

[Transcript] All-In with Chamath, Jason, Sacks & Friedberg / E150: Israel/Gaza escalating or not? EU censorship regime, Penn donors revolt, GLP-1 hype cycle

Well, you're talking about three very different actors there.

Wait, David, David, behind you is your security cameras, Ron.

Do you want to turn those off?

Yeah, I don't know how to hold that on.

Hold on a second.

You sit there and watch those all day?

Security apparatus?

Jesus Christ.

What is this guy, the Batman?

He sits in that couch all day and watches the security cameras.

Bruce Wayne, hey, did you see that behind him?

It was so dystopian.

Oh my gosh.

You must have caught some crazy shit on those security cameras.

What do you do with that footage?

Okay, everybody, welcome to episode 150 of the All In Podcast.

Yes, we've made it to 150 episodes somehow.

Talking about technology, business, and of course politics.

And this week, we will continue our discussion tragically about the situation in Israel and the war with Hamas and a lot of the downstream effects of what's going on here and try to make sense of the world as we do.

We gave a disclaimer last week, we're not experts.

And I suspect many of you are not experts on this,

but we're going to try to talk about the hard topic here and do it in good faith.

And then we will move on to topics that don't have to do with the war in Gaza.

That could, by the time you read this again, another disclaimer.

By the time you listen to this podcast, a ground invasion may or may not have started.

We tape these on Thursdays and you listen to them generally speaking on Saturdays and Sundays.

With me again this week, Tramoth, Pauli, Hapotia, David Sacks, and of course, David Friedberg.

And gentlemen, I'm just going around the horn here quick before I tee up the first topic.

How's everybody feeling about the events in the 10 days since 10,

7 in the terrorist attack that occurred in Israel?

I skipped last week.

I was too emotional to do the show, just so folks know.

It was difficult to see what I saw on the internet and the reporting.

I think I was really moved.

Because I thought a lot about how lucky we are and I thought about my children and seeing what I saw and being a parent.

It's really different. I remember 9-11, it was really shocking.

I was really upset from 9-11 as well, but when I saw the events last week,

it immediately projected onto my kids and the care I try and take from my kids and thinking about the experience of other people in this situation.

I was also, I'll be honest, really moved and saddened because of

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the bombing of children in Gaza and I was really saddened that there were innocent children suffering

there as well. And the whole thing just felt so horrific to me.

I don't think about the justification or the morality of one side over another.

I was just more moved because I felt really sad about the experience of a lot of families and a lot of children caught in this environment. I was pretty hurt last week. I was in a really bad state and I couldn't do the show. I think time has allowed me to become a bit rational about things and try and understand where things are headed. It's a really complicated, confusing situation and it's really sad. I worry a lot about where things are headed.

Not just in the Middle East but also domestically coming out of this conflict.

So that's where I'm at. Yeah. Thank you for sharing. I wasn't sure if you would share your absence last week and I think it's fair. I too have been thinking about my own children and it's 9/11 and it's very dark and so it's hard to talk about

but we're making progress here I think and today we'll talk about a lot of the issues or sacks, any opening thoughts before we get started delving into what's actually happening and then more importantly I think where this is heading and what the possible outcome or resolution could be if there is a resolution here. I think things are getting better actually.

I think from where, if you had to graph your expectations of how bad things could get,

I think what most people would probably say is somewhere last week

there was a specter of some potential World War III like contagion and I think in general it hasn't stopped some of the bloodshed but the extent to which we expected this thing to escalate it actually hasn't happened and so if you take a step back and you kind of calmly and coldly look at the facts I think that there are a lot of people on all sides trying to maintain their composure in a moment where there's a lot of brush fires so I actually think that this has been much much better than it could have been and so I'm generally optimistic that we're going to find our way out of this. So, Saks, any thoughts? Well, to be honest, I can't be as optimistic as Chamath. It's true that World War III hasn't started yet but I think the situation is incredibly volatile still. Just the last couple of days, the headline story was an explosion or bombing of this hospital in Gaza. Blame immediately fell on Israel. The claim in the New York Times was that they had dropped a bomb on it from a plane. Social media was a flame with that. I think in the last day or so the perspective seems to be changing. There's video now showing that it wasn't the hospital but rather the parking lot next to the hospital that took the brunt of the damage.

I think that it's far from clear that Israel did it. A lot of people are blaming

Islamic Jihad. In any event, it's very unclear. So, I'm going to continue to do what I've done which is suspend judgment until there can be some sort of proper investigation of what happened and we find out exactly who's really responsible but it does seem that over the last day or so there's been now a backing off of the idea that Israel was definitely responsible for this.

Nonetheless, you saw immediately in the wake of that story coming out that there were protests and riots all over the Middle East. The Arab Street was absolutely ignited and I think that the Arab Street is not going to be convinced that Israel wasn't responsible for this. I just think that they're convinced and I think partisans on both sides are convinced about who did it and they're going to be immune to whatever evidence comes out. So, I think that's kind of the situation we're at right now. I would consider the riots that we just saw in regards to the hospital and

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the eruption on social media to be a prelude or dress rehearsal of what we can expect to happen almost every day if Israel proceeds with the ground invasion of Gaza.

Now, they haven't done that yet and that's why the situation seems tenuous but stable but we're still waiting to find out if Israel's going to go into Gaza and if they do, I think all bets are off in terms of where this is going.

