of this fight to the death between these two countries
and I don't see this working out very well.
Okay, so look, I will make an admission.
I consider myself a modestly well-read person
modestly well-informed.
I had never heard of the Wagner group
or Progosian prior to this coup attempt last week.
Chamath, J. Cal had you guys heard of this person before
and the Wagner group?
Yeah, yeah.
Oh, well, maybe I'm an idiot
or that just not interested.
I think what was so surprising
was like how out of the blue
the story seemed to be last week
that there was this disagreement
between this person that commanded
this paramilitary organization
who then turned around against Putin
and stood up against him
and marched back towards Moscow
and it felt to me like it came a little bit
out of the blue
and was such like a weird kind of shocking event.
Did it feel kind of like that to you guys
that there was surprising instability
and the surprising potential revolution
happening locally?
I think stepping back here
and just looking at the news cycle
obviously I don't think many people expected this.
This was a wild card
and so people could be humble in, you know,
their belief of like how much they actually understand
about what's going on there.

The Russian soldiers are not in favor of this war.
This is a war that's very unpopular in Russia actually
and for the Ukraine,
having been invaded by Russia,
they're fighting for their land
and they're gonna they are much more motivated.
I wouldn't believe any of this propaganda,
but this is a bit of a Russia test.
Everybody on the left got on Twitter
and said this is the end of Putin.
Everybody's gonna rise up in the streets
and they overplayed that, you know,
angle of the story.
And then of course the right
or people who are pro-Russian
or anti the West backing this war
are gonna take the other side, Preberg.
They're gonna take the side of, you know,
oh, everybody loves Russia.
80% of people are voting for this.
It's ridiculous to think that anybody in Russia
is gonna answer, do you like Putin?
Do you support Putin on a survey?
Can you imagine a Putin's a murderous dictator
who kills all of his enemies
and he controls through violence?
Nobody's answering a survey correctly.
This, you know, top song is complete propaganda.
Putin has control of the entire media apparatus there.
What this showed actually, if you step back
and you look at-
Did you go to the party though if you were invited?
Well, I mean, are there gonna be potential LPs there?
Last week, but I think, that's just a joke folks.
But stepping back, if you look at modern day dictators,
they tend to stay in power for about three decades.
Putin's in his third.
And I think we're gonna see in the next 10 years,
Putin lose power and he's going to be out of power.
And when we look back on it,
it's gonna be one of two causes.
It's gonna be either cancer,
which, you know, the speculation is he's had cancer

and that's why he disappears from view
because he might be getting treatment.
And we'll look back on us that the end of his power
will be his control of Russia,
which he controlling these,
controlling through violence and fear of violence
and threat of violence is exhausting.
You have to be paranoid.
And that's why it generally doesn't last that long,
especially compared to the West
where we have a democracy and people last about a half decade.
He will look back on his end,
which will be in the next 10 years,
either through cancer or through his invasion of Ukraine.
This is the biggest blender he's ever made.
And this is a really crazy sign
that somebody would actually attempt
or even float a coup is insane.
He's murdered every single person
who has ever even challenged his authority in a minor way.
The fact that his, one of his right hand men,
this is one of his tight inner circle.
The fact that one of the people in his tight inner circle
would actually start heading towards Moscow is insane.
So to say this wasn't a big deal and Putin's, you know,
now consolidated power and everybody's in the street dancing.
It was almost as bad as January 6th.
This is just simply not true.
I never said it wasn't a big deal.
I wasn't talking about you.
I was talking about the Mids on Twitter.
I never mentioned your name.
I think that your point, Jay Cal at the beginning,
that this doesn't really seem to change anyone's point of view
on the outlook.
Your point of view sounds like it's the same
as it was a week ago.
Saks, your point of views,
probably the same as it was a week ago.
I think there are a couple of takeaways here.
First of all, they've had polling of opinion in Russia
for a long time.
And like I said, when the polls go the way that the Western

sources want, no one questions their accuracy.
Again, I don't know exactly the methodology,
but Lovato Center is an independent pollster
that Western publications do trust.
I hear them repeat it over and over again.
And, you know, by their methodology,
which I assume hasn't changed,
I think Putin's popularity before the war is around 65%.
Now they're showing it at about 83%.
Jason, you may not like the war.
And, you know, I certainly don't like the war.
Nobody likes the war, yeah.
Nobody likes the war, but I think it is simply a fact
that the Russian people have rallied around the flag
and they do support this war and Putin as the leader.
Now, I do think he has egg on his face here
from this Progosian uprising.
In terms of, did I see this coming?
No, I didn't have this on my bingo card.
I don't think anybody else did either.
However, did I know who Progosian is?
Certainly.
I mean, I've been tracking Progosian statements since
around February.
He's been vocally criticizing the Ministry of Defense,
specifically Shoryug and Jerasimov in increasingly
insubordinate and you could argue even seditious ways.
I'm really kind of surprised in a way
that he wasn't dealt with before this.
And I'm sure that the Kremlin is kicking itself
for probably not dealing with it sooner.
But in terms of why he's still alive,
I think that Putin had a really tough decision to make
about you quash this rebellion completely,
which would have led to horrific images of, you know,
violence potentially in Moscow or Russians, Russians,
Russians killing Russians.
That might have actually led the Russian front to question
itself or collapse.
So I think he did the expedient thing,
which is he cut a deal.
He got Lukashenko to help broker it and he cut a deal.
And I think at the end of the day,

I think that he made the cool headed decision that was in his and in Russian interest, which was to avoid this to getting to the point of a bloody violent insurrection.

Okay, Chumov, any, any point of view shift for you coming out of the precocious event of the last week on Russia, Ukraine?

I mean, I want to know how much he got paid to stop marching towards Moscow.

Yeah.

I mean, it is like a mob.

It must have been.

It must have been a lot.

Not bad for a guy that was what Putin's caterer, a few years ago, right?

He started a catering business.

I spent nine years in jail.

This guy's like nine years in jail.

It's like the sopranos.

He went to jail for nine years for selling illegal hot dogs or something and all of a sudden 30 years later, the guy just paid billions of dollars to basically stop his paramilitary group from taking over one of the largest countries in the world.

It's not largest.

I mean, you're clear arsenal in the world.

Yeah.

It's just so you know who this guy is.

I mean, he really is the street thug that Putin is always accused of being.

He was a street thug.

He did go to jail.

He was one of these guys who came up in Russia as a businessman when to be a businessman.

You had to be so tough.

Businessmen were getting murdered left and right by gangsters.

You almost had to be a gangster yourself.

Apparently he made some money in the supermarket chain business and that led him to create a catering business which brought him to Putin's attention and he started catering for the Kremlin.

He's sometimes called Putin's chef.

I don't think he was a chef himself.

He was the guy who owned the business.

And then from there, he was given the license to create this PMC, this private military corporation, Wagner group.

He wasn't the only founder of it.

He had a co-founder who was actually the military man behind it.

But Wagner became this group of mercenaries who do all sorts of business in Africa mainly where they are working on behalf of governments there to protect mineral resources or oil wells.

If he was a Sopranos captain, who would he be like Filioardo?

Does like 20 years in jail comes out?

I think it's sort of like John Gotti going against Michael Corleone.

I think that Putin is sort of the very cold, rational guy with everything in his head who's very calculated.

It doesn't reveal much, more like a Michael Corleone.

Whereas I think that he's emotional erratic.

He's been saying these statements for months here, which I don't see how they possibly lose cannon.

And the crazy thing though is, is that what you saw on Twitter and social media was unrestrained glee, really delirium over the idea that Progosian might topple Putin and become the custodian of Russia's thousands of nuclear weapons.

And so my comment on this whole thing is be careful what you wish for.

Why in the world would Americans want that?

We'd be jumping out of the frying pan and into the fire.

I've been saying since the beginning of the war that there's this fantasy that Putin's going to be toppled by a palace coup and you're going to replace him with a Navalny or something like that.

We're going to get Gorbachev 2.0.

I said that was always unrealistic and what you're much more likely to end up with is an even worse dictator or possible or a hardliner.

And I think that is what would happen if Progosian had taken over.

I think it would have been much worse for the West.

The final point is what's the takeaway from here is I think this is going to put more pressure on Putin to conduct

the war in a more violent way.

I know that people already think that the war is horrible and violent.

But Putin has been criticized by hardliners on his right for basically making the war a special military operation instead of an all out war.

