Love you guys. Hey, if you guys are around, you know, and you want to get a glass of wine and some wine later
Maybe next week or something who knows maybe we all get together in person have a glass of wine.
I see you soon
I love you guys
You're about to come to Italy and basically you're gonna gain 15 pounds
Okay, so we were there in Italy. This is a long time ago. It's just when we were in Venice
The quality of Italian white wine is outrageous. Really? It's outrageous
Do they have a men's bikini for you for when we're in Italy? I would buy that
Let's just say thank you to the amazing people of Italy for having
The greatest country for adults to go on vacation in what an incredible country
Here we go in three two, hey
Someone's going through puberty. Hey everybody. Welcome
Motorcycle ride again
Three two. Hey everybody. Welcome to another episode of the all-in podcast
We are here in beautiful portofino, Italy and we have found a new bestie
Natalie is your name that is my name and I'd be surprised by my surname
Ah, you've got a surname. Uh, what is the surname?
Palli and grittia. No, sorry Palli. Happy to you Palli. Happy to you
So your cousins apparently and you run a biotech business. I understand here in Italy in my spare time
When somebody else doesn't consume the life out of me. Got it. Okay, so you're uh dealing drugs in Italy
And welcome to the all-in pod. Uh, in all seriousness, uh, we are here in Italy
because
Chamath and Natalie got married big round of applause
Oh very nice
And uh, we decided we tape an episode very quickly
But tell us
What was it like at the wedding?
Marrying Chamath Palli Hoppitya. Tell us about the wedding. Whoo
It was um
Was a lot of work and Chamath was as you can expect
completely
utterly useless. Yes
We've seen this in fact in fact counterproductive. He showed up at times really really frustrating. Yes
Um, but I love him nonetheless. So here we are very happy
This is the moment. I would like to take credit for 30% of the wedding
And then a number that you can't dispute you don't really know what it means
Yeah, and then everybody ends up thanking you effusively
Because they're like the 30% that they love the most that was me. Yeah
Yeah, if you want to make an estimate 20 30 chance is uh, you can't go wrong freedberg and sacks are with us the dawn

Sacks you had a lot of clandestine meetings here any are we any closer to peace in ukraine russia?
I saw you talking to some russian emissaries. You've been on the continent for a full month
Tell us how did you go for 12 hours yesterday? Yeah, I know that you've been on some of these crazy yachts out here trying to broker peace
How close are we and how are you enjoying your time in europe the summer?
I don't think we're too close, but let me say a word about this happy couple here
So natalie is brilliant and unstoppable
Jamath is superficial and plastic
so
This was like the wedding of openheimer and barbie
And uh
In that analogy chamath you're barbie. Yes, absolutely
Lots of substance and fire over here and complete narcissism and plastic over here
Also the genitalia the same size they can very smooth over
Just barely a bump. Yeah, okay
I'm gonna leave you guys. Okay. We'll uh, we'll do a show natalie. Congratulations. We love you sister. Congratulations. Thank you jackal because you celebrated her
I'm not gonna. Okay. Here she goes. I wasn't talking about chamath. So could you cut you off?
Uh, oh here we go. Here we go. What a great great uh
Week we've had here lots of friends came in lots of friends
Lots of special friends a poker lots of friends lots of poker lots of poker players that weren't invited to the wedding
Poker game
I mean, I mean we walked into the poker game last night and there were all these guys that I didn't see at the wedding
And you invited these guys. No, no, no your poker game. No, let's be honest. Let's be honest
I think it was the most unbelievably eclectic guest list of any wedding that's ever happened
That's very true. I mean literally it's like a two by two matrix of
Villainy wealth fame and infamy. Yes. I mean you had every quadrant
Covered. Yes. It was incredible. Guy and I were joking. It's like walking into the bar on Tatooine. Yes
I could tell that when I was doing my toast which chamath told me no holds bar. Just go for it
My toast he really meant roast roast. Yeah, he rushed the Italians did not get the jokes
Yeah, so I have the audience was laughing the poker guys were laughing and then the family section
A lot of them got the jokes and they were in on it, but uh, what an amazing week we've had here
Um, and thank you for hosting us. Oh, you're welcome. It was absolutely wonderful
This really isn't so many ways. We should cut in some shots in the video on where we're sitting right now
This incredible. Yes club. We're looking out here, right?
People sleuthed it out. I posted a photo of us just meeting out there
Doing our little board meeting and people immediately sleuthed out. You're at Lengostria
Or what's it? Lengostria Paraji. Yes, aria. Yeah, I guess famous red beach restaurant
I mean Lengostria has these two incredible restaurants in milano three. They're just
Top of the top and they have this incredible beach restaurant here and it's the hotel or sorry

it's the restaurant that
Is beside the beach club that's also owned by the splendido where we're where you guys are all staying
So yeah, it's been it's been an amazing couple days
This little block is called paraji this part is paraji and then if you go just a little bit further
You're in portofino proper. Yeah. Yeah amazing wonderful food
Incredible food unbelievable. We've eaten like kings. Yeah, and queens as the case may be and
Just the hospitality in italy is amazing one of my favorite places
I just want to say to all of you guys and to all of our friends
I mean you guys literally flew halfway around the world
For three days. Yeah, you did ruin all our summer plans. I mean it was incredible and and frankly I picked the
We picked the three worst days monday tuesday once the yeah, if you had a job everybody had to work
A certain person had two rooms rented at the splendido just for meetings
And he would just be running back meetings and then trying to go to the I mean it's incredible you guys
I think this whole thing was a conspiracy to convene a high stakes poker game
You knew you were spending the summer in italy. There's no poker here
And you're like, how do I get the poker game to come
He probably he netted a profit to cover the wedding not no not to cover the wedding
But I did I did win a 1.2 million dollar pot from that was crazy. That was crazy
My favorite poker story is you got a call out of the blue
I'm a neighborhood. It's the best. I get a text. Oh my god need room splendid. Oh
I'd like two in the morning and I was I looked at my phone and I'm like, why is
Texting me a two in the morning. Yeah need room splendid. Oh, and I said it's chamath. Is everything okay?
Do you need any help need room splendid? Oh, and I said I'm not your fucking travel coordinator
And he goes, can you help me get a room at the splendid hotel? I said what you're here
Yeah, so I said, well, why don't you just meander into our game? Yeah, and so actually came to the wedding
Randomly in the neighborhood. He was in the area. Well, he was spending a night in so he thought he would hop over
Such a bad joke
That's how it works in hollywood, okay
There's a little backstory to all this what happened was
Chamath told me in the spring. Hey listen, jay cow. I'm finally I'm so excited. I'm going to marry nap
And I said, oh, that's great. You had the kids and now you're getting married
It's not the traditional way to do it, but congratulations
And he said, yeah, we're going to have like a little thing with our families
in italy
Very bespoke the kids parents. That's it
And then you know back in silicon valley in the bay area

We'll have a backyard party for everybody else and I said great. Let me know where in italy. We're going
And nat said amore it said just going to be the immediate family and I said great. Where am I going? Tell me the location
and
If you need an officiant, I'm in
And then a week later we get an email
Nat and uh chamath discussed it and they said, you know what jay cow's right. We should invite everybody to italy and so
Thanks for making that decision. Oh my god. Thank you guys for coming. Honestly. It was a dream
He didn't tell anyone jay cow was going to officiate
So we're sitting there italian style for like two hours assembling for the wedding
Nothing happens. You're all just standing around waiting for something to happen
And then chamath comes in natalie comes in beautiful dressed amazing music is incredible
And they sit there for another 10 minutes
And they turn around and they say the officiant. We just got a letter the officiant is sick
We need someone we need someone to step in
And then jay cow pops up in the back. I got it
Knocks the italian royalty to the right and the left
Blows his way through the audience makes his way to the top pulls out his american bow tie or whatever he had and says
Let's do this and then we had jay cow officiate you did the wedding in a very jay cow way. Yeah, were you surprised?
Yeah, I was surprised. You were surprised. Yeah, a lot of people were surprised
Yeah, you got me because your original email said jay cow is going to officiate, but then we heard
Nothing for two and a half months. Yeah, and no one really knew and but it was a big secret, right?
We kept it a big secret wanted it to be a surprise and um, it was just the avows and the poetry
Oh, the poetry. Oh the shared was amazing. Amore. Amore. Don't make it. Don't make it. No, no, no, no
Can you do a dramatic reading of the poem that I wrote for you?
Oh
This was a jammoth wrote a poem
Rose is already and said but would do this setup though that comes before so this
The setup was
That nat would read chumat's poems and chumat would read nat's poems
And so nat had this incredible
uh, paolo quello poems incredibly well thought out that turn and um, sorry
Then chumat wrote a poem from anonymous that he found
At a rest stop on the 280 written on the inside of the bathroom stall roses are red
Violets are no go go ahead. Go ahead. Okay. You remember it. You should have it committed to memory
Let me think. Yeah roses are red
Pickles are green