This was my biggest concern last week. I think the thing I was most anxious about was that the imagery that would come out of Gaza with the action from Israel would be the fodder for escalation worldwide, that there's this perception already with half a billion people, maybe two billion people, maybe more, that there's an oppressor and there's an oppressed and the oppressed is suffering under the oppressor and that there would be the creation of fodder to support that narrative. And I think that the hospital bombing, the kind of point I made to someone who reached out to me two days ago or yesterday about it, was I don't know if it matters that we get the corrections from all these people that may have said something that turns out to not be true because it was almost like that media became confirmation bias for people that already felt that this is what was going on and this is simply evidence of what is going on and it justifies the next step. It justifies the beliefs, it justifies the morality. And I don't think that if it wasn't this, it's going to be something else. There is a tinderbox ready to be lit and that tinderbox is just looking for a match and whether it's this match or the next match, there's going to be a match and the tinderbox will be lit. I think that a large number of people feel like they're on the right side. If everyone thinks they're on the right side of something, everyone feels like they have the right moral stance, that there is a regime on the other side that has the wrong moral stance, I am good, you are evil. And therefore anything I see is my confirmation bias for my belief and it gives me permission to take the next step. And in that framework, it will only escalate and we are only going to a dark place.

And I think the real question for me to Chamath's optimism is what are the muting factors? What are the factors where one side feels like they're getting something that forces them to say, I'm not going to take the next step, I'm not going to justify the next step. And it's a really hard question to answer at this stage. Let's take that other side and just explore it for a second. So the question that I've been asking myself is, because I agree with you, it doesn't matter who was responsible for this bombing, because it's already been defined for Yeah, but in a moral sense, it does just, you know, in a moral sense, it does. But I'm saying practically in the theater of war and the theaters near the war, it doesn't matter because it's about how is it framed. And to your point, people have already made up their minds. The pro-Israel side have made up their mind, and the pro-Palestinian side has made up their mind. But the question that I asked myself is, okay, is that how much of an incremental escalation is it from what their status quo is? You know, one of the interesting things I learned from the Jared Kushner interview with Lex Friedman, it's like a lot of this tension, you can trace back to the al-Aqsa Mosque and all of the misinformation around that, right? He spends a section of that podcast talking about how that's been framed and reframed, the miss and disinformation to basically get people fervently up in arms. And it turns out that it isn't under the supervision of the Israelis. And in fact, you know, you can go get a visa to visit al-Aqsa Mosque, and it's under the custodian ship of the King of Jordan, as an example. So that is the fact. But those facts aren't necessarily shared on the ground. And that

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is where a lot of this original tension comes from. So then I ask myself, okay, well, if that's been lingering for decades, how much more incrementally bad does it get for this specific thing? And I think you see it in people's actions, which is, they try to use it to escalate. And my honest measurement of that escalation is that outside of the actual theater of war, most of these escalations died down pretty quickly. Now, if all of these embassies were overrun, and all of a sudden, you saw a Beirut-like situation, right, the U.S. Embassy in Beirut in the early 80s, I would agree with you that this is getting really bad really quickly. But that's not what we saw. And I think what that speaks to more is how much hatred is actually in the heart of people versus not. And so I think that this was a moment for people to channel their anxiety and some of their aggression and some of their hatred towards America or Israel. But what it didn't was escalate. You didn't see these embassies get burned to the ground. You didn't see people getting dragged out. And so I'm not trying to justify that behavior. I'm just trying to look at it in an absolute sense and answer the question, is it escalating or is it not escalating? And my assessment right now is that it is not escalating. I saw on Sunday something that I thought I would never see, which is Iran put out a press release through the United Nations to Israel. You haven't seen that. That's de-escalatory. That's not an escalatory action from a country whose mission statement includes the destruction and demise of a country. So I think when push comes to shove, there are a lot of people in positions of power who understand the stakes here and are trying their best on both sides. And I hate this word, so I can't even believe I'm about to use it to find some proportionality and try to de-escalate. That's how I measure and judge what I see over the last week. A lot of people use labels to characterize the actions, the tonality, the behavior of the other side, because everyone believes that they're on the right side. And the point of view that there is hate and anger on the other side comes from a place not out of the blue. Hate and anger doesn't just emerge from nothing. It typically comes from a place of deep hurt. I think the biggest question for me is how do you resolve the deep hurt that is being felt and has been felt by either side over a very long period of time? It's the hardest thing to answer because what do you give millions of people that have lived feeling hurt for so long, feeling challenged for so long, that makes them feel resolved in that sense? You're speaking about the Palestinian people. I'm speaking about the Israeli people too. I'm speaking about the fact that these actions don't come out of the blue. They don't come out of a place of greed. Let's go to an example in our own lives. Let's just say that we have a friend or we had a girlfriend at some point where there is a deep betrayal. And then there's just an unrelenting anger. To your point, before you can talk about the hurt, you have to de-escalate the anger. So there has to be an active process of de-escalation before you can actually resolve this stuff. I thought Israel was quite clear last week. We are going into Gaza on Sunday, but then they didn't. That seemed de-escalatory. Again, I'll just say it again. Iran puts out a press release to Israel through the UN. That seemed de-escalatory. There was a moment where Jordan, the Palestinian Authority, and Biden were supposed to meet. They ended up not meeting in Amman, but that seemed de-escalatory. Biden, Tony Blinken, and Tony refused to leave the IDF until he got some assurances about humanitarian aid into Gaza. That seems de-escalatory. Biden spending time and then reiterating those assurances from Netanyahu. Again, all of this stuff seems like both sides are in the middle of all of this chaos not trying to light the tinderbox.