And Progosian I think expected to find more support among the sort of ultra nationalists in Russia and among the military who have been critical of Putin for waging the war in what they consider to be too half hearted or an incomplete way.

They would like to see this declared to be a war.

They would like to see the full mobilization of Russian society.

And this is the problem that I see now is that I think Putin already knew but this has to underscore for him that this war is existential for him personally.

If he loses at the end of not only his regime but probably his life in Russia and I think he's going to do whatever it takes to win this war.

And I think you could see now over the next few months a full mobilization in Russia.

And I think that this could lead us to the next point of escalation in this war.

That is if this Ukrainian counter offensive actually successful on some level right now it is it is not succeeding.

So there's no reason there's no reason for Putin to do that but if if this counter offensive succeeds you will see the next level of escalation.

So Saks you did a great job stringing six points together.

I think my key takeaway is which is now 18 points you've made.

So you can retire for the rest of the show.

My key takeaway from your series of statements however is an important one which is to watch the potential escalation driven by Putin here.

Any wrap up otherwise I'm going to move forward with

I just have one statement you know just thinking about this like as a famous Sun Tzu quote the supreme order for us to subdue the enemy without fighting.

This is a big mistake and we need to make sure that we don't get into a war with Taiwan and China and China over Taiwan.

So okay we have to avoid these things and then that's what Saks and I are in alignment.

Sun Tzu Callicanus we heard it here first let's move forward with peace I can only hope that the conflict and soon as I've always said I realized over the last week how little I know about the Russian military conflict with Ukraine and I appreciate Saks's contributions super helpful.

I went to Cal UC Berkeley 1997 fall of 97 and it was the last year that Cal had affirmative action admissions and I remember at that time there was a big case a guy named Baki was rejected by the University of California Davis Medical School and he alleged reverse discrimination in 1974 and sued the University of California and eventually became a landmark US Supreme Court case Regents of the University of California versus Baki and in 1995 the UC Regents voted to eliminate affirmative action.

So the year that I was at Cal I think was the last year of affirmative action admissions and it's obviously been a pretty hot topic.

Here in California.

For the past you know 25 30 years this morning the Supreme Court ruled on two separate cases regarding using race as an admissions criteria in college admissions and the votes were six to three against affirmative action in the University of North Carolina case and six to two against affirmative action in the Harvard case Katanji Brown Jackson recused herself because she previously served on Harvard's board of overseers all the conservative as their you know kind of characterized judges voted to strike down affirmative action and all the as their characterized liberal judges voted to keep it both of these cases were filed in 2014 by a group called students for fair admissions and effectively the court said that at Harvard at UNC the schools were systematically discriminating against Asian Americans and violation of civil rights laws by using their race as a as a system for for profiling excluding and trying to be more inclusive of a more diverse and racially diverse set of applicants.

So I'd love your read I guess on the surprise or this was an except expected case.

I think Saxon I mentioned this before but I think we both expected this to happen.

I think it's probably important to maybe set up a more practical explainer Friedberg so Nick if you want to just throw up that image that I just sent you we can sort of explain the genesis of the lawsuit.

So what you can see here is admit rates into Harvard by race, ethnicity, but also by academic decile.

Yeah.

And so what it basically shows in a nutshell is an African American student in the 40th percentile of the academic index is actually more likely to get in than an Asian student at the 100th percentile.

And so that at the core is sort of what was being that means that means that the Asian American student had better scores than 99% of other applicants and still didn't get in.

Right.

Right.

So you have to go back I think to 2003 when essentially what the Supreme Court said is like look we're going to allow this affirmative action stuff to last roughly for another 25 years but by that point we expect that the work that needed to be done will have been done.

Again this is them saying this not me.

And so I think what today does is actually quite important not just for what it means for universities but also what it means for private enterprises.

So just to take a second on this.

I think what happens today is the pretty obvious stuff which is that you have to change university applications.

You have to change all of the admissions profiling all of the stuff that you would normally do.

You probably I'm not even sure if you can even have a box where you can declare race maybe you can or cannot I don't even know but all of that changes today.

So then the question is well what's the first order derivative what changes next and I called someone who's a pretty well known constitutional Supreme Court lawyer on this and the next step is probably going to be around athletics based and legacy based admissions.

So athletics based admissions are pretty obvious which is you don't really have great grades but you're really stupendous at a sport that's important to that school so then they let you in because they want to compete in said sport for whatever reason the legacy one is even more prickly which is not you're kind of a dummy but your parents are rich and or went to the school before and so then they let you in as well and his thought on this is that those things will go away because if you can't use race based admissions to kind of balance

the scales then it'll become pretty quick where somebody launches a legacy based lawsuit or an athletic based bias lawsuit and wins that as well.

So that's the first order derivative so you know the thought are those because those aren't constitutionally protected whereas equality based on race but it becomes a huge headache for these schools right and so you're going to be fighting these admission standards constantly changing and so if you're not going to let you know a bunch of poor minority black and brown kids in but you're letting in the sons and daughters of rich important people.

I think that that's going to paint that school in a very bad light and I think that's important.

White typically white typically way is although one would say the great thing over the last couple of decades is there have been a lot of minorities that have gotten into these very elite schools which means this their kids would be the first generation that's eligible for legacy but you're going to wipe that away.

So I think from a just a social stigma perspective and I have a solution for this which I'll get to at the end for those people but so I think that's the first order derivative the second order derivative is now what lawsuits get launched and what are the implications for private companies right so right now this affects any institution that receives federal funding and that includes all the universities so there's no private or public university really except for a handful that don't take this money so they'll all have to do this but the really important question after that will be what happens to companies like Apple or Facebook or Exxon who have race based programs to try to attract African-American engineers or Hispanic chemists whatever the program is that you want to come up with will those get challenged and will those companies have to change and my friend's thoughts on that were that yes that those would also change and that's going to have a really important impact on private enterprise and how they approach this stuff and how DEI stuff works and frankly downstream how ESG works because all these ESG checkboxes now some of them will actually become illegal right so I think the importance of decision can't be really understated it's going to the changes will be slow and then they'll be fast they'll first touch higher ed but then I think they'll touch private

enterprise and so I think it was a it was a very important decision in America that just happened.

Jamath what is what is the right ethics and values I mean what do you guys I guess we could just do this around the table jcal maybe you kick it off should we I mean from your point of view do you think that values should include racial diversity in admissions and universities.

Yeah this is like the ultimate or is the values about equality of opportunity for everyone regardless of race right you're asking the exact right question I think that's because I'm the world's greatest moderator but yeah doing a solid job so far and this creates a lot of cognitive dissonance for people right because you really want to believe that the world is a meritocracy and you know if you were to take other pursuits in the world you'd never say like we should let race gender.

Age affect people's performance in the hundred yard dash or their their compensation at a company right all of that should be based on achievement.

And so there is a question on what achievements should be taken into account when you apply to a school.

And it's pretty obvious the legacy thing you know is you know a backdoor into these schools.

But we want to feel like we're also making progress because listen the world has been unfair the world was built on slavery and our country has you know is only 150 years past that and so rights act was what 1964 or 65 like we've we've really want to see everybody achieve here so I think you have to pause for a second and say well if the goal is you want to see you know black Americans perform better and I think that's the the underlying concern here and it is based on the legacy of America.

Well how do you do that and I think we're looking way too far down in the educational pipeline.

The solution here is really childcare the solution here is nursery schools pre-K elementary school education and those things need competition and that's where people fall behind to be looking at this at the end of the academic journey is I think crazy so you know when I'm president I'm going to have 365 day a year you know childcare and pre-K and that's where we should if we really want to try to make up for some wrongs in the history of this country and try to have better outcomes we need competition in schools which

means probably breaking some of these unions and giving people vouchers in choice and then we have to invest more in the earliest stages of education.

And I think everybody wants to see a better system here DEI to Chimatz point is it is illegal to hire people based on race gender any of those criteria obviously and the DEI programs are trying to fill more applicants so their goal typically in the way they don't break the law is to just try to in their best cases find more applicants.

But even that does feel like there's many times in life when people will say things in corporate America like we have too many white guys in these positions we need we cannot hire another white guy.

So the reality of DEI that I've seen up close and personal when I was at AOL I've told the story before.

Somebody said to me there's no way for us to make you an EVP you have to stay at SVP and I said why is that like I'm doing all this EVP level work and they said because you're a white guy and the entire company is white guys at EVP and we cannot add another white guy there but we'll just give you the same bonus compensation so don't worry about it.