I love your legs
And what's in between? Oh god
It was so embarrassing and she had to read this she literally just dropped in front of all of the italian
Rolled laughing
It really was like no no no her her her first poem was a sonnet from malin shakespeare
My first poem was Beyonce's cuffit
Yeah, where where the last line is will you sit on top of me which she has to say looking at her death?
It was so it was so awkward then her second poem was uh
Something by gregory hoffman. Who is it?
Gregory hoffman. I think it was something hoffman
Yep, and then mine was yeah this anonymous thing and then her third was he Cummings and mine was dr. Zeus
Charming this was nice
Daniel hoffman. Yes, well, we had a great time. There's been a lot of news
And jack, you got here early, right? And weren't you like camping along the coastlines? Do you want to? Yes?
I went to chocotown
I went camping
Decided to bring san francisco to this beautiful pristine. Yes defecating everywhere
Leaving a trail of needles in his wake
Wigobi plastic trash
He was throwing a shield. I did I did post a thirst trap. I'm very proud. I'm down 41 pounds from the peak
20 pounds with uh hiking and using the fasting app that kevin rose built and then the other half
Zero great fasting app and the other half was osepik wigobi. I don't understand. What does an app do to help you fast?
You click a button do you eat the app gives an animation and then it
Counts down the clock when you're trying to decide whether to eat or not you push a button should I eat or not?
And it says no
shows you a picture of yourself
Just a mirror a picture shows you a fat picture. Yeah, that's what I did
I took a picture of myself like fat jason and I just every time I open the refrigerator. It's there
Can I ask you a question? Yes. Is it is it are you not allowed to talk about?
Like fatness now or I
I have strong feelings on this. I think
When I I ran marathons my whole life. I was very shveled 165 pounds until I was 32
And then I added two or three pounds until you guys knew me and I hit 213 at my peak. I'm 171 now 172 and um
You know, I wish more people would have done an intervention. You were very clear with me. Hey, you got to lose weight
We did. Oh my god. I have to tell

I'm telling the story. No, you can't fucking spike this story. I'm telling the story. No, no, no, no
You can't spike the story now. This is your wedding present to me. Okay. Thank you jcal jcal is bordering on morbidly obese
This is when I was 213
59 on a good day
By the way for all
All these people on twitter everybody who who meets me always says oh you look so much shorter on camera
I maybe it's because I slouch, but I'm six foot two just in case everybody's curious on a good day anyways, jcal jcal is is bordering on morbidly obese
So I make a weight bed with him. Yeah, I was 213 and I said I can get to 193 one
Yeah, 193 and I was like, I'll give you 10 k a pound or something whatever. It's 100 k bad
It was a hundred thousand dollar bet
And I it's a year he had a year he had a year
A year goes by I put it in my calendar
And what I do is I schedule the poker game
Uh-oh for the day before
Knowing that we're gonna play through midnight. So I'm like, oh, I'm gonna set this guy up. So I waited a whole year
Unbelievable. We play poker the clock strikes midnight and he had been eating pizza and ice drinking ice cream
I'm watching him the whole time. I don't know. I'm gonna win this hundred thousand dollars
I'd never seen a spread like this and then I say hey, it's time. It's 1201. It's time for the weight
He says one weight bet and I said motherfucker. You made a weight bet with me
But now I just wanted a year ago. I have been 192 193 for months
I have hit the thing I so he says he starts panicking
Because I weigh myself in the morning. He says he's panicking. He says, okay, give me a few minutes
He runs into my child's bedroom
And takes a shit
He tried to lose the weighted man. Who could poo at midnight? Nobody could poo at midnight.
Anyway, I did on the scale
I'm 195
And so he wants me to take all my clothes off. I'm like, no
I say we have to do the way and now in fairness to jakel
I did not pre-agree
That I had to that I could pick the time so he says I have until midnight which is true
So I said, okay fine
He goes home goes home. I go in the sauna does not eat. He puts on a sweatsuit
I go for a ride. I'm like rocky around San Francisco. He sweats for four hours
He gets like a tenth of a pound under before midnight. Yes, and then he's like you owe me a hundred thousand dollars
Then he was kind. Yeah, he said look put me in the mini one for one drop a hundred drop

And we'll both go and we'll pull it
We'll drop it out. We had a great time jakel lost in the first eight hands
That's not true. I lasted longer than you
A hundred k. I should have just
Burn it. Okay back to you. But anyway, uh, but I would say in terms of weight
It is pernicious in america. I don't think we should be celebrating it or tolerating it. I think we should be compassionate
I think ozampic and we'll go be
Our incredible tools and manjaro
Um, I I don't I I didn't talk about it for the first year David
You've done it as well and you've been honest that you've tried wagovia or whatever and you lost a lot of weight
So congratulations. Uh, these guys have been skinny forever
but um, I think take it seriously it takes a lot of discipline
Uh, but it can be done and um, I encourage people the gains I've gotten from being 40 pounds lighter
Have been tremendous. Um, I feel great. My energy level is different
My thinking is different. My sleep's better. Everything's great
And so I just want to be around for a long time so that we can do a thousand episodes of the show for you and the fans
And um, yeah being fat sucks the end
And if you think but do you think it's it's being normalized and do you think that that's healthy?
What do you think? I like I I think right into the microphone. No one
No one makes no one chooses obesity obesity is a struggle just like diabetes
No one chooses diabetes diabetes is a struggle
I've I've you know done some work made some investments been on the board of some companies that have been involved
In trying to address the needs in this space
And one of the things that we've learned a lot about is how much of a social stigma
It feels people that are struggling with obesity and struggling with diabetes don't feel comfortable actively talking about it
Yeah, because they hold a deep amount of shame about it
They recognize that there's something deeply unhealthy about it and they feel deep shame because
They're often portrayed as having the choice and making the decisions that got them to this point
Yeah, and the truth is
We live in a world with extraordinary abundance in the first world
We live in a world with extraordinary opportunities for low-cost calorie consumption. We find a lot of joy
In our lifestyles and it you know ultimately living a happy life can lead people to a very sad place
Um, and so generally I would say that this is not something
That should be uh stigmatized in in an open way. It should be treated with compassion
But it should be spoken about openly
Which is that there is a a challenge and a struggle that people have and we need to help