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It doesn't mean that they're on a path to resolution, but I just think that they understand the stakes. Saks, when we look at the hospital situation specifically and the fog of war, you had the New York Times getting attacked for maybe taking Hamas's word for it, then flipping, and then now there is conspiracy theory, the United States is carrying water for Israel. The fog of war, oh my goodness, maybe the hospital wasn't even hit. It was in the parking lot, and so it didn't even get hit. When we look at all of that and then Tramot says, wait, things haven't escalated. I happened to be here in Dubai right now on a business trip, and I'll explain some of the feedback I've gotten from people who are Palestinian ethnically, or Jordanian, and of Palestinian descent, I should say, and we'll get into that in a second. The ground war hasn't happened, and this seems to be one of the, as Tramot is pointing out, it's fascinating that it hasn't because it was supposed to have happened already. Do you have any thoughts on why it hasn't happened? One of the conspiracy theories, and I hate to go down these roads because in the fog of war, I think people try to fill a vacuum, and then, of course, as you were pointing out, Tramot and Freberg, people then use it as evidence for their side. The people here in Dubai, a number of people have pointed out this ground war is not going to happen, that it's saber-rattling, but Israel is going to back down and get the hostages back, and this has been told to me by many people, and I don't know if that's wishful thinking or some kind of conspiracy theory, but what do you take from the ground war not happening, and then if you want to go back and touch on the fog of war issue here with things flipping back and forth, and what is actual reality, and just, broadly speaking, escalating or de-escalating. Look, I think that there's a few possible reasons why Israel hasn't gone in yet. Number one is they may perceive it to be a very difficult military operation. They're almost certainly walking into a trap. There's going to be ambushes everywhere, snipers, IEDs. Hamas has an elaborate tunnel network. They can disappear down that tunnel network when the fighting gets too hot. They can booby trap the access points. They've got anti-tank weapons. They can take out armored vehicles. It's going to be a very difficult fight for the Israelis, and so they may be taking a pause here just to assess that situation and maybe get organized for it, or maybe think better of it. They may be either stopping to organize or getting cold feet. I think second, they have to think through the consequences of going in there. Hezbollah has basically threatened to open up a northern front and invade Israel if Israel goes into Gaza. You also saw, as we saw with the reaction to the hospital bombing, that they have to be concerned about the Arab street erupting. Again, if they go into Gaza, this could ignite the whole Arab world. It seems to me that if you're Israel, you don't want to become the focal point for all of this anger in the Arab or larger Muslim world. There are important differences in that world. There's differences between Sunnis and Shiite. There's differences between Arabs and Persians and Turks. The last thing you want is to paper over all those differences by having everybody's anger targeted at you. I think there's very big consequences that could follow geopolitically. I think, again, the war would almost certainly not just be a single front war against Gaza. It could turn into a multi-front war. That's, I think, the second reason. I think the third reason is you have to believe that there's furious diplomacy going on behind the scenes. I think this is what Chamath is referring to. What we don't know, obviously,

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are the content of those conversations. We don't know what the Biden administration has told the Netanyahu government. We don't know if they've said to them, listen, we are not going to get involved in this. Publicly, they've said that we stand with Israel, but you just have to wonder what they're privately telling the Israelis. All of that being said, I think that Israel has declared that it's at war with Hamas. There are these stories that are coming out daily of these atrocities that were perpetrated by Hamas. I saw once by paramedics who discovered the bodies and described the way they were tortured, the population of Israel demands retribution. Netanyahu is under intense domestic political pressure to deliver on that. So I think that Chamath is right that things haven't escalated yet, but I wouldn't say they've de-escalated. Blinken did demand and Biden did announce those relieving of the humanitarian issues in Gaza, but to my knowledge, they have not been implemented yet. They turned the water back on, I believe. Okay. So I think this thing is still a powder keg, and it could erupt. And again, it all comes back to this key question of, does Israel go into Gaza or not? If they don't, then I think that creates room for some sort of international diplomatic effort to get the hostages back and maybe de-escalate the situation. And I guess we'll find out over the next week or so. And that you didn't even mention that there could be some deep diplomacy here going on in terms of releasing the hostages. And maybe somehow they believe if they go in too early, the chances of getting those hostages out alive could be seriously diminished. Yeah. You know, it's strange to me that I just don't hear that much about the hostages. It seems like the Israeli population, just in terms of what they're publicly saying, seems to have almost written off the hostages. There was some video of the families of hostages being upset that they don't feel like the government response is adequately taking the interests of their families into account, that they just seem hell bent on this invasion of Gaza. But you know, we don't know what's happening behind the scenes. And again, that would be the way to de-escalate this is you get an international effort to release the hostages in exchange for, maybe it can't be stated, but a quid pro quo where Israel does not go into Gaza on the ground. And maybe the bombing stops. Yeah. Okay. So maybe we can pivot discussion here. I will say, let me make one other point here. Delving into the internal politics of another country is not something that we typically like to do or that Americans are particularly good at. But when a situation like this happens, that could drag us into a war, we do have to kind of understand the internal dynamics of these countries. Israel is a country that for the last several years has been very internally divided. There's been something like five elections in the last four years. Netanyahu got re-elected in December of 2022 by creating a new coalition with far right elements of the Israeli political system. And Chamath, you mentioned the al-Aqsa mosque. And I know Jared's take on this was that he thought that this was blown out of proportion. But I'll give you a different perspective on this. I've just been researching this. If you read Al Jazeera, what they point to is the emergence of a far right figure named Itamar Ben Gavir, who has become a member of Netanyahu's government as a result of this coalition that was forged in December. And Ben Gavir has been, previously he was a fringe sort of anti-Palestinian far right provocateur. When he was 19 years old, he basically had somehow stolen or taken the hood ornament from Yitzhak Rabin, the then prime minister's car, and was waving it around saying that if we can get to your car, we can get to you. Three weeks later, Yitzhak Rabin was assassinated by a far right