And so there's all kinds of games being played here but I think it's great that we're having this conversation right it's a hard conversation for America to have for me the I've talked about this in the past I've always had concern when we make the shift away from equality of opportunity to equality of outcome because we all have this objective that we want to see everyone have equal rights to success in some way in the United States.

The question is at what point do you move beyond opportunity where everyone is given an equal opportunity in this country to invest themselves in transforming their own lives versus a quality of outcome where regardless of how much you do how much effort or your trials you are given the same as everyone else and that ends up looking a lot like socialism and it's very concerning because I think it limits progress and opportunity for everyone.

The real challenge with this particular topic is college admissions about outcome or is about opportunity it's outcome in the sense that you spend 12 years going to elementary school and high school and working hard to get yourself into college so it's the outcome of all of that effort and some people aren't given the opportunity to have success

during those 12 years and you know and it is an outcome what do you think we should do and it's an opportunity because it's about going to college because without having a great college cycle you may have a more tougher time getting into the workforce so that is why it's a hard value question for me I don't have a great answer on this but I'm just pointing out it's a lot like the abortion argument where both sides have some value oriented point of view that feels like it's negating the other person's point of view but at the end of the day they're both coming from either this is an opportunity or it's an outcome decision and that's what makes it so challenging the National Bureau of Economic Research did a study in 2019 that they published and what they found was that 43% so 43 43% of white students admitted to Harvard were athletes or legacy students or children of faculty and staff or had a relative that were donors to the school 43% wait it's rigged and then they found on top of that that 75% of those white students admitted from those four categories would have been rejected if they had been treated as a normal applicant so I think for all the people that are looking at all the black and brown kids that may not get into a place like Harvard if you don't look at these other categories it is a it's a bit of a gross injustice quite honestly so I think that these institutions have to evolve and if you're going to be forced to be meritocratic then actually be meritocratic and by the way I actually am fine with legacies and donors but I think what should happen is you should just publish a rate card and you should make it hyper transparent and so I love it for the rich guy who's got an idiot son or daughter let's just be upfront and honest with everybody it costs \$50 million to get into Stanford it costs \$80 million to get into Harvard we all know these numbers so we should just publish them you should pay the price and be done with it and for Harvard and Stanford and Yale and all these schools having an extra 10 or 20 dummies but an extra 2 or 3 billion may be a reasonable trade-off but at least it would be transparent and fair right this is an important free market question as well because these are private institutions they're privately funded not if they take federal dollars are agreed yes but if they take federal dollars they're not and then it becomes a government process it's government influence

it's a state school all those is there a separate category here just like country clubs or any private membership club where the members of the club get to decide who they want to admit to the club and is that un-American and should the Supreme Court and should our constitution have a role in defining how private institutions make decisions about who gets it no Harvard could absolutely return all the federal funding the billions of dollars a year they get that's totally reasonable than they can decide to just focus on legacy admits that's totally reasonable it's within their rights sacks like we gotta hear I know that I know that you used up your court your speaking quota already well yeah I didn't want to I didn't want to buy I'm gonna give him for my give him for my points I want to hear I talked about in the last second you get four of Jake Healthman it's go ahead I give you for a minute so yeah two points I guess so on the legacy thing I agree with Jamath that we should get rid of it it's not meritocratic I think that if they did publish a rate card that would be more honest but they'd be too embarrassed and ashamed to do that but I think making that argument exposes the hypocrisy of it I already told my kids is not helping them get into college so they're gonna do it on their own and so look I think by the way that's the best if you can give kids yeah that perspective sorry go ahead so that's that's my number one fully agreed on the legacy thing with respect to the decision itself that can I just clarify that do you believe that the legacy thing should be like in federal law I mean is that a government thing or do you think that that's how those institutions should behave because those are different I mean I'm asking are you suggesting that the law should be involved that the government should be involved I don't know if it's illegal thing because I don't know how to implement that law but I think it's somebody they should stop doing one way or another maybe it should be a law but I think it should stop so I think that's my legacy thing for private private membership so just let me just double click on that you think that should extend to private membership clubs like country clubs as well that they shouldn't be allowed to decide who they let in and don't let in what makes it different that it's Harvard is it because it's education versus any other private because it takes federal funding it takes that I should not pay for some person

to be able to get into a school they don't deserve to get into just because their parent went there or just because their parent wrote a check that's unreasonable and if they don't take federal funding these schools take so much federal funding that they're quasi public institutions even the private ones so that's the distinction that's the distinction for you just to be clear and also there is a strong meritocracy opportunity argument on this and I think it's why that whole parents college admissions scandal was such a big deal is that for a lot of people in this country the ability to have your kids advance themselves by being the first to get into college or going to college or going to a better college that is a big part of creating opportunity in this country so for people to try and defraud that I think created a huge backlash so look I think that the legacy thing this needs to end one way or another I don't know exactly what the right legal implementation is. I have two questions for the panel number one should you be able to say by geography hey listen we're Harvard or we're Stanford we want to have a representation of people from around the world so we're going to you know have the top three students from each country or you know or by population however you do it you know mathematically come in so a little bit of geography because I did hear from one of these coaches that cost like six figures to get your kids into the college they said the best thing you can do is like move to Kentucky you know and then Harvard and Stanford are looking to get a certain number of students from each state I don't know how true that is but they said that's like one of the top ways to do it and then do you remember Jason just to build on your point I don't know if you guys remember but a few years ago the the in fashion thing to do was to learn to play squash and I remember all these parents telling me that and they had kids that were older than my kids and they were they were hiring full-time squash coaches because apparently squash was like yes angle angle shots yeah I think like stop with the angle shooting guys yes the gun should go off you should run the race and your time is your time and you should go to whatever the best school is that you deserve to get into based on your academic ability now going back the big problem and I think Jason you really nailed it on the head trying to fix it with affirmative action at the university is still quite unfair in the sense that there are so many black

and brown kids I think with tons of potential that don't even get there and so the real question is what are you doing at the great school and at the high school and at the preschool so that you actually get more of these kids to the starting line because fixing it when they're 18 I think is a little too late yeah right fixing it for sure three four and five years old that's when they deserve and need all the help in the world to yourself that's why we need school choice we need charter schools we need to break the monopoly that the unions have over the schools running it running for their own benefit and not fight the enemy if you define institutional racism as conditions that trap people in conditions of poverty across generations I'd say the abysmal quality of our public schools are number one number one two and three and the reason is because there's no competition and the unions running for their own benefit they shut down these schools for in California because they didn't want to work as they're afraid to don't know don't see the sea where we just got a label God be better we're going to be but that was not for the benefit of kids and it wasn't medically necessary that was a benefit they saw for themselves. Yeah, you come you come from a family that were members of unions because they worked for fire for police. Is that right? Yeah.

We speak negatively about the effects of the teachers unions on our public education system and I think it's absolutely correct.

But how do you share the point of view from the other side if you're a teacher and you're a member of the union and the union takes care of you what's the argument? Yeah, sure.

To say this union is damaging public education and the teacher that's working in the union and a member of the union says this is necessary for my livelihood to protect me for my benefit.

Help us share the point of view because we all have the strongly held point of view that the unions are destroying and eroding public education.

People have the right to form unions.

But what we all do is we are forced to be consumers of one educational product because of how we pay taxes. We pay taxes in I think in my in California we each pay \$16,000 into the educational system and so if you're a parent you should get that 16k back and be able to choose what you do with it.

So there's competition so the unions can have protection but there still should be competition for these services.

And I think there are two separate issues. Yeah, there's one other thing which is I just want to give a shout out to a non-profit that I support called smashacademy smash.org. It's done by Mitch and Freda Kapoor. Mitch Kapoor founded Lotus 123 if you're under the age of 40 you might not know him.

And what they do is they realize that a lot of the students who do get into good colleges, it turns out a lot of the black and brown students, they get accepted and they're behind in math. And so what smash is doing is they have a three-year program and I go speak at it sometimes and I donate money to it and I encourage you to do the same. They have this intensive summer program. So before you go to college, Jamath, if you were one of those students, you know, you might get into college and then they drop out or even worse, they switch from a STEM degree to a non-STEM degree because they're two years behind on STEM or a year behind on STEM. And so the Kapoor has found this like little opportunity to kind of catch people up. And I think that's what we have to do. We have to address this much earlier and not put a Band-Aid on it. Yeah, in the system, the Ivy League system, you know, needs to...