And everyone needs to kind of be cognizant of the fact that that's that's the thing
I think we need to I think we're normalizing it and I think it's wrong. Yes. I when I first came to canada
You see the pictures when I was like
Fresh off the boat. That's what we used to call immigrants. I was real thin skinny real thin
And then after a year of eating whatever food it was that we could afford
I became really fat and you could see it in the pictures and I was fat
All through my grade school. I was a little skinny but skinny fat in the face
But basically fat all through high school
And then I finally started working out and taking care of myself
And it had a huge impact on my self-esteem and my self-confidence. It had a huge impact on my health. Yep
I saw it basically kill my father. It's given seven eleven of my aunts and uncles diabetes
So I think that like all of this normalization is unhealthy because it actually
Is killing people what I learned from the dieting is portion control in america
Is just out of control. It is the wrong portion sizes
So you see it here and you see it here when you eat here. Here's a little tuna. Here's a small pasta
You know here's some cheese and some grapes for dessert. You're done
And so once I got my portion control
I was fine snacking also, but I just wish anybody who's suffering from it
Um, you know work with your doctors work with nutrition. You were overweight too for a long time. Where are you?
Free bird. Yeah, I um
What were you overweight from I I grew up not eating well. I was overweight in college right in the microphone
college is when I really started to
Get exercise actively and because it was never part of my upbringing as a kid was like eat well get exercise
I I was very much self-taught. I learned how to cook and learned a lot about nutrition on my own
Um, and you know, look, I I took action on my own in my early 20s
So but yeah, look, I mean it it's so easy to not know where you find yourself
And then you find yourself in this place and I do agree that being cognizant of
Where you are and addressing it in an open way in an active way is the only path
I mean there's just every every cycle we come around with some
New easy solution. You guys remember the uh, what was it?
Then then then then yeah, I gotta be careful that one. Yeah, that was speed. Yeah, and so look
I mean the data so far looks great, uh with these glp
Um, you know, one's these drugs seem to be very effective
There's some data now that shows as soon as you stop taking it
They're the average person on it gains the weight right back. No, that didn't happen for me increased muscle mass
Maybe not but like yeah, you know across a large population. There's just data that's showing
There's never gonna be an easy path and it's it's a very difficult

It's a process. You know the the thing I learned is if you just have like one Oreo a day or every other day
Let's say that's 50 calories
You have one of those every other day
You're gonna get two pounds a year for 20 years now you're 40 pounds overweight
It happens very slowly you add it and then you just have to be super disciplined and you can lose a half a pound or a pound a week
And then it can come off so
I really think it should be a movement in the united states so much of our downstream
Issues diabetes heart disease cancer, etc. Seemed to be contributed by obesity
So I think for our entire for the entire country
I think if I ran for president, it would be
We'll go V for everybody everybody who wants it
There you go. V forever is my platform single issue voters. There's a platform. You can yeah, that's it single issue platform
All right, get in shape agenda. There's some news. I think we could we could touch on how you feeling
I got plenty to catch. Let's do this. So there was an article in vice. I guess that name checked the all-in podcast
It said
young people instead of wanting to become McKinsey consultants
Now want to become members of the all-in podcast and be venture capitalist
I did a little tweet storm
That I thought and I thought it'd be a great topic for us
I think for young people going into venture early is not a good idea. I think
Generally speaking 80% of the case cases and I think
starting your own company
or joining a high growth company
Or maybe joining a well-run large company or even joining a poorly run
Large companies you learn what not to do are all better things to do in your 20s
learn
Be in the trenches, but I'm curious what you think sacks
About this issue because we came to venture and investing in our 40s
I believe, you know, both of us angel investors and then both of us having fun
So what are you advising a young person who's listening to the podcast coming out of business school? Whatever?
Yeah, I agree with that. I think the main
Value prop that a VC has to offer a founder is advice
And if you've never walked in the founder shoes before if you've never founded a company or at least had a significant operating role
How are you in a position to offer them advice?
Now, I think there's a period of time during the bull market where people
Stopped thinking that way stopped thinking that advice was the model

VCs started competing on the basis of who could be the biggest cheerleader
For the founder who could offer the most sort of positive
Emotional support largest valuation or the biggest valuation or lease governance
The idea of being completely passive not taking a board seat
Was actually sold to founders as a positive for them
That like we'll invest and we'll just like stay completely out of the way
And all of those ideas sounded really good when the market was booming and everything was up into the right
But now we're in a situation in which we're going through two years of intense turmoil
And a lot of companies aren't going to make it a lot of companies are restructuring
A lot of companies are going to take down rounds and actually being able to tap your board for advice
On how to get through a rough patch
Actually is pretty important. You realize now that like the uninvolved passive investor that was not
A positive value prop. That was an excuse for not having a value prop
And I think at times like this, it's really important to have vcs who've been around the block
Who saw the last downturn?
Who ideally could have warned you that it was coming like we did on this pot like we did repeatedly for you know a year
And so yeah, I think that
We're now seeing the correction
And I I finally agree with your analysis that there are too many people
Who joined the ranks of vc who finally didn't have a value prop and that's why I mean at our firm
We require that everyone who joins the investment team have operating experience and ideally founder experience
Uh, because that is ultimately what you're going to offer founders
Shemath was too much of this
people larping live action role playing vc
with just absolutely
No idea how this works and now
what happens to those
You know actor or vcs who really
Are faced with portfolios that are upside down
And they really have no idea how to weather a storm. It's this has been a hard 18 months. Let's be honest
Well, I think that it was a symptom of just the fact that there was a lot of free money in the system
And I don't know the outcome is going to be pretty basic
Which is that they're going to lose money for their limited partners and those limited partners
If they're not totally stupid, we'll never give these people money again
And these people will need to just find a new job and I don't say that in a celebratory way. It's just a very practical ones and zeroes
monetary assessment of the facts
Look, I think that the weird thing that

Has happened is that it became like this kind of fun thing to be able to say you were doing
A lot of people used to moonlight and do it on the side
Then there were all these services that will allow you to basically like abstract the job
But the only thing that I would just
Qualify your statement because I think what you're saying is like 90% right
But I don't think that's where
The craziest outcome returns have come from
Because if you look at the two people that are really or the three people that are really generated just gargantuan home run returns
On a consistent basis one of them, for example, like mike moritz really
Didn't have those bona fides operationally, but I think that what mike
Probably has and i'm saying this not knowing him is a pre-do nerd world like judge of psychology
I think I think he's an incredibly qualified people judge her
And there are people like that now
He's an outlier in order to do that, but the rest of us have to kind of to your point
Do with what we have which is like here's our experience and our maturity and you know, we're telling you what we think
So i'm really excited actually for this wave to kind of crash on shore because the number of founders
That are going to get screwed over by folks that don't know what they're talking about. It's very high
Yeah, and that needs to come to an end as quickly as paul
Yeah, I don't think it's just like moritz. I think that there's a class of
Successful venture capitalists bill girly is a great example
Like he was an analyst dany rimer at index ventures was an investment analyst
fred wilson um fred wilson. Yeah lifetime vc and moritz john door. I mean john door had some door work at intel
He worked at intel. Um, but there's there are folks who
Have an incredible analytical capacity
And that analytical capacity translates into incredible selection capability
That selection doesn't necessarily mean that they are going to necessarily be the best
Advisors and i'm not saying that any of those folks are bad advisors
But there are some venture investors like founders fund is very vocal about this and very public about this that their objective
Is not to be your partner in helping you make decisions and run your company and recruit people
And all the other sort of rigmarole that many vcs go out and tout
They are there to pick the best founders and the best founders don't need the vc to be successful
And their job then is to have incredible selection capacity
So if they can select the best founders and get out of their way
They've made a lot of money and their returns are unbelievable
And then there are some vcs who are really incredible partners to their founders
And they're objective josh complimented first round built an entire firm around this practice
Which is to partner very closely with founders and to build support and capabilities and recent horowitz was built on the same sort of concept
That they would roll all of their fees into building operating support and capacity to support

founders and support companies
Both firms have obviously done well in their own right
Um, and so I don't know if there's necessarily one breed that predicts success when it comes to successful venture capital
I will say from my own personal experience. I worked as an investment banker for my first two years out of undergrad
I you know worked. I had a science background. I worked in a short stint in private equity. I worked at google
I did corp dev and m&a there. I started a company ran it sold it
Did that with another business where I was on the board?
So, you know, I've I've been on a couple of different places around the table that you know
I think have given me the ability to to provide advice
I don't know if I necessarily have the same skillset that the team at founders fund
And um, Mike Moritz and others might have at this astute
Extraordinary ability to spot founders and bring them in so I think everyone needs to kind of recognize what they do bring to the table
Be
Very clear about what that is and I think to your point
There has just been an incredible bull market over the last 15 years since 2008 more money has I heard an incredible statistic, by the way
Um, I don't want to get it wrong
So maybe we should fact check me after this from someone at your wedding
Who I was talking to for a long time and he was like
He was like basically the top 1 percent of vcs
Didn't beat what would have happened if you just bought the top five public tech companies and you know effectively did a rebalance
over the past 15 years the bull market and the um the aggregation of value and technology have largely been 50 50 to public and private
So you could have just bought a few stocks and held on to them and beat all of the vcs over the last 15 years
Even though a bunch of vcs have made good money and their irr looks like 12 percent
But you have to beat the risk adjusted returns on venture
And this is not to throw shade at even all of those people that you mentioned are fucking terrible
Like you should not have invested in any of those
Right because there's no way to ton it in any of those funds because you get a small allocation
One fund does well three funds
Over the past 10 years or 15 years. I forgot the number
We've seen the public market cap of these top tech companies grow from 1 trillion to 10 trillion
That's a 10x
So all you had to do was buy those and you would have made 10x and that works out to north of 25 percent irr
And there's very few vcs that have been able to beat 25 percent irr
They assume now he was telling me his model shows that over the next 10 years