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religious extremist in Israel, because they felt that he had committed treason by signing the al-Aslo Accords. Now, Ben Gavir wasn't implicated himself, but it gives you a sense of kind of where he's coming from. And Ben Gavir has led over the past year several incursions into the al-Aqsa mosque area. And the reason he said he's done this is to show that the al-Aqsa mosque in the Dome of the Rock near the Haram al-Sharif, which is the third holiest site in Islam after Mecca Medina, he says that that is under the sovereignty of Israel, that that belongs to Israel. There is also a faction of the Israeli far right that wants to build the third temple on the temple mount. You have to understand that that cannot happen while the al-Aqsa mosque is still there. So you have these, I don't mind saying, crazies. I mean, to destroy or even to imply that you would ever destroy the al-Aqsa mosque is such an explosive issue, it would turn the entire Muslim world against Israel. And basically, I think it would be the end of Israel. But you have these figures who have now been incorporated into Netanyahu's cabinet. And they are, I think, far to the right of Netanyahu, but they are preferring Netanyahu. They seem to be banged for some sort of religious war. So, you know, the domestic politics of another country is not something that we're totally familiar with, but you have to understand that Israel does have these elements. And man, I hope that the Biden administration is telling Netanyahu that, yeah, we stand with Israel, but not if you're going to follow the advice of these far right religious extremists.

This is, I think, a very important point to pause on here and maybe unpack, which is, as I said, I'm here in Dubai and had this trip planned. And I'm actually-

Tell us what you're here and what are you hearing? What do people say?

Yes, fascinating. And this is going to get a little touchy. And so, I just want to be clear.

I'm going to tell people what the conversations are here. It's not necessarily me endorsing any of these positions. And again, I'm no expert, of course. And on Saturday night,

I went to a bat mitzvah. My friends' daughters had their bat mitzvah. And Tuesday night, I had dinner- Sorry, where in Israel? Or-

No, in the Bay area. And then I flew here and this juxtaposition where I had dinner last night with five Jordanians who are of Palestinian descent. And they, universally, are appalled by Hamas and they're, what happened, right? So, just say that right out front.

And then they are perplexed why there is no discussion in the West, in America,

of the conditions that could have led to this and the treatment of the Palestinian people, who they believe are living in apartheid. And that word is used over and over again

and that they have, you know, now a generation of people who have no hope

and a generation of people who have nothing to lose and that they have nothing to live for.

And this is the piece of the discussion that has gotten a lot of people in the West, I think,

in trouble talking about it. We had a conference producer who was tweeting, hey, listen,

you know, very early on, like on 10-7, Israel has to abide by, you know, international law,

et cetera. And this came up over and over again from Muslims here in Dubai, that the West is not and the free world is not holding Israel accountable to human rights standards, basic

standard tenets of war. And I was coming into the trip a little bit more positive and now

there's such a deep hurt on both sides of this that I got to see, you know, from both of these

events and people suffering that my normally positive outlook has been a little bit shaken,

if I'm being honest. This feels very intractable to me. And yeah, to even go near the topic of

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what has Israel contributed to this situation and in the treatment of the Palestinian people, that's what the people in the region want to hear us talk about or just hear the world talk about. Any reaction to some of the protests that happened in Europe and the people that took to the streets, what was their perspective on that? I think their perspective is a very small percentage of Americans care about the Palestinian people. And, you know, if you look at the surveys that have gone on and I have some of the survey data that's been done, and I'm not sure Americans' views on this are the most important views for us to be focused on, but a very small percentage of people are aligned with the Palestinian people as opposed to the state of Israel. Well, I mean, the biggest challenge in finding a path towards, I don't want to just be so generic and say the word peace. No, I think that's the word, yeah. But towards some form of understanding and settlement with each other is that there's a framing right now that you have to pick a side. You're not allowed to be pro-Israel and also be sympathetic and empathetic to the plight of the children in Gaza. You're not allowed to say, I'm looking out for the Palestinians, but I believe Israel should have a state. You're not allowed to point out the fact that there are multiple Muslim majority countries and there's only one Jewish state while also saying that what the Israelis have done may also not be right. You're not allowed to take a nuanced point of view and you're not allowed to address the variance in behavior over time with each of these different sides and how there is a massive complicated mess here that it has to be pick your side, your pro-Israeli, we need to wipe out X, Y, or Z, or your anti-Israeli and as a result, your anti-Semite. And the fact that we conflate all of these things together and force people to jump on a side is what is also escalating that we can't actually have conversations around these topics, that it all ends up being pick a side and then let's figure out how many people and what resources are on one side and what people and what resources are on the other. And I think that this notion that we have almost a cancel culture behavior that's now leached into this discourse, that if you try and talk about the plight of Palestinians, you cannot also be pro-Israel, is what's keeping us from making progress in finding a path to resolution. And I think that's the biggest issue right now and we leverage the you're not a loyalist, you're not moral, you're not a good person, you're evil, if you don't stand on our side and both sides are act that way. And that's the hardest thing to change. I think the only way to find a path is to change that first. And I think starting with empathy is the only way, but man, that's impossible right now. Fucking impossible. Yeah, it's hard. Sorry.