Well, it's not just Ivy's, right?

Well, sure, sure.

That's not just pick on Harvard, but it's like all the state schools.

The elite institutions, which we talk about.

All institutions, all institutions that receive federal funding.

They need to take a deep look in the mirror and say, are we doing the best thing for society?

The second question I had for the panel was...

Well, I'm not getting a point of view by the way, but yeah.

But are pure academics the best way to accept people into a college or should there be some blend of it?

Like putting sports aside, because that's an obvious one, but you know, is there's academics, but then there's also creativity.

You know, if you, you might be terrible on your SATs or standardized tests and you might be an incredible virtuoso pianist.

So I think what is the criteria and making that criteria fair is what we all want.

And it feels tremendously unfair.

My point of view is if the government is funding these schools, then the government certainly has to have a point of view on what's the reasonable model for admissions.

The government's not funding the schools.

I love a diversity in a marketplace.

I love having different schools, having different admissions criteria that allow different people to find their path through different institutions.

To your point, Juilliard does not care perhaps as much what you did on, you know, your SAT in chemistry.

And art schools do not care as much how well you did in math and STEM schools don't care whether or not you want an art competition.

And I think that that's the important thing that we need to preserve.

We need to preserve optionality for institutions to define what sorts of individuals they want to try and recruit and progress and train and get ready for the workforce and the path in life that they then choose versus trying to create a cookie cutter model for what the government says it's fair for everyone.

And as much as we can take government funding out of these institutions and out of these systems and give them the freedom to set their own admissions criteria and create differential educational systems, I think that's going to create the best diversity of a workforce.

And I'm I would kind of be more excited about that sort of institutional system than one that is standardized by the government.

You know why that'll never happen?

Because the profit motive of these universities is really to be shadow organizations for their endowments.

And the thing with endowments is that the people that work there very much want to get paid and behave like profit generating organizations.

And I think the issue is that if their sole job was to really fund the operational expenses of the university, then the endowments would be run very differently, right?

Like take again, I just looked up on the Internet, but Harvard has about the operating expenses are roughly five and a

half billion dollars a year, but the revenues are about five and a half billion dollars a year, right?

So if instead you had to basically fund, you know, there was essentially no revenue per se, right?

There's there was very little tuition and you didn't take any federal funding, you'd have to come up with five billion dollars a year.

So you just basically take that as a draw from your endowment. The endowment would be run very differently.

It would be a don't lose money endowment that would generate very low vol returns.

I think the problem with that is that that's not how the endowment at Harvard works.

They wouldn't necessarily make risk seeking investments in things like private equity and hedge funds and venture capital and to the extent they did, they would just make much fewer, much, much smaller or both.

So I think what you're saying could be possible, but the problem are probably the endowments at these universities.

Okay.

Well, 53 billion dollars by Harvard's endowment now.

So yeah, it would be 10%.

Can anyone tell me who the largest real estate owner is in San Francisco?

Without looking it on the Internet.

Oh, no, I know, I know.

It's that our Institute.

The Academy of Art University.

I knew this because they kept buying things and using them, I think she used all the profit over the years to buy more real estate and she accumulated the largest real estate portfolio in San Francisco anyway.

Sorry, who is she?

The founder, I forgot her name.

This is a for-profit university or private?

Or I mean a nonprofit university.

Yeah, there's a lot of artists that come out of Academy Art and they work in a lot of different industries, including industrial design, including animation.

That's what I'm saying.

Is it like RISD or is it like actually an art school?

Oh, no, it's a great art school.

Yeah.

Academy of Art.

Anyway, let's keep going.

So look, speaking of STEM, making a big pivot away from art to AI.

Couple big news items, you know, the AI frenzy continues here in Silicon Valley all the way from early to growth stage funding through to M&A events.

We saw this week Databricks, which is a privately held data infrastructure company announced that they were acquiring Mosaic ML for \$1.3 billion.

That headline number is based on a cash and stock purchase price where the value of the stock that was being used to acquire Mosaic ML was based off of the last round's valuation for Databricks, which was \$38 billion from a fundraising that they did in 2021.

So arguably the valuation should be lower and the overall purchase price could be considered lower.

But that's besides the point Mosaic ML, as you guys may remember as a company.

I mentioned a number of episodes ago led by the founder of Nirvana, which was an early AI business that was acquired by Intel.

And then he started Mosaic ML and he offers open source models and I shared the performance data of their most recent announcement on the show a few weeks ago.

You know, there's rumors.

I don't have any confirmed reports, but there's rumors that Mosaic ML saw their ARR grow from \$1 million to \$20 million since January.

There was other rumors that said they were only at \$6 million of revenue, regardless Databricks is paying a pretty hefty premium.

And I think it begs the question, what do data infrastructure database companies end up looking like in the future?

If AI has to become part of the core infrastructure of every enterprise and this is creating a big shift.

So sacks as our enterprise software investor expert.

Maybe you can share with us what this means for the sector.

Does this buoy excitement for AI infrastructure startups?

Does this change the investing landscape?

Is it just reinforcing what folks are already doing?

I think it's a reinforcement.

I mean, the space is probably the hottest space.

We're talking about like AI infrastructure for enterprises.

I think it's probably the hottest space right now in Ventureland.

We actually looked at this deal.

We had a small allocation in their next round.

They had a term sheet for a series B.
Emergence was actually an elite.
And this is Mosaic ML.
Yeah.
Yeah.
I don't know if I'm supposed to be telling you all this, but.
Yeah, go ahead.
Yeah, this is great.
This is why people sign in breaking news.
Break news.
They had a term sheet from emergence to raise 50 million at 400 posts.
Wow.
And yeah.
And we were going to have a small allocation in that.
And as I recall, the valuation was somewhere around 30 to 35 times ARR,
which actually is not that insane for a very fast growing company in a hot space.
So that implies about 10 million of ARR.
I don't remember the exact figure, but I think that's sort of the ballpark.
But growing very, very quickly.
I mean, up from like one or two at the beginning of the year.
Right.
So I actually understand why someone would want to acquire or invest in this company.
Like I said, I think we wanted to invest.
And while we were sort of, you know, trying our best.
You didn't say anything when I talked about them on the show a few weeks ago.
You were just sitting there mums a word or.
Actually, I knew that this deal was, was basically in the works because the
founder called us up and he had already promised us a small allocation in the round.
Naveen did.
And he called up and said, actually, I've got this deal.
So we're putting the round on hold.
And so I didn't think I should say anything because obviously it was still ongoing.
But yeah, we knew about this deal that was kind of coming down the pipe.
I didn't know for sure that it would happen.
But but yeah, we heard it was in the ballpark of this like 1.2 1.3 billion
dollar number, which like you said, because Databricks is a private stock.
Maybe it's only 50% or 750 or something like that.
Who knows? It's still a great deal.
But you know, a lot of you are saying it's a crazy deal.
I don't think it's a crazy deal because before this happened after Naveen signed
the term sheet for the Series B, an investor came over the top to invest
at a 700 million dollar valuation.
So people were kind of going crazy.

Now, I don't think that's necessarily a rational behavior.
I think that's more of evidence of a maniac going on.
But I think that what he got offered is obviously a fantastic deal.
And I think what it's evidence of is that these big enterprise infra companies are going to try and build an end to end tool chain here.
And I think Mosaic ML had a very, very important part of the tool set, which is training up these models, basically maximizing GPU efficiency because GPUs are basically the scarce item right now.
We have a GPU shortage and it's probably not going to get better for a year or two if that.
So this is a very important part of the stack.
And I think it's probably a smart acquisition for both Databricks.
Yeah, it seems to me, remember Snowflake, which competes with Databricks, also acquired Neva, which was founded by one of my colleagues, a guy I work with, a new really great guy, Shridhar.
For \$150 million last month, that deal was announced.
And the pattern recognition that seems to emerge here is that if you're in the data infrastructure business, it seems like it's becoming critical to level up.
That it's not just about storing and moving and manipulating data, but the interpretation of data through models and the tooling to build those models becomes a critical component of all of these toolkits that these software companies have to provide to their enterprise software companies.
And it's a big leveling up that's necessary, which seems to me, there's other companies out there like them that are also going to need to strap on tools like this to make themselves competitive in this market scape, which means that there are more acquisitions still to come.
Yeah.
Chumak, J.Kal, you guys agree or have a different point of view?
Yeah, I mean, looking at it, it's a big number, the headline number, but I agree with Saks that the actual number is half the number.
So if you look at the number of engineers they had, based on LinkedIn data and Pitchbook data, probably 60, 70 employees, 80 employees, and then 40, 50 of them are engineers.
So that puts it at \$30 million per engineer.
And that's one way to look at these acquisitions.
And I think, you know, probably \$3 to \$10 million per engineer for like really high-end engineers is more of the going price.
But if this is half that amount because they bought it with monopoly money, in other words, their 2021 price for their company, it's great.
And then they get nailed it.
Freeberg, what's happening is this layer of natural language on top of

any service, whether it's something as simple as Yelp or something as complicated as a giant financial company with tons of transaction data, being able to talk to it and understand it and then have your machine learning team build tools so business owners don't have to hire data scientists.