It'll be roughly 70 30
So it'll be about 30 percent will accrue and they think over the next 10 years
It's going to go from 10 trillion to 25 trillion, which is still a great return just to build on this
But it shows how much of a hurdle there is in venture to be successful
I started the business in 2011
So now this is the 12th or 13th year just how hard this game is
I had about a 31 32 percent gross irr
Going into last year
And then my irr fell off a cliff because I couldn't get any obviously there's like there's no money to distribute
We're just letting to distribute. Yeah
So my irr start to decay and then I had this really really fucked up choice
I have to start selling stuff earlier than I would have otherwise to get the money back out
So to your point right now it takes courage then it it's a really tough game over long periods of time
A really tough game. I think there's also something going on
You know in the united states and society where there are some idealized jobs. We talked about sacks
elites surplus elites and I I want to dovetail this with what's happening in hollywood the writer strike
Um and the actor strike and I was looking at it. There's some unbelievable number of actors in sacks some unbelievable number of writers
they all make
Just incredibly small amounts of money on average and obviously there's some big fish who do well, but it does seem like
There's too many people who want too many of these idealized jobs
and
Venture is one of those and I just would like young people to understand also
Be careful what you wish for
This job has seemed easy
Just like it might seem easy for tom cruise or christopher nolin when you see them or tarantino
What you don't see is all of the people who tried to become tarantino who tried to become
You know tom cruise and there are far to 10 to 15 years before they realized that they're not
And they did not actually have the fundamental skills
Or the work ethic that is required to become tarantino. I listen to tarantino's podcast
He does a have you heard the video archives podcast yet? You have to get on this
It's him and his the co-writer of
Who did you write pulp fiction with roger avery roger avery?
My favorite podcast right now. They just talk about films their knowledge of films
is so
Unbelievable and the detail in which they talk about that
It is so crisp. They finish each other sentences in the way with maybe you listen to this podcast
You know, we all go. Oh john door. Oh, no, he worked at intel. Oh this person. Yeah, maritz. He was a journalist
We have a deep deep understanding of this business that comes from 30 years within it

Or 20 years and
I think you have to I know it sounds corny
But you have to pay your dues you have to put 60 70 hours in a week to get that elite job
And the problem today I feel is and for people who are listening who are young people coming out of schools
If you're not willing to sacrifice 60 70 80 hours a week for a decade or two
You're just not going to be successful in that by the way and young people push back on this
And I think the simplest way to reframe it is in the following
Do you really think for example, let's pick nba basketball
Do you think you would be really interested or find credible that the best player in the nba only practiced three hours a week
Does that happen or do you think they're practicing three hours in the morning?
And then also three hours in the afternoon and they give up their lives
The most incredible thing that I saw in the nba was all of these men
Literally gave up their life
To play that game to perfect it and that's true for anything
And so I don't understand how whether if you're a filmmaker whether you want to be an investor
Whether you want to be an athlete whether you want to be an actor a surgeon
It's just like it's an immutable law of physics
So just get over it
Which is you need to put in tens of thousands of hours and if you cannot or won't
You should not expect the success and you should not complain and also because it's not free
Yeah, these these guys do agree with that or not. Yeah, look, I mean LeBron
20 what was it 2016 when they came back and won in game seven 2016? Yeah, I don't want to
That's one bad scar tissue. Yeah, right. But um, the next day
They were you know, his teammates go out and celebrate, you know what LeBron did on instagram the next day
Posted a photo at 7 a.m. Of him. I was working out. Yeah working out
Um, but look one thing I'll say LeBron knows what his skill is and he knows what his game is
I think every individual needs to figure out what their skill is and what their game is and not to find
Glory in what others have found to be their skill and their game that there is something that comes from
Mastering any craft that gives an individual joy and purpose in life
And you see this in basketball
You see it when these athletes really find what they love and they do it and they commit to it
And there are things that we each have realized we are good at and there are things that we've all certainly realized
We are not good at and identifying that mastering one's craft is the key to any person being successful and happy
I believe I just just is just assuming that there's a thing out there that everyone makes money
Distraction alert all of our wives are about to go swimming. Oh my lord. They're so hot
My lord look at my wife
Jesus

God almighty. I hit the jackpot. It's beauty in the beast. Huh? You can relate, huh?
What was the way I look at it? We were joking at breakfast today
We were like my wife must have low self-esteem because she's married to me
Saks are the best slide. He's like if you google
Not that he don't pay you find this picture of her holding a tiger aligned by the lion by the tail
Which is a lot more exciting than holding a Sri Lankan by the schlong
I was playing epic man for sacks when he did the roast last night. I was just like laughing guy
Every time he hit it. I just would bang the table. You didn't get help me off the cliff
I was waiting for that more hell me hell me all the way off the cliff. I mean, oh my god
I think he knows how you know what happened. Kat told me what happened. So the backstory is phil hamuth is a narcissist
And no, no, if you know phil hamuth, you know that yeah, that's implied and he just cannot give a speech and so your best friend
We oh, he's not my best friend
But he's he he gives horrible speeches he you and he are best friends like every every speech
Well, phil every speech he gives at every event. It's all about himself. It's all about himself
That's why we say seven seconds to phil but it's incredible because it could be it could be a wedding a bar mitzvah
But in our chat so when when shema said, okay, phil's gonna give a speech
Phil's like, of course i'm gonna give a speech every speech i give is amazing
The last event
I gave a speech it brought the house down everyone was laughing. I killed it. It was doile brunson's funeral
Oh my god. No, dude. What what you killed that a funeral
So I asked I asked hamuth to do to do this toast and I was like, okay
Well, we'll do four of them, but I thought if we start with hamuth, it'll just be so bad
Yeah, you bought him out early. Yeah, you bought him out early and then the rest of you guys set the bar
It was the right sequence, but sacks crushed it sacks
Nailed it sacks
Crushed it
I think we're all still amazed that made up the stairs, you know, it was
It was 400 steps to that. Uh, yeah
It looks good. He wasn't even out of breath. It was pretty impressive. Yeah, this has been a great episode of the olympod
Dude, anybody see oppenheimer yet? I'm so excited. How do we see it? It's gonna be a barbenheimer double feature
In honor of the barbenheimer wedding. Yeah, I'm not I'm not barbenheimering it
Nolan's like so about 70 millimeter parentheses like you have to watch it
Do you know the metronon metronon in the city? Is it so we should just rent the theater and invite some fans or just go?
Yeah, I mean, we should do that. No, we should just rent it. Let's rent it this week
I've rented it. It's I think it's sold out until August 6th limited time. Oh the theater is we just have to