I'm sorry. I'm just super like, wow, I'm super emotional about this because I just don't like that. So there are broadly speaking two factions that we're seeing out in the streets, either denouncing Israel or supporting the Palestinians. I think there is a group of people who genuinely hate Jews or hate Israel and do not believe in Israel's right to exist and are preaching things like decolonization, which is a recipe for genocide. Then there are people and probably a larger group who I think are concerned with the plight of the Palestinian people who recognize the conditions they have as deplorable and that the tactics that Israel uses to enforce its security, whether it's the occupation of the West Bank or the blockade of Gaza, are unsustainable and create unfair conditions for the Palestinians. So in other words, they're not saying that Israel doesn't have a right to exist. They are principally concerned with helping the Palestinians and achieving a Palestinian state. It seems to me of paramount

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importance that Israel separate these two groups by understanding the concern and I would apply this to American leadership as well by understanding the concerns of the latter and hopefully getting us on a path to resolving them. Totally. So as to isolate the haters. Totally. Because otherwise, this whole thing is headed towards a gigantic disaster and I think it's a disaster for Israel, most of all, is that Israel could be destroyed. But I think the whole world is being asked to pick a side too and that's where this escalates into a much bigger, broader conflict. It's that every country and even within the US were being asked to pick a side and now we're seeing civil unrest in the US. The frustration as well amongst people who are Muslim or who are Palestinian descent or Jordanian or just in the region generally is that Hamas set this process back decades and there's like a great frustration that maybe some progress was being made and that we could come to some normalcy in a two-state solution and that Hamas did this exactly because so much progress has been made recently. I think that is the best theory about why this happened now is that there was a process of normalization happening between Israel and a number of these Arab states and we talked about it last week that Jared Kushner set this in motion. There were three or four deals that were signed between Israel and the Gulf Arab states bringing about normal relations and Saudi Arabia was on the table as being the next one. There was a effort underway to negotiate a normalization of relations between Israel and Saudi Arabia that is now completely on ice. And at risk of the other agreements maybe being ripped up because if Israel goes in and has a massive ground invasion and there's more suffering and death that that will maybe blow all those accords up. I think that what Hamas may have been concerned about is that you want to impute strategic logic to their decisions. Those decisions are atrocities but if they have a strategic purpose in mind it's to derail that process of normalization because if the entire Arab world basically normalizes relations with Israel before the Palestinian question is resolved it takes a major carrot off the table in their negotiations or whatever they want to achieve. So I think that to thwart that process was a big part of the goal here. But I do think that what this has shown is that getting to a larger Middle East peace without resolving the Palestinian question is likely to be a failed strategy. I just don't know. It's impossible. It's impossible. It's impossible. Again, this does not justify anything Hamas did but I think that what these events have now created is a dynamic where the Palestinian question is now front and center and everything else is basically paused until this gets resolved. Now, I just want to say something about the two-state process. Again, I was doing some research. There rarely hasn't been any work on the two-state solution for roughly a decade. Obama was the last president who tried. He explicitly said that Israel should try to make peace based on the 1967 lines but with land swaps to accommodate for the changes that have happened on the map since then. Netanyahu was very irate at that formulation, by the way. He never had a good relationship with Obama because of that. And then John Kerry, who is Secretary of State under Obama, made a major effort to try and bring about a two-state solution. And frankly, it went nowhere. And a big part of the reason why is that Netanyahu said that, listen, the only situation that's acceptable to Israel from a security standpoint is that we must control all security west of the Jordan River. So in other words, we must control security in the West Bank. And his argument was that, look, adjacent land is very important. If you create a Palestinian state there where they have total sovereignty over their own security, they could be digging tunnels under the wall. He basically said it could turn into 20

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Gaza's. And he's got his point of view. And when people challenged him on this, he said, listen, you don't live here. We live here. We understand the security situation. That's what he said to John Kerry. So the whole process fell apart. And since then, the idea has been for Israel to move forward, again, on this larger normalization project with the rest of the Middle East, putting the Palestinian question to one side. The idea has basically been, listen, if you won't make peace with us, and this goes back to Arafat at Camp David, turning down the deal that was on the table that Clinton brokered with Ehud Barak, if you won't make a deal with us, we'll just go around you. You're two rejections. You're too difficult. You're too hard to make a deal with. So we're just going to put that to one side. And that really has been the process for the last decade, I would say, since John Kerry's initiative fell apart, the process has been starting with Kushner under Trump. And then I think Biden tried to extend it by brokering the Saudi Arabia deal. The idea was, let's put the Palestinian question to one side, we'll work on these other deals. I think now that that process has fallen apart. So the two-state solution, that process died back in 2014. This idea of going around has basically fallen apart now. And so I think this is why people are pretty pessimistic about where things go from here is, what is the process? And meanwhile, you have this hard shift inside Israeli domestic politics to the right. You've got these religious factions who believe that the entirety of the West Bank, what they call Judea and Samaria, is their God-given right. And if you go back to the Netanyahu's government forming in December of 2022, the first plank was to say that Judea and Samaria belong to us, we have sovereignty over them, we're not giving them up. So what room is there for compromise? And since then, they've been expanding the settlements in the West Bank. Let me ask you a question just to shift the question for a second. The thing that surprised me the most over this past week were the extent of the protests, some violent in the United States and in Western Europe. And I'm curious to hear from you guys. Was that overwhelmingly about pro-Palestine and making sure that there wasn't a human rights atrocity in Gaza or was that a emergence of like a simmering anti-Semitism that we hadn't seen? Well, both. That's kind of my point is there's type one and type two. Type one is the true hatred. It's the denial of the Israeli right to exist. However, there is a type two, which is legitimate concern over the condition of the Palestinians and the desire to resolve that by creating a Palestinian state. And until you separate those two things, you're not going to make progress. Your type two can breed a type one is the real scary reality. The simmering anti-Semitism. That you can have a legitimate concern about the people of Palestine because you always are going to be concerned about the oppressed being oppressed by the oppressor. And that then translates into an anti-Semitism because you say that it's the Jewish people that are perpetrating this upon those people. Therefore, the Jewish people need to go. And I've heard friends of mine in the last week who have said awful things like all Muslims need to go. Well-known, well-respected public people have said this to me in private. I can see where the hatred can come from a place of hurt. I can see that when people feel sympathetic towards the Palestinian plight, they can then turn into anti-Semitism. And so I do think that there are two distinct groups today. But my concern is that just like what happened in the past, that that can then breed into a more generalized, more fiery and more scary situation where it really is anti something genocidal on both sides, by the way. I think what we're describing here is a classic vicious cycle where you start with