The actual business leaders can talk to the data and get back answers or just say, hey, tell me about our customers.

How have they changed over the year?

And then, hey, that's pretty interesting.

Tell me more about our customers.

And, you know, how are they reacting to these three new products?

And you will get back intelligence that previously was unable to be accessed.

And so I was just at Sequoia yesterday with or two days ago with the latest seven graduates from our accelerator.

We bring them to meet with Saks and his team.

We bring them to meet with Sequoia.

And when we were at Sequoia, I realized that of the seven companies, four of them would not have been possible before these machine learning APIs were available and OpenAI is but one.

There are now in the companies I'm talking to, they're trialing FreeBurg on average, six, seven, eight language models before they pick one and they're not picking OpenAI every time.

Putting that aside, these businesses were not possible before this technology was introduced and available via API in the last six to 12 months.

And I think there's a bunch of businesses that economically would not work that now work.

I can give one example.

There are countless meetings that are recorded over Zoom, right?

Think like a local school board meeting.

Well, nobody could ever make a database of all the discussions going on at local school boards and then analyze all of them.

But now, because all of those are saved on Zoom and they occur on Zoom and they're available for public record, you can ingest every single one of those and then build a Bloomberg terminal of every discussion happening at every school board everywhere in the United States.

And do that with ChatGPT or any of the language models and then get really great insights from it.

That would be too costly to transcribe at \$100 every hour or two and normalize, let alone to analyze.

And so I'm looking at businesses as an investor.

What I'm looking at right now is businesses that were previously not economically viable before this technology and then that are now economically viable, if that makes sense.

And I'm just looking at each company under that lens right now and I'm finding a lot of interesting startups.

They seem to have that in common.

Chumath, similar news supporting this very quick evolution further up the value stack. So we were just talking about these companies that are providing effectively tooling as infrastructure.

A little bit more up the value stack is Inflection AI, which was started by Mustafa Suleiman and Reid Hoffman, who was a co-founder while Mustafa was working with him as a venture partner at Greylock.

But Mustafa, as you guys know, was the co-founder of DeepMind, which Google bought for \$400 million.

He really created the core of Google's AI capability and is considered one of the kind of preeminent thought leaders and entrepreneurs that has built in this space.

He started Inflection and the business just announced today that they've just closed a \$1.3 billion funding round led by Microsoft, Reid Hoffman, Bill Gates, Eric Schmidt, NVIDIA with an intention of building the largest AI cluster in the world, 22,000 NVIDIA H100s as part of the build out. But I think you've shared, Chamath, historically, that these big funding rounds for these AI businesses that haven't necessarily even launched product yet don't make sense.

Is this still kind of reinforce your point?

And what's your read on the Inflection funding?

Well, the list price of an H100 is about \$38,000, but the street price, so it's very hard to get it.

So if you go to eBay and try to buy an H100, it's like \$40,000 or \$45,000.

So if you have a 22,000 cluster of H100s, that's about \$900 million of capex, just that.

And then, you know, all the sundry stuff around it, call it roughly plus or minus a billion dollars.

And so of the one and a half billion they've raised, let's say a billion goes into building this 22,000 node cluster.

You have 500 million for SG&A.

And so what that leaves behind is basically two and a half billion of enterprise value for their chatbot.

So I don't know.

I mean, I've never used Pi.

Has any of you guys used it?

Do you guys know if it's good?

Jason, I'm sure you've experimented with it.

Have you experimented with it or not really?

Which one?

Pi.

That's what their chatbot is called, Pi.

I think it's like api.com or something.

I think I did try it once and it was not memorable.

Oh, Po.

You mean Po?

No, not Po.

No, no, no.

That's Quora.

That's Quora.

This is Pi.

This is your personal one where you talk to it and say, hey, how are you doing?

And their concept is like you have this one relationship.

So it's like one chat thread.

It's not kind of how I like to work with the, I use threads and I share threads with my team.

So I'm not a fan of this.

Like you have one relationship with one assistant.

I think the thing is it's interesting to note that very rarely when you invest money in the billions of dollars does the capex or purchase of one specific form of equipment take up literally 25% of the enterprise value.

That's atypical, at least for a startup.

Here, if you're buying a fixed plant of a slow cashflow generating business, then maybe, you know, a bunch of that has some value.

So that's what stood out to me in all of these things.

This is all just a pass through to NVIDIA.

It's probably in some ways a pass through to the big cloud providers.

So whenever I see a chip maker and a cloud provider come together to put in a lot of money, it's essentially round tripping cash.

They're giving them money, which then they use to buy their services.

And then, you know, you just, you're just pumping revenue.

So I hope it works.

I wish in the best, but you know, that's the.

We just talked about where the infrastructure companies that are increasing increasingly looking like more commodity service providers.

If they don't up level with AI tooling, acquiring Mosaic ML and acquiring Nividia.

Do you think that that's an indication of more M&A to come?

And if so, doesn't that justify the increased funding, the increased valuation and the activity that we're seeing in the early stage with some of these businesses?

I think for sure there's going to be more M&A.

And I think the valuations will be high.

Not because these companies have a lot of revenue yet, but because it's very strategic for these big infra companies to assemble the end to end tool chain.

[Transcript] All-In with Chamath, Jason, Sacks & Friedberg / E135: Wagner rebels, SCOTUS ends AA, AI M&A, startups gone bad, spacetime warps & more

I think we should explain to folks what that means.

Enterprise software companies provide software to businesses that are not traditionally technology companies.

They also provide software to other businesses to help them build new tools, to help them build out their business.

So an enterprise software company consult the United Airlines or consult a Visa or consult a Ford.

And that software can then be used by that company to build tools that are powered by the database or powered by the data analytics or increasingly powered by AI tools.

And so they can build AI applications and AI capabilities into their business, whether it's United Airlines or Expedia or Visa or whomever.

And that's why these companies are so critical in terms of enabling the transformation of industries with AI tooling and why getting AI tooling into their capability set is so critical right now.

It's important to note, though, guys, that whenever you have the emergence of a new sector, SACs, I think you are right that M&A goes up, but it tends to be that the valuations go down. Peak M&A froth happens at the beginning of the cycle when hype is at maximum and facts are at the minimum.

And that's okay.

That's good for the startup.

It's marginally negative for the existing shareholder of a large company.

And then over time, it gets itself sorted out when the facts are more obvious.

So, you know, it's kind of like, you guys remember when the optical networking craze hit and you had these multi-billion dollar acquisitions.

Totally.

And where did they go?

They went, they went nowhere.

They just disappeared.

We actually have like a market map that we did that I think can explain this concept of a end-to-end tool chain.

So, this is a slide that our growth team, shout out to Mike Robinson and Kevin Cabura.

They put this together in preparation and part of the investment memo for Mosaic.

And I think to explain the point, you were kind of making free bird.

Like, why do enterprises need the services?

One really simple way of thinking about it right now is that every enterprise would like to roll out its own chat GPT.

They would all like to have their own internal version of chat GPT where the employees, for example, could ask questions and get answers.

That's where all the action is right now.

Every enterprise would buy that tomorrow if it existed in the way that they want.

Give an example of what that is, Saks.

Yeah, give an example.

The idea would be that, you know, any employee in the company could ask questions to the

AI model the way you can ask chat GPT questions and would have all the enterprise's data and it would also understand their permissions and have all the security settings so that only the right field could get the right information.

That's the kind of intelligence they want to unlock.

I mean, there are lots of other use cases as well.

But that's a really simple one.

A corporate oracle.

So I can, if I'm in HR, I can ask, hey, tell me about our, you know, compensation.