call them and say
Hey, can we rent the thing? They'll do a show. Here's 20 dimes
I once went to a showing of
Um interstellar there and Christopher Nolan came and spoke and got to meet him and speak to him afterwards
He's a very soft spoken guy and he's not very sociable. He doesn't you know
Sort of like sacks. He doesn't want to make eye contact and actually talk with you
But you know, we challenged are you making fun of people in aspergers?
But he was great. I mean, I know pot. It's kettle calling
I will say, um, he's he's what top three filmmakers of our time
Top four. There was a very for me. It's Ridley Scott
Tarantino Nolan, there was a very funny where's your list sacks right now
You gotta put scorsese on that list. Oh, right, of course
pt. Anderson. No
No pt. Dennis millen wave
Hit or miss what are you Ellen? Can we mention that name? I mean, I can't say that bleep
It's hard to watch now. It's hard to watch the whole I like makes it too hard. I like a
No, Nick Nick believe those
There's a very funny moment
On the the first the first dinner. Yeah, you know, we did this great thing
You nick beep out the names when sat down
Everybody's like and I was waiting for David to sit. Yeah
And he just keep talking and talking. Yeah talking and talking and finally that went
Like sit the fuck down right now and had to get this fucking thing going. So who do you got?
You got scorsese of course. Yeah, I mean you're talking about like currently alive filmmakers. I think active filmmakers
Let's see mentions pretty good. Um, I don't have to think about it for missing anybody
Yeah, really scott's up there for you
Yeah, really. Yeah, really scott. Yeah, I mean, he's still making Christopher Nolan is pretty excellent. He's very productive
I met Michael Bay in Costa Rica
I
Can you that's the beginning of the story? That's all I got
Can you did you ask for the $30 back for transformers?
No, I mean like I didn't particularly know who you like cannot watch any of his films. I cannot watch any of those. Yeah
So, uh, also on the dock he's got Napoleon coming out the trailer looks amazing amazing
I'm well anything with walking Michael Bay is making no no no no really scott. Oh really scott
Walking Phoenix playing Napoleon
It's kind of interesting
I hate to go deep into the um
Do you guys want to talk about zirt bad behavior or you want to talk about the resolution of this hollywood stuff and what it means writ large

Well, the hollywood stuff. I think it's fascinating. I tweeted about this a couple weeks ago
My observations on this were twofold. One is that it's going to have the exact opposite effect that they want
If what they want is what the writers and the actors guild want
Is to show
The owners of the studios how valuable they are
The problem is that this moves the owners
And the studios one step closer into the hands of tools that will
Disintermediate the actors and the writers they'll embrace that technology
They'll embrace the ai tools that you guys have talked about you are showing something around
Even like yesterday or whatever so like the point is like I don't see it as very effective
And then my second thought is like I just think unions in general
Are probably not a very effective way
To get these concessions anymore versus the tax that the union members pay
And you can just see that in terms of like the number of people
In unions are just kind of decaying pretty quickly. The wage gains are pretty de minimis
It's just not an effective mechanism of negotiation sacks. The unions are a way for average performers to fight to get a little bit more but right
It's the antithesis of having a meritocracy and people fighting for their best possible pay
And so the conundrum I have is I'm seeing all these marvel actors superhero actors
Getting dropped off at the protests and they're complaining about bob auger making 25 million
When tom cruise or you know robert downey jr. You picked the person i'm not singling anybody out
But those people who got to the top of the heap after 20 30 40 years in the business are getting paid 50 million a picture
100 million a picture of back ends and and so what's your take on?
what's going on here because
There it seems I don't want to say hypocritical, but it feels like they're talking out of both sides of their mouth
They want to have an auction
to the highest bidder
For these incredibly talented writers directors producers as it should be but then they also want to fight for the average
Right. It's confusing to me. Some of the union demands. I think are reasonable and I understand why they want them
So for example, I think they're arguing for more residuals
For like you said the kind of lower level performers so that they can get health care the average ones
Yeah, so I can understand that at the same time
They're demanding that writers rooms not use ai software, which they're already doing
Yeah, which it's just crazy because ai is going to be incorporated into all software
So to not be able to use the latest features of whatever word or google docs or whatever screenwriting software
Yes, that's like the king who ordered the tides to stop, you know, this is just a march of technology
It's not going to work. So I think that's like really off base

So I can sympathize with some of the demands other ones
I think are hard to see in terms of your point about the economics
I mean, look the the basic problem with Hollywood is it's a want to take all business
I mean, you've got a few actors who become big stars
This is true actually with all the creative industries. Is there power law businesses?
You know jk Rowling makes a billion dollars as an author
The 10,000 author or whatever makes almost nothing. Yeah person makes a living. Yeah, exactly
They're living months a month. Yeah, can't even make a living and the reason for that by the way is because there's a lot of people
We're going to do it for free
Humans are fundamentally creative
There's a lot of people willing to be actors for free or sure on a subsistence or writers or right or whatever creatively
Because they're willing to do their art for free podcasts or right and so the reality is the reason Hollywood doesn't have to pay
These sort of the entry level actors very much is there's a lot of people willing to do that job
There's too many people a lot of people and it doesn't need to be in a structured production system anymore anymore
If you guys saw the latest uh, disney earnings release and Iger said
We are going to consider selling that geo and a bunch of other channels
There may actually be a spin-off because content creation for that mid tier or that tail
No longer makes that viable profitable because there's so much content being generated by this very long tail
That's accruing a lot of the eyeballs and a lot of the hours of consumers mindset and time
I think that there's a big
Can I connect that idea so we were talking earlier about career choices
So first of all it's it's I agree with what you guys said about the time commitment you have to make
But it's not really about time per se. It's about your obsession level
Can you be obsessed with something so that 60 70 hours a week feels like nothing to you
Because you're so immersed you're so obsessed with it right the way that tarantino and aviary are obsessed with
Classic films have the whole database in their head
So if you want to pursue one of these careers in a winner take all
Space like writing like acting or whatever you better just be completely obsessed. You got to be all in. Yeah, you got to be all in
I'd say furthermore and be unique what makes you novel. Yeah, I mean even if you are all in
You still have to have luck and scale and yeah and furthermore you have to know where the bar is
So I think a lot of people this one of the things I noticed when I was
Producing a movie is a lot of people look at like the worst actor or the worst screenwriter
And say I'm better than that person. So I'm gonna make it
But your bar is not
The worst person who's made it your bar is the best person who hasn't made it. That's the person you're really competing next up

It's the next up
It's the person you're going on auditions and you're competing against someone who hasn't made it yet
But they're amazing and you don't necessarily know where that bar is because much harder to see
Yeah, but that's where the bar really is right
Look, I think there's also a big disruption
Yeah, totally and as we extend the long tail of consumer content creation
Into what is effectively now the infinite tail of ai generation ai generated content creation
It is going to totally disrupt and change the game of media of content generally speaking
We're getting to a point now where you can effectively tie together
Rendering engines with scripting with scene definition with directorial
Lines all the stuff that it goes into pre-production and production
Can be generated through through ai through scripting and then tuned and tweaked by a human
But ultimately it increases the scale like all technologies do it increases leverage for humans
And we could see a hundred times more films come out each of which costs one one hundredth the cost
You know one of the best production companies in la is blumhouse, you know, they make
Two million dollars they make it for two million bucks
And they make a bunch of them because they cost so little to make and if any one of them hits
They make 180 million bucks or 200 million bucks in the box office. It's a fantastic business genre films
It's very much a unique model in hollywood
And it's really changed the game quite a bit and I think we're going to see something similar emerged because of generative ai
And the tooling and then people start to question. What is it called?
What is it called?
But I look
One thing I do want to say I do think that there's also a change in hollywood
That's going to be driven as we talked about before by the ability to generate personalized film personalized content
Rather than one piece of content for everyone where you have to make blockbusters and everyone watches it
There is a question however
Of culture and culture is you know shared experience stories and beliefs
Shared experience stories and beliefs can still be realized through personalized media through personalized
Content generation think about you know an old narrative an old tale that was told
You know via people speaking to each other around a campfire
The the ethics and the morals of the story are still there, but everyone tells it a little bit differently
I think that's what we may end up seeing hollywood production or ai generated production
You guys see which is everyone tweaks their content in their own personal way
They consume it in their own way
But the hollywood studios how much of a role do they ultimately end up playing and does this start