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there's conditions of occupation. That breeds resistance. That breeds extremism. Extremism breeds fear on the part of Israelis because they get attacked. And then that breeds harsher security conditions, the next level of occupation or blockade. And then that just feeds the cycle. And so the question is how you break that cycle because the Israelis right now, and I'm sure Netanyahu would make this point. If we open things up, if we gave you a Palestinian state, what's the stop 30,000 Hamas fighters? If we opened up the walls around Gaza, what's the stop 30,000 Hamas fighters from massacring us in our homes? And if you do a ground invasion, are you inspiring more radicalization to free birth point? And so for every person you kill, they've got brothers, they've got sisters, they've got parents, they've got kids, they've got aunts and uncles, and they become the next generation of extremists. How does the cycle break, I think, is the frustrating part here? And just looking at the reaction in the US, we saw a lot of discussion over young students writing arguments that Israel had brought this on themselves and were solely responsible for the Hamas attack. And this has led to massive outrage amongst donors to Ivy League schools like Penn and Harvard. And obviously, those have very large endowments. And this is now leading to many of them pulling out of commitments they've made. The Wexner Foundation, founded by Victoria Secrets Billionaire, said it's breaking off ties with Harvard. Edan Ofer quit the executive board of Harvard's Kennedy School. Citadels Ken Griffin, who's donated more than a half a billion dollars to Harvard, placed a call last week to the head of Harvard and asked the university to come out in support of Israel. And then more than a dozen anonymous donors told the New York Times they felt they had a right and an obligation to weigh in here. And before this all happened at Penn, donors had started pulling out because of a Palestinian rights festival that happened two weeks before the events of 10, 7. From September 22 to 24, the UPenn hosted the Palestine Rights Literature Festival. The festival was billed as a gathering to explore the richness and diversity of Palestinian culture. But according to multiple sources, it mostly focused on Jews, Israel and Zionism. One speaker called for ethnic cleansing of Jews. Another said violence was a necessity. Any thoughts, Chamath, we were talking last week about these woke madrasas. And then I guess this is the second order and third order effects coming into play. If you said it more generically, this would be a perfect opportunity for these leading universities to actually provide nuance and teach people the history of both sides and to show the perspective of both sides. That would take leadership, yeah. That would take courageous leadership on the part of the people who run the university. Let's just be honest. I think these elite universities are essentially asset management businesses that have an education, the fake leaf of education wrapped around them. So they're more like black rock than they are like a school. And so they behave like any for-profit asset manager would, which is that I think that as they didn't try to intervene in one way or the other over the last 15 or 20 years, in actually making sure that they were graduating the best kids. So instead, what happened is they get hijacked by professors and people who wanted one very specific strain of thinking. And I don't think it matters which strain it is, but it betrays what the point of a leading university is supposed to be. And then as a result, the people that graduate from these places are closed minded. And what that does is that that screws America because you have all of these other places graduating kids with a different mindset who then go and build the things that matter, and America just keeps falling back. And we're just slower and we're not intellectually capable of thinking in a way that allows us to see more than just what's right in front of us.

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So I don't know what you want me to say. It's just like these...

No, I'm just, it's a follow up to what we talked about last week. And so I thought it was pertinent. Saks, looking at the free speech issue, there was some pushback online. Again, not my position, I'm just putting it out here for you to comment on Saks, which is blacklisting young college students who had an opinion about Palestine is wrong and you're trying to cancel people, which are response to holding people accountable or canceling these students for their positions on the Israeli-Palestinian conflict.

Well, what's happening now is that these campuses that took outrageous positions on this whole issue are now trying to wrap themselves in the cloak of academic freedom as if that's a value they've been respecting. Free speech is not a value they've been respecting, free speech is a value they've been imposing. And this was revealed by a survey that was just done, the FIRE survey that surveyed students on 248 campuses on a range of free speech issues.

So it asked them about how comfortable do you feel expressing your views on controversial topics? What is the tolerance on campus for liberal speakers or conservative speakers?

How acceptable is it to engage in disruptive conduct against a speaker on campus, such as shouting them down to prevent them from speaking? What sort of administrative support do different views get on campus and how open is the campus to hearing about different issues?

And what they found was that the most elite schools ranked the worst. The only elite private school to score above average on free speech was the University of Chicago, which got a score of about 65 out of 100, which made them ranked number 13 overall.

The rest of the top schools, the IVs, were abysmal. Brown ranked number 69, Duke ranked 124, Princeton ranked 177, Stanford ranked 207. This is again out of a total number of 248.