Yeah.

Totally.

Co-pilot for the CEO.

I think there's going to be lots of these.

I think the sales team is going to have their own co-pilot.

I think the marketing team is going to have their own co-pilot.

Customer support has it already.

Customer support will have it.

Engineers will have their own co-pilot.

So there's going to be a lot of these.

I think enterprises want one at the level of the, call it the company intranet where employees could just ask it questions.

And, but they do not want to share their data with open AI.

That's like very clear.

They want to roll out their own models.

So the question is, well, how do you roll out your own model?

And what this shows here is the different piece of the stack that you have to have.

So first you capture all of your data.

You got to label it to be classified right for the model.

You got to store it somewhere.

Then you need to get one of these open source AI models off the shelf.

And there's probably the most prominent site for this called a hugging face, which already has something like, I think a \$2 billion valuation.

That's another like really crazy valuation to ARR multiple.

But hugging face has kind of all the open source models.

It's very active.

And so people grab the latest open source model.

That's the best fit for them.

And then they need to train that model.

And that's really where mosaic played.

And there's a ton of activity right now in this last mile problem of how do you customize a model to make it suitable for your use, whether you're an enterprise, whether you're a customer service team, whether you're a SAS app that wants to incorporate AI capabilities into your app.

That's where all the action is right now is customizing these open source models.

That then leads to basically being able to get the right inferences.

And there's a sort of separate category around hardware that is, you know, we don't play there.

But this is kind of the end-to-end tool chain.

And I think these big tech companies are going to be racing to put this whole thing together.

To fill it out, yeah.

Yeah.

And that's, so there'll be more M&A as your prediction, which means more start-up valuation boom, a more capital deploying.

There was a couple of articles this week.

And Chamath, this is your red meat as much as Ukraine is.

Saxes, because you've talked about this at length.

Social messaging startup IRL is shutting down after a board investigation found 95% of its customers claimed 20 million users were actually fake.

This is a company that in June of 2021 raised \$170 million series C at a valuation of over a billion dollars, making it one of the many proclaimed unicorns of Silicon Valley, led by SoftBank's Vision Fund.

The investor who was sitting on the board said that they didn't know if we've ever given an investment term sheet to a startup faster than SoftBank gave to IRL at the time.

At the same time, a different story.

But in the same week, a company called Baiju, which you have talked about in the past, was once valued at \$22 billion and claimed to be India's most valuable startup is in turmoil as shareholders and creditors are seeking to dilute the founder and he's rushing to find capital and raise a billion dollars to try and buoy the company, process one of the investors, mark the company's valuation down to 5.1 billion, so down 75%.

I guess the question is overall, are we still seeing this kind of turmoil in Silicon Valley from the Zerp era funding of startups in stark juxtaposition to the excitement and the frenzy around AI?

It's a characteristic of the exact same thing, meaning if you replaced AI with crypto, it's the exact same thing.

If you replaced AI with co-working, if you replaced AI with, I don't know, synthetic biology, if you replaced AI with SaaS, this has all happened before.

I think it's important to identify what this is.

What this is, is that there aren't enough checks and balances and there are fundamentally people who are deeply inexperienced, who are in the wrong job and in the few key moments where the venture capitalist is supposed to add value, that person is ill-equipped and unprepared.

Why? Because they were the VP of X, Y, and Z at some startup and they got hired through no fault of their own

into a dynamic because these venture funds wanted to raise larger and larger amounts of money. So what happens? You don't even know how to ask the basic questions or even more insidiously, you don't have the courage to say the hard thing.

And so these things happen that are frankly inexcusable, right?

So in the case of one of these companies, and I've mentioned this before, they approached us for

financing

and when we asked for a data room, we got a Google Doc link to a spreadsheet.

Now there's no reasonable world in which a company is that unsophisticated when it comes to understanding their business, right?

A data room should include an enormous amount of operational and financial metrics that you can use to come to your own conclusion

so that you can present it transparently to the investor.

The idea that boards wouldn't even hold these companies accountable is just a sign that the board members themselves are

pretty fundamentally inexperienced people.

And I think the thing that we do, which is a mistake, is we say, oh, well, X, Y, and Z firm led this deal.

Yeah, that may be true.

But really what it means is that firm, in a grab to get the money, hired some person that checks some boxes,

put them in the job, that person led around, and there just wasn't any infrastructure to either teach that person

or then that person to have the courage to hold the founder responsible.

That will play out in AI as well.

It's just that we're at the beginning of the hype cycle, right?

Because we replace AI, again, as I said, with any of these other things, we sat here a little bit hand-wringing

when we saw these crazy valuations for these NFT projects.

Where are those now, right?

So you name it.

They're out.

This is about fundamentally inexperienced people doing a job that seems pretty easy from the outside.

But in practical reality, there are only a few legends in our business.

Most people, and I think it was Shy Goldman that did the math on this, most people do not know how to run these businesses well.

Nick will find that tweet you can show.

I think it's like 2.5% of all of the funds that are in Pitchbooks or over 800 of them have ever generated more than 3X in two funds.

So this is a hard business, it turns out.

You can't just wake up and be an investor, it turns out.

And that's what we're finding.

So I don't know.

It's not very surprising in the end.

None of this is surprising.

Starting, Chamath had a really good point in the middle there is that there is a generation of venture capitalists who were added during the boom,

who were operators, but they've never been taught to have the discipline of capital allocators.

And one of those key pieces of discipline is asking uncomfortable questions and doing uncomfortable diligence.

And you can trust people, but you need to verify.

That is a key part of the job.

You can trust the founders, but you have to verify that the data you have is correct.

The fact that SoftBank did this at an incredible valuation and the person who did this deal never checked that the customers were real, makes you unfit to serve in the job.

And I will do diligence.

And during that time period, Freberg, I had many founders say to me, you're asking for more diligence than the lead.

And this deal is closing.

And we are oversubscribed.

And I said, OK.

And they said, OK, so you're not going to require this?

And I said, oh, no, we require this diligence.

We want to see your very basic stuff, your bank statement, your P&L.

We want to talk to you.

Why don't you give us a list of your first thousand?

Give us a list of 500 customers from last month.

We'll give you five numbers.

We're going to talk to five random customers.

People did not want to do this stuff.

We do this work at our firm when we start to own 5%, 10% of this.

And we train our founders to be ready for proper diligence.

All that diligence is happening now.

In the early stages, there's not much to go on.

But you can check stuff.

During this period, founders used the hot market to not participate in the due diligence process.

And when you look at companies, a lot of times people will suspend disbelief.

This company by Joe, I don't know a ton about it, but it seems to have like an educational app, like a company Brilliant.org that Chamath and I are early investors in.

And Chamath, thank you, David.

Great, great business.

But then their business and their revenue seems to be based on a series of like Kuman-like in-person instruction.

Oh, that's not a high-gross margin business.

Sorry, if you have to have a storefront, you're not a software business anymore.

And so people started giving valuations,

and this is the second part, and I'll just wrap on this.
People started giving valuations to these companies
that were real-world businesses, that were low-margin businesses,
direct to consumer, whatever it was.
They suspended disbelief and they gave them valuations
for high-growth, high-gross margin businesses.
And that was another mistake.
And you put those two things together,
not doing diligence and then just misvaluing of actual assets,
that's the cleanup work that's going on right now.
And it takes years.
I mean, it took decades for them to pinch Bernie Madoff.
It can take 10 years for these frauds to come out.
There was a guy who kept telling the SEC about Bernie Madoff.
I think he was like nine years since the first time he let them know
that the perfect returns were just not possible statistically.
So it takes time, but they're picking these folks up everywhere.
Doc Juan got picked up at Montenegro, the guy from Luna.
And it's going to take a decade to clean up all of the fraud in our space.
I think this was sort of mentioned by Jamath,
but I think it needs to be a bigger point,
which is the influence of fund size on these decisions.
I mean, crash funds are in the six to seven hundred million range.
So when we write a check, it's usually 10, 15, 20 million dollar check
in a series A company.
That's like a big check for us.
We're really going to sweat that decision.
For Softbank, a 10 to 20 million dollar check in a hundred billion dollar fund,
which is what they had, it doesn't even make sense.
It's a waste of their time.
It's not even a rounding error.
For them to basically make a decision.
It's like a two thousand dollar check for you.
Yeah, exactly.
So for them, they had to write 200 million dollar checks
to justify their time managing a hundred billion dollars.
And so the mistake when they make a mistake
is 20 times bigger than it should be.
That should have been maybe a 10 million dollar mistake,
not a 200 million dollar mistake,
but their fund size forced them to basically write these gigantic checks
and they were writing them into companies
that were effectively seed stage or series A companies.