to go
10 times more what we've seen in youtube
Content consumption goes way up
And the number of folks that are contributing to it goes way up by 10 or 100x
I think this is one of the fundamental things that the unions and hollywood
Have not yet grokked completely which is they're not fighting each other
They're fighting tiktok youtube podcasts and people making their own content. That's they're fighting people. They know it
They're fighting jimmy donaldson. They're fighting mr. Beast
They're fighting each other over the last scraps of the doggy models exactly
They're fighting ksi like they're fighting the people that spend two hours a week listening to us rant on about stuff, right?
Like they're fighting well that's two less hours
That's what i'm saying
It's two less hours of broadcast tv and then mr. Beast these kids watch his videos five times they watch
He's probably the only person in recent memory that has rebuilt
Event-based viewership because people know saturday mornings at noon
Eastern time is when these videos drop
Hundreds of millions of people it's appointment television. It's appointment television now back by the way
When you hear you know the story about mr. Beast, that's a guy that's been doing it since he was 13 years old studying
He's 24 years old
So that's 11 years where he's literally only lived and breathed high energy iteration in the laboratory in the lab
Down to the very pixel right like when he for example like the cuts remember
You watch his cuts on his videos remember he told us about like thumbnails
He has an entire phd thesis that he's learned just on thumbnails. Yeah, and that's a level of commitment
I think what hollywood needs to do just to put it out there is
The the leadership in hollywood gets compensated on a corporate level
And then they come up with this
You know pay and sometimes residual sometimes not and scraps for the talent
I would encourage them to read something like uh an autobiography by kurosawa and study the toho system
Where everybody was aligned inside the company
If i'm running disney, i'm hiring the top 200 300 riders putting them full-time on staff giving them equity
And getting everybody rowing in the right direction. They do not have time to fuck around
They need to be in alignment making great content
But the incentive structure matters if bob auger is getting compensated by stock options the actors

Robert downey jr. Who's the guy the incredible director of swingers and
Favreau I was talking to favreau at an event and I was like how much like
Equity in disney did you get for doing mandalorian and like launching disney plus for them?
And he's like zero zero by the way
Why do you if you look at back up a hundred million?
No, but if you look and this is what's crazy if you look at the biggest content producers of that older generation
They locked up the equity
You know speilberg owns equity in the movies that he made george lucas owns equity in the movie
Part of the studio the deal christopher nolyn cut on
On oppenheimer. No, I think he gets 20 of the growths off the first dollar
That's absurd. Yeah, and he got a hundred million dollar budget and a hundred million marketing comment
On the on the deal
Oh joker was a tot tot phillips. Well, this is a perfect example. I was talking to tot phillips actually
I got to have dinner with him last time great guy. Yeah, great guy
And he waived his fee on joker to take a big chunk of the equity because he did that on the hangover and he owned the ip of the hangover he owned the sequels and
Hangover one and two amazing hangover three
You can miss it. Yeah, but he made more. I think on hangover three
Yeah, and he got all those guys gala finakis, etc. They got their biggest payday on number three
Right, you have to craft a deal. We have equity the other crazy
The studio was less bullish than he was on both hangover and joker because they're both shows you how unusual movies
So they allowed him to take equity in exchange for giving back
They're like you only want to spend 50 million on a superhero film
That's never going to work. And then he's like, yeah, it made a billion joker made a billion
Right, but they thought it was too dark underestimating audiences as always in hollywood. I'll tell you a very funny poker story
So are you gonna keep your disney stock?
Right now. I'm going to write it out. I think their ip collection is amazing
I think there's a chance that you know, depending on
how the ftc winds up being run
over the long term that disney could be
Selling pieces of that business and I think that it could become an acquisition target itself at some point
You want to hear a todd phillips poker story? I play a park with him. Yeah, he's uh, he's fun phillips is a very very disciplined poker player
You know, he's got like a stop loss
He hits the stop loss he's done and he's very funny and jokes around, you know, bus balls, whatever
And there was a while where he would play in the big game in la with us
And he didn't say much. He was very focused and tight is right
And then he did the steal and then hang over three comes out and all of a sudden, you know, he's got

chirping chips
He's splashing the pot. I bust phillips in a pot
And he looks at me and he called me slumdog billionaire
And the guys at the table thought it was so funny because that movie slumdog millionaire had just come out
So then they all started calling me slummy
Slumdog it took me it took me a year for them to get stop calling you that pretty great on the union thing
I'll tell you a story. So recently it was just announced that anchor steam
Shut down anchor steam was this beer this native beer in san francisco. That's been around forever
Japanese brewery bought them, right? It was bought by Sapporo several years ago
Anchor steam shut down. Anchor steam shut down. Yeah, I used to go there all the time for like work events
You do like an off-site there and go to the brewery. It's yeah, it was like one of the original
Yeah, I got a word winning beer. Great beer. Well, it's out of business now
And the reason is well, it was losing money and you want to know why is because three years ago
The workers all voted to unionize. There were only something like 60 workers 62 workers
And three years ago, they vote to unionize and they voted themselves big pay increases
Yeah, and so I guess support had to go along with it three years later. It supports. It's like, yeah, shut the whole thing down
Um, I think and that's and that's the things you got to be careful what you wish for
This is overplay your head. I really think the thing with unions that they get wrong is unions fight for exactly this
Which is this short term increase in current compensation?
And I think what unions do very poorly
Is actually understanding the long-term equity that the employees and members of that union actually create
I tweeted this a few weeks ago as well
But the single biggest reason that motivated me when I sold
My piece of the warriors was obviously just a crazy increase in the valuation, right?
I bought it for, you know
300 600 and it was worth 5.2 billion at the time whatever
But the second biggest reason was my huge fear
Was that I as an owner I just wanted to cash in the chips because I think the most right thing to do for the union
Like the nba players association is to fight for equity. Yeah
If like
Michael jordan single-handedly has created
15 billion dollars of equity in the nba. Yep. How much has he captured?
One or two billion but not from the league. He captured it accidentally from shoes
Right, how much money is lebron james actually created for the nba? It's enormous. Yep. How much is he?
He made they're not trying to get the right piece. They're not trying to get the right

Also, and the business doesn't do well then the the labor contracts become a source of huge inflexibility huge inflexibility
Make the necessary business change. So it's your point. The business gets shut down
So to your point like when you when what happens now is there's these huge luxury taxes in professional sports
And so folks bloat the payroll they try to get all these players
But if you don't win and get to the playoffs, you're not selling more merch
You're not getting incremental share of tv revenues. You're not getting ticket revenues
And all of a sudden you have these massive luxury taxes
You have to pay and not enough revenue to pay for it
And so these teams all of a sudden now start to gush money
Have to make capital calls because these things that sound incredible upfront start to become real weights
On these businesses the real thing all unions in all industries
I would I would tell you all to do is figure out how to get the equity upside
In the business in which your members are working in and are creating value it right in exchange for that
Have more forgiveness on the downside. So the business is actually
Whether the store whether the storm is supposed to have to shut down. Exactly alignment, you know
Align the incentives are just so critical. I was talking to the head of one of the giant publishers
I wouldn't say which one
Ibnis business insider. I don't know which one it was but
Um, they were being unionized and I said wow, is this a disaster for your business?
He said, oh jay cal greatest thing ever. I said why he's like
Now when people come to us and they want to get paid more we just take out the chart. How many years have you been here?
Oh five
Okay. Yeah, one two three four five seventy two thousand
And they said, well, no, but I bring more page views or whatever. It's like, yeah, okay. Yeah page view multiplier point one five
okay, so you're 78k
and just
Basically what happens a business insider. Yeah, but that's kind of who knows
That's why why they're a clickbait business
And then that drives perverse incentives and it's like why not align it with what is the profitability of the business?
What is the growth of the business a bonus pool a base level of pay and if the unions are coming in
They are literally rearranging the chairs
On the titanic and it's that simple you if you both the beer industry and hollywood are both shrinking industries
And so when you got unions demanding more and more and more of a shrinking pie something's going to break