And Penn, which is where the donors are up in arm, ranked second to last, number 247.

They scored 11 points on the survey. And then Harvard finished 248 out of 248 schools ranked, also known as dead last. And get this, the rating in the survey was 0.0. They scored a

Blue Tarski. Yes. So look, I think it would be one thing if these schools said to the alumni, we agree with you that some of these speakers were over the top, but this is what academic freedom is all about. But they have no standing to say anything like that, because they have been suppressing views on campus. They've been allowing speakers to be shouted down.

They have been stifling the presentation of alternative views. So this is clearly these types of speakers, these types of views that I think absolutely crossed the line from, again, what we talked about, which is type two support for legitimate support for a Palestinian state into hatred of Israel and Jews and denying the right to exist. It absolutely crossed over.

And many of these cases is an outrageous talk given by, I think, a Cornell professor, who was outright praising this massacre. Oh, God, that was disturbing. So look, it is certainly not the case. He was excited about it. Yes, he was excited about it. So look, I think that these alumni have a point in saying that you, these elite campuses have been clearly putting your thumb on the scale in favor of certain views. You've been suppressing certain views.

So this must be a view that you either share or endorse or permit, given that the rest of your speech regime is so restrictive and oppressive. So even though I would, in a different circumstance, support academic freedom, I don't think these colleges have a leg to stand on.

All right, we're going to talk about some other topics today, because that's what we do on the All In podcast. And so tangentially related to the speech issues in the EU, officials held a

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meeting to discuss enforcement of the DSA, or Digital Services Act. For some background here, the EU's Digital Service Act updated the EU's electronic commerce directive of 2000, which was inspired by Section 230 here in the US, Common Carrier Laws, where the common carriers, be those AOL, Yahoo, Google, Facebook, are not responsible for what individuals post on their platforms. And so that protection has been critically important, not making social media sites or WordPress into editors or having them have to censor content on their platforms. So the DSA officially went into effect in August of this year. The main goal was to quote, unquote, foster safer online environments. The DSA aims to do that via tighter rules around disinformation, illegal content, and transparent advertising. Those last two, not controversial, that first one, disinformation is obviously the one that's going to be pretty challenging. The DSA has been called a new constitution of the internet in an effort to shape the future of the online world. Some things the DSA covers, it forces VLOPs, a new term, very large online platforms disclose how their algorithms work. They must give users the right to opt out of recommendation systems and profile, and they must share key data with researchers and authorities. They must cooperate with crisis response requirements, and they must perform external and internal audits. They want to force transparency on how content moderation decisions remain. That seems logical. They want to force transparency on the ways advertising is targeted. That also seems reasonable. And then they want ways to flag illegal content, obviously obligations around protecting minors. I don't think anybody will debate those, but it forces them to cooperate with specialized, trusted flaggers to identify and remove this illegal content. I don't know who those people would be. Freberg, you had some thoughts. My thoughts are that the era of the open internet as a decentralized technology platform for the benefit of individuals and not to be overseen and run by governments is over. The Digital Services Act, I think, is one of the most overreaching threats to any sort of open, transparent, democratic opportunity on the internet. The idea of the open internet, the idea of creating a network of computers that could share information and make services available to individuals around the world freely, uncensored, and in an easy to access way was the reason that the internet has transformed society, improved productivity, and provided extraordinary benefits. The Digital Services Act is an example of a government seeing that a decentralized technology, the internet itself is meant to be a decentralized technology. There's no central servers. They are all part of a network of computers that anyone on the network can access, anything else on the network. Blockchain, obviously, is the more modern, exciting, decentralized technology concept that is meant to avoid the scrutiny, the oversight, and the control by central governments or central authorities of any sort. The Language in the Digital Services Act, I think, got squeezed through in a way that most of the people that I'm guessing passed this Digital Services Act don't fully comprehend the implications of some of the decisions that they're making. It can be easily framed as this is good for people. You cannot sell illegal content online. You cannot sell illegal goods and services. We're trying to safeguard young people. But the protection of minors means that you can no longer do personalized web experiences for anyone under 18, which means you need to know the age of everyone. And now your web experience, if you're a kid, is not going to be personalized. The overreach gets even worse when they say we

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can now go in and run evaluations of the algorithms and allow open access to your data to third-party researchers to get into your systems and look at how you guys are running the services that you're offering on the internet. So not only are you no longer allowed to have an open internet where people can provide whatever services they want to provide, but if you're on the internet, you now have to make your service in the inside part of your service available for scrutiny by governments. And researchers, who are these researchers? It sounds like a stasi type thing. Well, the way it's written, it gives this commission as the primary regulator effectively a lot of leeway in deciding who, what, where, and how they can go into companies, go into individual servers, individual computers. I could run an individual company on my computer at home and it gives this government the legal right in the EU to go into my computer and pull information out of my computer and scrutinize it and make decisions about what I'm doing and whether or not I'm compliant with whatever the commission's enforcement standards are of that day. I mean, this is about as 1984 as you can get. And it's a real serious threat. I don't think people are recognizing the second and third order effects of what this is going to do over time to internet services, to the quality of experience we get on the internet, and to the role that government is now going to play in policing, scrutinizing, and providing restricted access to content and services for each individual that wants to use the internet. But it's important to say if you're a European, it'll just make Europe even more of a place you go to vacation and never to live. Yeah. Right? I mean, we're not talking about America, right? We're talking about Europe. This is all the changes that are going to happen inside of Google, which is going to affect more than just the EU users because of the requests and the demands of the EU. And so the services that you are going to get around the world are going to be affected by this EU compliance regime. And it's going to be dynamic. It's a commission, basically a bunch of individuals that get to decide who, what, where, and how. That's right. And that's going to create a really scary, scary situation where a bunch of people who are going to have their own motivations, their own political leanings, their own objectives, they're going to be able to leverage their particular role in applying their particular biases to internet services. We saw Canada do something similar, and Facebook's reaction was- Hey, Google pulled out. Yeah. And Facebook's reaction was we're not going to syndicate links. So I don't know. I would go back to another argument you make a lot, which is, which I agree with, which is the free market will act rationally here. And if Google deprecates a bunch of features and or completely pulls out of Europe, that'll be the death knell for these kinds of decisions because then other governments and other people will see the cost of trying to get this kind of control. I think the bigger issue in a moment like this is Europe has such a checkered past on these things, which is that they somehow try to find this moral high ground. And there is just this overreach and this quasi-central planning that just never works. And so if this is another example of it, I would encourage all for-profit companies to make the practical decision. Can you imagine Google's decision-making here? They've got thousands of employees in Europe. They make billions of dollars in revenue in the market. It's such a difficult situation to be in. Not if what you're saying is true. Not if what you're saying is this is the threat of the internet.