If it was into a growth stage company, I think that's fine.
There's a lot more data and there's a lot more customer references that you can check at a later stage company.
By the way, the number one part of diligence, I'd say for us, other than looking at metrics, which is anyone can do, is the off sheet references.
Talking to customers from a list that you figured out yourself, not from the company itself, is probably the single most important qualitative part of diligence.
So I don't know what happened here, but...
It's not stated explicitly, but I think it's important.
David, you have credibility.
So when you say something sucks, people listen, because you have bona fides that are undeniable.
Same thing with J. Cal, same thing with you, Freedberg.
I think, you know, and this may sound mean, but it's like most of these people are just XYZ mid-level VPs from a startup.
And that's a great thing, but it's not necessarily going to give you the gravitas, especially if that's not what you are forced to do to help build that company.
And when push comes to shove inside of a boardroom or in the middle of diligence, there has to be conflict.
I think it's a necessary feature of good decisions.
And that conflict arises internally within your investment team, but it also has to come externally with the executives of the startup and with the CEO themselves, because when you're prosecuting a good decision, it's unbelievable that you agree on 100% of things, and there has to be certain things that are controversial.
Otherwise, by definition, that company isn't really even pushing the boundary.
So, I just think that these are all skills that are poorly taught while you are building a business.
It is not the reason why you should have been in charge of allocating 50 and 100 million dollar checks into companies.
That is just crazy town.
I love your point, Sax, though, about fun size dynamics.
Fun size dynamics are destiny, right?
It really is.
And the optimal fun size for venture is somewhere between 250 and 600 million, to everybody who's been doing this for more than a decade or two, and who's successful, whether it's...
And the costs are coming down.
So, as the input costs come down, whether it's for engineers and co-pilots

and hardware and abstraction layers,
then theoretically, greater outcomes should be generated with fewer dollars in,
which would, again, tell you that fun sizes should actually go down, not up.
The reason they go up is because you get paid an annual management fee.
And so, obviously, the way to make more money
is to get 2% on a larger fixed number every year versus 2% on a smaller number.
Or, you know, for example, what we did was we were like,
we're going to go and hit grand slams.
And so, I traded off management fee in return for 30% carry,
and that turned out to be literally a multi-billion dollar smart decision
because I gave up tens of millions of dollars up front for backend.
Now, the backend could have gone to zero, and maybe it still can, so who knows.
But, you know, most folks wouldn't do that.
Most folks take the sort of risk-adjusted bet and say,
you know what, I'll just take the 2% and I'll raise a \$200 million,
then a \$500 million, then a billion, then a \$2 billion.
And they overlap.
Yeah, and they stack them all, and they get the 2%,
and all of a sudden, the profits don't matter,
which means the outcomes don't matter, which means the diligence is perfunctory.
And it becomes a theatrical expose that you can use, you know,
this sort of thin fig leaf you can point to LPs
and say, we did our work here.
Give us more money for this next fund.
That's the rat race that the venture community is in,
and it's going to get played out in companies like IRL and Byjuus,
and a lot of these AI companies, quite honestly.
Well, and the chickens have come home tourists for all the crypto investments.
This time is not different is, I think, what I'm trying to say.
This time is not different.
Did you guys see, there was some article that reported
that fundraising for late-stage funds is just like cratered.
Dead.
So Insight was trying to raise a \$10 billion fund,
and they've only been able to raise two according to this article.
No, no, no, it was 22 down to 10, and of which they've raised two.
Okay, so 10%.
And then Tiger was trying to raise 12.
They cut it to six, and then they can only raise two.
Makes sense.
Yeah.
So basically, that's like, whatever,
80 to 90% reduction in the size of these funds.

Yeah, I mean, the sovereigns where they were going for this money are buying sports teams.
They're like, you know what, instead of tech, let's just buy sports teams.
And they're buying Series A.
And they're buying Manchester United, and they're buying Distress Portfolios.
Yeah.
And the sovereigns.
But there's a huge crunch.
We've talked about it before, but there's a huge crunch in late-stage financing.
It's only going to get worse over the next 18 months.
I asked Brad last week, like, how many of these zombie corns do you think there are out of the 1,400?
He said 30% to 40%.
I think he might be, you know, it could be, look, out of 1,400,
I think it could be 700 zombie corns.
I think it's at least 700.
I think it's probably 60%.
Yeah.
And then the other 40%, let's say, how many of them have a down round coming?
I think 60% go to zero.
Of the remaining 40%, half of them probably return money.
And then of the remaining half, half of those maybe get 1.5x.
And then you get a geometric distribution from there, which means the blended return of that entire stream of unicorns will be about 1.1x,
but it will be very massively distributed.
I think that is exactly right, Tamar.
Yeah.
Everybody's getting their money back, except if you don't have diversification.
Yeah.
I think the market is sending a very clear message, which is these...
Are you saying everybody's getting...
No, no, no.
Most people won't get their money back.
Most people won't get their money back, but on average, it's going to be 1x return.
Yes.
It's not going to even be distributed correctly.
Well, I'm glad that the term zombie corn has held.
Guys, we are coming up on our time.
Do you guys want to do science corner or do you want to wrap?
Yeah, the three of us need to use the bathroom break.
So go ahead and just...
If you could just go do it, we're going to go and take a leak,
and we'll come back and make a urination joke.

[Transcript] All-In with Chamath, Jason, Sacks & Friedberg / E135: Wagner rebels, SCOTUS ends AA, AI M&A, startups gone bad, spacetime warps & more

You know, I'm okay.
I'm going to wrap.
So look, it's been great.
It's been great being your host.
Be Christ yourself.
Give us a science corner.
Give us a quick...
You don't hug me.
You don't embrace me.
You don't love my contributions.
Freeberg, I actually, I posted a clip of RFK talking about vaccines.
I'd love for you to listen to it and actually give us the critique.
Yes.
I will.
Can we do a next one?
That's going viral right now.
He did such a good job explaining his position on that.
He did such a good job.
Yeah.
Look, did you guys read the outfit piece?
I forwarded to you and I said, please read this.
If you guys read that piece, I'll watch this clip and let's talk about it next week.
Is that cool?
Can you re-send that?
Yeah.
He is a vaccine scientist who RFK Junior references often as someone that he met with and spoke with and says, I caught him in a lie and often basically said, here's exactly what happened.
Here's the conversation.
Here's the data.
Here's the facts.
Here's the science.
And I would really, really, really encourage you guys to read that, please.
And then I'll watch this clip and like, let's have a real kind of analytical conversation about statements that are good questions to ask and good things to interrogate and things that are being said that maybe aren't factually correct.
And I think that we need to kind of really, as a service to ourselves and to people that listen to us, really do that work.
So let's do that and come back and talk about it next week if that's cool.
But I'd encourage everyone to read off it.
He put it on Substack.
Nick, we'll put the link in the notes here.
Let the dialogue continue.
Let the dialogue continue.

[Transcript] All-In with Chamath, Jason, Sacks & Friedberg / E135: Wagner rebels, SCOTUS ends AA, AI M&A, startups gone bad, spacetime warps & more

Yeah.

Let the dialogue continue.

Exactly.

I think that's the most important.

You want to talk about that certain senator that all of a sudden just basically gave us the heisman?

No, we've had a lot of those, by the way.

So let me just be clear.

That's not the only heisman we've received on the all-in summit.

I will say that the speaker list for the all-in summit is looking fantastic.

We're going to have a great time.

And I'm really excited for the conversation.

But you're saying some folks, Heisman does because of our support of RFK?

That did happen.

And specifically the fact that you actually open-minded.

Yeah.

And then there were other folks who were insulted by things that were said about them by people on the show.

So soft.

Do you guys want to hear about the NanoGrav release that came out yesterday?

Yes.

Okay, I'll cover this one real quick.

What about this slow Hummer that we're all getting?

What is that all about?

That's it.

It's a slow Hummer, exactly.

Okay, go.

Tell us.

Are you talking about the new H3 EV, but it only goes up to 50 miles per hour?

What is that?

The new Hummer.

The new HV.

They have an EV.

They're coming out with an EV of that.

Oh, you're kidding.

Yeah.