Now look just to be clear
I'm in favor of unions demanding things like better working conditions and health care and just like the basics
Yeah, but you know when they try to go for things like I don't know banning ai and
weird and proposals that
Distort the cost structure the business to the point where it's just not feasible
It's not profitable that doesn't work. Also. The question is white collar workers
Who can move so freely between jobs? Yeah, so elite
Why would any white collar worker who is learning and sharpening their blade and increasing their value year after year?
Why would they even want to join a union? There was a podcast union that started in spotify and Gimlet media all of this stuff and one of the podcasts
I think it was reply all they didn't want to join the union because they're like, well, we're over compensated
We're a hit show
And then they were all claimed that they were look at what's happening in the schools
But can we steal man? You can't get rid of a bad teacher because they're in the union
So it's like a huge proceeding. So they put them in a building right where the incompetent teachers
Can we have to deal man?
The pro case of joining a union in 2023
I mean if you could get how do you feel man it benefits like some basic level of benefits
rebuke
Look, I think that the pitch and jay cal. This is why I asked you this a few episodes ago
You know tell us your experience having grown up in a family that I think unions are pretty proliferant in these
Cops firemen cops firemen. Yeah, I mean if you were the pitch is you're you're part of a membership
You have a voice and that voice always is your advocate and that that advocate looks out for benefits
Comp time off whether or not and how you get fired all the things that you feel you may be unfairly treated by management
There's nothing novel here. I don't know. It's a it's a strong appealing point
Yeah, so I don't know if that's the best steel man for it because look employee
It's a competitive labor market if you have skills that companies want so you should be able to negotiate for a lot of these things yourself
I think the steel man case for unions and the reason why they formed in the first place
Is because American industry was basically owned by an oligopoly. They were themselves monopolies
So if you have a monopoly of industries like us steel or standard oil
Then there's not a competitive labor market. They just set the price as they set the conditions
That's why the unions got started is you needed a basically monopoly of labor to face off against a monopoly of business
That's how it got started and I think in those conditions. We're talking about the early 1900s
People were losing limbs in factories. Yeah, of course. It was very different working conditions different working conditions

But now you're talking about much more competitive industries
But look, yeah, there was an ideal of like manual labor needed to get productivity out of businesses and enterprise
so
You know so much of industry changed where things became automated where they became specialization and differentiation amongst the workforce
And it wasn't everyone is just using their arms to do things
And you know, this is obviously now measurable and the idea that you can basically
You know capture management or do a hostile takeover of the corporation or the equity
I think is effectively what's happened with a lot of these these these unions and I'll be honest
Knowing what I know about unions if you were to do a deep dive into
You know the police unions or the firefighter unions or the sanitation unions or the teacher unions
And you look at their pensions and their overtime
You would see
Some pretty significant abuse that the unions have built up over years
To where people can make three or four hundred thousand dollars a year in the last two or three years
They goose that up because then they base their pension on the average of the last three years
And what basically happens is all the senior guys say listen
All over time goes to these three guys who are retiring in three years
And none of the junior guys can take any overtime
And when it's your turn, right you get all that and then we're going to goose your pay
So and what that what that does unreasonably
Is the pension calculation the pay into the pension is based on some assumption of today
As that starts to happen the pensions become underfunded
Because they no longer have enough capital to make all the disbursements that are supposed to happen
And there's a big argument now that there's probably over a trillion dollars of underfunded pension liabilities in the united states
Many of which are based on the fact that these payout principles were defined by some
Negotiation with the union and they're games and there's a large difference between somebody writing a listicle
or rewriting
A washington post story and business a listicle listicle a listicle
Yeah, somebody rewriting a list of a little buzzfeed or you know, somebody rewriting a wall street journal paywall story and business insider
Sounds like somebody running into a running into a burning building or you know, right
Having a target on their back as a cop in san francisco. These are very different jobs
And the white collar knowledge workers are lasting. What what's the average tenure right now?
36 months less 30 months
I mean, you're obviously moving from place to place. What's the point of the union?
It's a competitive labor market and to your point
It's true that in some cases the unions do get a better deal for their members

However, there is a dead weight loss for the union itself because the union's representing its own interests one and a half percent
So they're taking something. They got a skim. They're skimming
They got to pay the big score sezy movie
Was it the Irishman? Yeah, you really get a taste of the corruption that was there was some skimming going on
Everybody gets a little skim all of a sudden one and a half times
And then also the pension fund starts getting you know rolled into mob projects or whatever. I mean that's like a while ago, but
Yeah, I there were some significant downsides
My view of it is we lived in a decade
of surplus elites
You know having these luxury jobs and I'll put in the luxury jobs being a journalist being a venture capitalist
You know these elitist luxury jobs and in some of them they became so wildly overcompensated. I think they wanted
To feel oppressed. They wanted to feel like they needed representation and I think they were larping
To use the term again live action role-playing that they were going to be in a union
Like they wanted they're larping as being victims, right? They've wanted to like
Literally the business insider people were putting up pictures of Henry Belodgett and his
Alarping grievances. Yes, and they're on the street holding a picket sign up and I'm like, what's the matter?
Is your keyboard not ergonomic enough at home?
You haven't been to an office in three fucking years. They didn't get the latest flavor of kind bars or whatever. Yeah, no
They didn't get the cherry the the cranberry. There's a kind bar in the middle of it. Q you Q you kind bars
I mean like leave the unions for the people who are actually on the front lines. It's
All right, so I think well, we could wrap good wrap. Should we wrap? It's probably wrap time
Would you want to do a quick science corner update? I got a lot of
room temp superconductor. Yeah, there is a uh, actually it's a very uh, interesting
You may remember a few episodes ago
If you if you don't remember you kind of can go back and watch it
Where I talked a little bit about the effort to try and identify a material that can be superconducting at room temperature
Which means no resistance electrons can flow through the material with no resistance
Perfect, um electricity transfer across distance and also enables the Meisner effect where magnetic waves can reflect off of the material
Which can allow things like levitating trains, which is very low friction transportation
All these benefits of superconducting materials of quantum computing, etc
So yesterday and I've gotten literally dozens of emails and notes about this in the last 12 hours
There was a paper published by a team in south korea
Who seemed like a very legit team?

There's no reason why they would kind of make a fraudulent claim
That there is a material that they've identified and measured to show has superconducting properties at room temperature and ambient pressure
Where a lot of these efforts historically have been made at room temperature
But they use 200 times atmospheric pressure to compress it and it turns out that this material that they're using is a lead
Appetite which is a it's a hexagonal crystal that uses calcium phosphate
And lead and that some of the calcium the lead gets replaced with copper
And the copper causes the hexagon the crystal structure to compress a little bit that compressed crystal allows the electrons to flow through
This is their theoretical explanation on what's going on
It will be replicated people will try and do what they are now claiming they did to demonstrate this
There was some condensed matter physics people that sent me an email and said they don't think that this is real
They have a great deal of skepticism. Let me but uh, sorry. Let me just say two things about this
Um, you can read the paper you can read the paper. It's on the internet
The cameraman put his glasses on he's sleeping behind here. He's just horse sleeping. Let me take let me say a few things
Firstly, I think it's unlikely that these guys are going to make a fraudulent
If they did make a fraudulent claim it would be the end of their careers their reputation would be damaged
So that may happen if they did not make a fraud like the president of stanford
If they did not make a fraudulent claim and it is and it does turn out to be real
Then I do think it'll end up being
the
The most important discovery in physics of this century. Okay, so it's either
Complete utter fraud
Look, I I know you guys are joking about it
But yeah, we talked about the importance of this material in technology. Yes
It's an everyday life and I want to I want to build on top of what you're saying
The thing that you're saying the more generalized concept is we have such a poor understanding
Of the periodic table just broadly speaking of condensed matter of physics
There's so much about physics and quantum mechanics and just that are still we are just literally poking around poking around
Trying to figure out what's going on and that's what led to this discovery supposed to discover it
I've made this analogy before but if you take the periodic table and it actually kind of looks like the united states of america
We have like a really good sense of like the upper northwest and like the east coast and otherwise
We don't know anything and I think it was about two and a half years ago at the beginning of the pandemic
There are these three guys and I that started with this idea of just building some machine learning to experiment in silica
around different materials right and can you

Guess physical properties and if you think these properties are better at a certain thing
Can we then go and actually make samples and figure it out and we pointed it at batteries?
And we said let's just take the cheapest form of batteries lfp lithium right that's used in the model 3
And let's make better lfp and what we're finding is
Holy shit like we don't know anything
And there are these like really big breakthroughs one which we'll probably announce in like the next few weeks because we just
raised a bunch of money around this idea
But it's all just people experimenting better and smarter
And really what you find is that there just aren't enough of those people doing it
And so the cycle time is just too long. Well, and this is where ai can actually have some it's incredible gain transformational
As ai gets smarter transformation you put in the inputs you give it the data set
We don't know what it's going to come up with and it could profoundly the the better version of part of what increase our understanding
Part of what this this korean team did is they they had a separate paper that they published talking about
The demonstration of using ai to try and be predictive around quantum mechanics
Which is something that people have said we can't really do quantum modeling until we get quantum computers
And so there has been this this belief that once we get quantum computers
We'll be able to understand the physics
Of of the quantum scale and be able to do modeling that will allow us to do more discovery
But we are still very much just poking around and theorizing and every cycle by the way in superconductor research
There's a different theory on what caused the superconductivity and it shows so
How little we do actually yeah, yeah
So these guys basically when we were trying to build so if you if you look at like a tesla model s right or model x
These are nmc or nca batteries right very very very energy rich
But also very expensive and very complicated batteries
That won't scale to the average everyday car
And what was crazy in our attempt to take lfp, which is the cheap version and make it as
Keep the cheapness, but as energy dense as nmc and nca
We ended up doping it with all kinds of random stuff that you would have never guessed in a million years
Given billions of dollars you would you needed computers to go off and actually make these guesses
So this idea that we're going to find all this stuff at the periodic table
Bumbling around I think is such an interesting part of the physical sciences and again
This will lead to infinite energy storage in batteries
Yeah, you can put electricity into a battery if you had a superconducting battery
And it would cycle forever no resistance and then you could just plug in and get the energy back out
So imagine infinite storage on batteries

You have to reinvent circuitry completely so you can there are already
Superconducting circuits that are used in quantum computers and other high-end applications
But because they're so expensive to cool and so expensive to operate they're not ubiquitous
But the power of having them be ubiquitous would be extraordinary
For computing for discovery for ai for modeling the applications of what we'll end up discovering because of the
Modeling we can now do in a more ubiquitous way is going to be incredible
These are very profound moments when they do and if they do happen
We should be excited optimistic, but obviously very very cautious about
Where and when this may happen. Yeah, I really love you. What an incredible. I'm so so thankful that you guys came
And showed up. It really means a lot to me. Thank you. Fantastic. Yeah incredible
I really love you guys. Thank you very very much for that. All right. We'll see everybody
At the all-in summit. Oh my gosh
Yum yum. It's in like in this is like six weeks
More a little more. You have a new uh party planning going. You have a new person. You have a new person to announce
I will announce it and then we'll take it out if it's not okay, but we did confirm Ray Dalio
So we'll add him to the speaker list. We've got a few other guests that we're not going to announce
That will be last-minute fun surprises for everyone. Always some fun surprise at the end
I'm really excited to have right now. We're closing in on it. Yeah, how the party's going for the summit over the parties
We uh, we have narrowed down to three themes. We think are going to be a lot of fun
Opening night uh sunday night the day before the event starts september 10th. I think that is you have locations yet
We are negotiating the final contracts with the locations
We've got about a dozen of them and we're going to narrow it down to the three that give us
The best flexibility. We'll have the floor plans
Which is the last step. Um, you know, you got like six weeks, right? Yeah, no
No, no, no, it's we have more than enough options now. So uh sunday night
J. Cal's handling the party's not me. I'm doing the party. She's your next you want to hear a great all-in-summit story
Yeah, but let me just go through the three. Um, the three party themes. So opening night is going to be bestie royale
The bestie who loved me a james bond theme. So what is that tuxedos white tuxedos white tuxedos or you can go as a bond girl
Or you could go as austin powers anything in that theme casino games
But no black tuxedo you can go black tuxedo you go white tuxedo you could go daniel craig
You could go shonkannery roger more you peck you go shonkannery you go whatever you like the black tux
I've tried the white tux. It doesn't you can do it. Yeah, you go working for you for me. I look like a waiter
And so it'd be like

And then uh monday night we have a gonna wear his uh his bucket hat monday night is going to be bestie club
breakfast club
Big eighties the location is incredible. I wouldn't say it but um not to be confused with fight club where jay cal and i get
No, not a fight. Yeah, that wouldn't last very long. Um bestie. We worked everything out of the board meeting
Yeah, did we work everything out between the two of you? Yeah, everything's good board meetings, right?
You were embracing afterwards. I saw the two of you embracing
Of course we hugged it. I tried to give him a hug. It was awkward hug. You didn't fully let me in
Oh, it was like you ever see see three p.o. Trying to give hand solo a hug. It does like this like oh
There's a 472 to one chance that you're my bestie. Oh
And then the last night it will be bestie runner a blade runner send up a cyberpunk theme
Where your best cyberpunk? Oh, you must have a good like punch-up person for this kind of stuff
Like you have a person that he's he's got an art director. He's got somebody
The costume department
In the moth
No, that's level two in the basement sub level two in the basement is the costumes
You know how you haven't been to that level in your elevator. Yeah, you go down level two is costumes
Yeah, level three is sets. Okay. I'll tell you a quick story all in summit. I'm walking in the streets of Milan
me not
And
We're what we're walking just on via mountaine polio in Milan
and
I hear chma and I turn around it's damian berkthorn the CEO of laura piano
And he and so he comes he's we're so excited to be a part of the all-in-summit and i'm like, oh my god. This is
Oh, it's not happening. No it is
I know they're cushioning every seat with uh, no, no, no, don't don't don't ruin it
But my team's been working really hard on it. Anyways, I I saw damian. They they're excited. He's coming. Yes
Well, he's coming. We'll see him partner. Yeah, it's gonna be have um, moncler
You had every opportunity these last three days to do everything you needed to get a sponsorship
Moncler is listening
Right there on the beach
You were just editing it was right there and the person you see the yacht right there. That's his boat
This is his restaurant. I guess this is his restaurant. I can't I can't
I can't do enough. I can't do any more than literally get on the dingy go to his boat you need to get off your phone
He's sitting right there. You need to pay attention. Yeah

Get playing
I'm not gonna walk you on the left. Stop playing chess. And you be like, oh, yeah, I know you know the funny
Weep it out Nick. We'll leave it out. Here's what happens the guy freeberg comes up. He's in a panic
Oh, we've got a problem jacal. Uh, the production has got a problem
We they're gonna kick us out of the restaurant the guy goes, uh, I don't think it's gonna be a problem
I can fix it and freeberg's like how you're gonna fix this like well, uh, I own the restaurant
And uh, so I'll ask them we bought it do um, not to kick you out and
Not gonna be a problem. It's not gonna be a problem. And and
He sat beside
for a whole day
Who is on the board and I said David?
She's on the board. So if you this is your moment, you sold out their hats and this is david cut to david
Beep out the name. Hold on
Oh
Peter teal and I are in level four of my basement. I'm in a game of blitz with peter teal. Hold on
Playing blitz chess. My rating is
Terrible hangover. Let's get out of here. All right, everybody live from portofino four hungover
Thank you guys. Thank you everybody. We'll see you next time on the olympics. Thank you. I love you. Besties
Besties are gone
We should all just get a room and just have one big huge orgy because they're all
It's like this like sexual tension that we just need to release somehow
What you're about to be what your feet
We need to get
You