It's like a great troll.

I remember when Schwarzenegger got the Hummer back in the 90s and everyone was like, Oh my God, he's amazing.

I can drive all of York.

And then the Hummer was the cool car to drive.

You've got the Mini Koopa.

Yeah.

And then it became my car.

It's Mini Koopa.

It's in that America.

Okay.

So yesterday, a paper was published by an international scientific consortium.

This group is called NanoGrav.

And they've been using a series of instruments to measure pulsars.

Using a 500-meter radio telescope array, which allows them to see what's so funny.

No, I just, oh, I'm like, three-year-old, what sentence did I have to stop myself?

All right.

Get them out now.

Go ahead.

I'm muting.

The NanoGrav data that was released is 15 years of data from pulsars.

And pulsars are neutron stars, which are stars that have collapsed on themselves and are basically super dense and start spinning.

And then these pulsars, you know, you basically like a lighthouse.

You can see the light.

It looks like a, almost like a strobe light.

And we can see thousands of these across the universe, and we can observe them.

And the rate at which the pulsing is coming out of these pulsars tells us a lot about what is happening in the space between Earth and those pulsars.

And when you collect enough data over a long enough period of time, which is what these folks have just released as 15 years' worth of this data, you can start to see really interesting patterns in the data that support the theory that space time itself is slowly vibrating, being stretched, being compressed, being pulled apart, being pushed back together because of very large gravitational events happening around the universe.

And what that means is that you guys have all seen, you know, that kind of two-dimensional image of a black hole.

And Nick, if you could find one online and pull it up, where it looks like, hey, at the middle of a black hole, space itself collapses in and it collapses down.

And what happens is space and time get significantly elongated when they're really close to gravity.

Gravity actually pulls space, sucks it in, sucks in time, and it becomes distorted.

And so when you have large black holes around the universe spinning and running past each other, they're actually pulling and stretching space time itself.

And that sends out ripples throughout the universe.

Ripples that are slowly undulating space and time itself.

So by observing all of these pulsars around the universe and the rate at which these pulsars are pulsing and seeing slight variations, we can start to measure and actually see those waves, those very slow waves of space time itself undulating and being pushed and compressed.

And so it supports Einstein's general theory of relativity, which indicated that space time itself can be warped by gravity.

And it provides a really interesting picture on the universe itself that all around us,

we have large masses that are many, many millions or billions of light years away that are creating waves in space and time itself that we as humans will never kind of observe, realize or feel ourselves, but as part of the fabric and the underlying nature of our universe. With space and time being slowly warped and slowly elongated, slowly compressed, and it's a really fascinating picture of the universe.

Over time, as scientists gather more and more of this data, it will provide insights into where in the universe these massive black hole events may be occurring and also provide insights into the early picture and the large scale structure of the universe, which helps us better understand how everything started and where we're all coming from.

So it was a really fascinating data release.

I think it's a really kind of profound thing if you take a little time and think about it.

It's super exciting.

We're getting a lot of press coverage today and encourage us all to pull our heads out of the Ukraine war and Silicon Valley and money and all this stuff and realize that there are things of extraordinary scale and structure that are happening around us.

Let me ask you two questions.

Number one, why does it matter?

And number two, any theories here of what we might discover if this goes 10x or 100x in terms of the information we're getting?

Many years ago, it was theorized that there's what's called a cosmic microwave background radiation, the CMB.

And what that is, it's the leftover heat from the formation of the universe, from the universe when the Big Bang happened.

And the scientists figured out how to create really sensitive radio telescopes and put them in orbit and they started to observe the background radiation.

And what that showed us was the fingerprint of the universe, the original structure of the universe that created ultimately all the galaxies, super galaxies, and then ultimately all the stars and then the planets and everything that came from that.

This could be the beginning of seeing a gravitational background of the universe where we could actually

start to see perhaps the fingerprint of the space time of the whole universe, of what the actual structure of space itself and time itself looks like throughout the universe with the perturbations being driven by some very large massive, supermassive black holes.

There was a black hole discovered this week that's 30 billion times the mass of our sun.

There are these massive objects out there that are actively distorting space time and we're going to start to get a fingerprint of that with this sort of data.

And over time, that just gives us a better sense of what the overall structure of the universe looks like, not just from the heat energy that we're collecting, but also the gravitational waves that we're now able to observe through the inference of this data collection.

This just deepens our understanding of the universe, but there's not much of the universe. Which is amazing and interesting.

And it validates and proves the general theory of relativity, which if you think about the application of that down the road, that may lead to things like close to or as fast as light travel or things related to time travel, there's a lot of things that people have theorized for decades about, you know, black holes and the warping of space time itself.

I'm not saying that any of this stuff is...

Did you see the three-body problem trailer?

Yeah, it looks amazing.

It looks amazing.

It looks amazing.

What a great...

What a great...

What a great...

I can't believe we have to wait so long.

I hate it when they put out trailers so early.

How long...

When is it coming out?

Like next year.

Oh, wow.

Yeah.

Oh, I still haven't seen your movie.

These are guys...

Your movie that you wanted me to see.

Which movie is this?

We're going to try.

We're going to try everything everywhere all at once.

I got a better movie for you.

I got a great poll for you.

It's on pay-per-view right now.

A movie about Blackberry.

It tells the story of Blackberry.

Oh, I heard it's a good...

It's like an independent film.

It is awesome.

I just reviewed it on this week in startups.

It's called...

It's actually just on his Blackberry.

Called Blackberry.

Yeah.

I think it's called Blackberry.

Okay, well guys, this has been episode 135 of The All In Pod.

I really appreciate...

Huh?

Our...

[Transcript] All-In with Chamath, Jason, Sacks & Friedberg / E135: Wagner rebels, SCOTUS ends AA, AI M&A, startups gone bad, spacetime warps & more

My God, live time together.
Just enough time to get you back to your nirvana concert.
Yo.
What's the background on this one?
Is that a rival?
What is that?
What's the background?
What movie?
That's a Black Hole.
That's a Black Hole.
Just a Black Hole.
Okay.
I think that that's from...
Might be a...
What's going on with Saxe's hair?
Because he looks like...
Did you get it cut, Saxe?
He got it cut.
He did.
Did you cut it?
No.
You broke our heart, Saxe?
I got a mild slushing.
Show us.
Show us the fluff.
Let's see.
Oh, boo.
I mean, it's still crazy.
That's too short.
It looks good.
You got to just keep growing it out, man.
Jake, how you want to take us out?
You do a better outro.
All right, everybody.
We're David Saxe, the architect coming at you, Z100 boarding zoo, Chaboth polyhoppatea,
two for Tuesdays, Tears for Fierce coming up, and Friedberg with the science project.
All right, traveling back in time with David Friedberg, two for Tuesday, Jackson Brown.
The loadout.
Here we go.
Jackson Brown.
Gotcha.
That makes Z100.
That makes Z100.

[Transcript] All-In with Chamath, Jason, Sacks & Friedberg / E135: Wagner rebels, SCOTUS ends AA, AI M&A, startups gone bad, spacetime warps & more

That makes Z100.

That's the world's greatest moderator.

Jason Kelkin.

I'm the world's greatest moderator.

I can do my NPR voice if you like.

Do it.

All right.

Closing us out here, Episode 135, PCRW 92.3, the sound of Santa Monica this Sunday at the Venice Farmers Market, two for one on the organic mill.

Go check it out.

And we'll see you all later on the politics of culture, David Saxe chiming in on the Republican GOP position, which we did consider Friedberg deeply going into science and Chaboth polyhoppatea on wealth disparity for everybody.

I am your host here at KCRW.

Jason Kelkin is the world's most moderate moderator.

We'll see you next time, KCRW.

I can do any of these radio bits.

Bye-bye.

Love you guys.

Love you guys.

We'll let your winners ride.

Rainman, David Saxe.

I'm going all in.

And it said we open source it to the fans and they've just gone crazy with it.

I'm going all in.

I'm going all in.

I'm going all in.

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Besties are gone.

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This is my dog taking an odyssey drive.

Wait a sec.

Wait a sec.

Oh, man.

My avid dancer will meet me at Blitz.

We should all just get a room and just have one big huge orgy because they're all just useless.

It's like this sexual tension that we just need to release somehow.

Let your feet be.

Let your feet be.

Let your feet be.

Let your feet be.

We need to get merch.

Besties are gone.

I'm going all in.

I'm going all in.