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I think it'll be very easy for Larry and Sergey to say, cut it, move on.

No. Europe is too big a market for Google or any other major tech company to exit.

There's just no way. What they're going to do is comply.

There won't be a market.

Well, hold on a second. What this new DSA rule does is apply penalties to social networks for not censoring what they call legal speech, which is whatever speech they say it is.

So, freeway is right. There's going to be some sort of committee in Brussels that basically sends out takedown requests now to all these social networks.

Yeah, it's the DSA commission.

Yeah, it's the DSA commission. So, Europe again is just too big an area not to serve.

And then what could happen is that because it's easier for companies just to have one or another approach where they can, there is a risk that these same policies get applied in the US. That is what happened with privacy.

You remember, Europe went first with GDPR and then a lot of those regulations came to America. Now, the First Amendment may stand in the way here, but there is some risk that tech companies of their own accord decide that it's cheaper and easier to comply with the European regime everywhere than trying to parse their service in different markets.

I'm just saying that's a risk.

But look, let me frame it in a different way in an economic argument.

Okay. So, Europe is about 25 cents of every dollar of revenue that Google generates.

Okay. So, if you think about that, that's call it \$60 billion a year, plus or minus.

Okay. So, the question is, at what point is the cost of trying to get \$60 billion so great that you say it's not worth the \$60 billion? And my point is that there is an economic rational argument here for it, if it costs, for example,

\$10 or \$20 billion to implement this stuff, that's probably the efficient frontier where when you factor in multiple compression and you factor in behavior change in Europe, which may actually degrade the \$60 billion to \$50 or \$40, where you just throw your hands up and say, it's just not economically worth it. You've seen these actors make this trade-off in Canada, it's not totally unreasonable that they run a model to figure out the cost.

Maybe they just take the perspective that whenever this DSA commission sends us a takedown request, we're just going to do it instantly. Why wouldn't that just become the norm?

In fact, I'm pretty sure that's what they'll do. The management of most these companies, really at all of them, except for Elon, they don't really care. They have the same biases. They're not founders. They don't care about free speech. Moreover, they have a lot of the same political biases that these EU commissioners have.

All I'm saying is, I think that economic rational actors will do the right thing here.

I think the most likely outcome is that tech companies will be craven and they'll fold and they'll just do whatever these EU commissioners want.

Which then could be an opportunity for distributed blockchain, you know, serverless.

Good luck with that.

Yeah, no, I mean, it's hard to see all of them, but the devil's in the details.

And you guys feel this every day, like Jason, you're right now in the UAE.

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You can communicate in certain ways through WhatsApp. You can't communicate in other ways through iMessage. There are just rules of usability on products and they exist all around the world. If you go to India, there are certain apps that are blocked and certain apps that are not. And so maybe that's just what happens where there's just a gradient of user experiences around the world for people and we all deal with it.

Yeah, and we don't know exactly how heavy-handed they're going to be here.

This is by definition heavy-handed.

I don't agree with it, but hold on.

We don't know what, this is the problem with how they've done this.

This is all being done in a star chamber.

We don't have any insight into what kind of content they want to take down.

If it's obviously abusive content, fine.

But if it's COVID information or misinformation,

obviously there's going to be a problem that we saw here in the United States.

Just so people know.

Can I respond to that?

Yeah, in one second.

Okay, look, you're going to wait too much credit, J. Cal.

I'm not giving them any credit. I do not want to see this happen.

I'm not giving them any credit.

I'm just saying we'll see how heavy-handed they'll be.

You're assuming they're going to be super heavy-handed?

We'll see.

And then we'll see what their own citizens respond.

I think the fact that a room full of commissioners in the U can send takedown requests to social media companies is by definition heavy-handed.

Let me back up.

What the Twitter file showed is that we had 80 FBI agents being the conduit for takedown requests to Twitter and presumably other social networks.

Well, no, no, but that was all on the DL.

On the DL, exactly.

Yes, that was not long.

And yes, moreover, when they did that in their takedown requests, they would always point to, well, this tweet violates your terms of service.

What the EU is doing is different.

They're actually defining the terms of service.

They're saying that your terms of service need to do X, Y, and Z.

They're doing it explicitly.

This is not on the DL.

They're explicitly saying that your moderation policy needs to be what we say it is.

And when we tell you to take something down, you're going to do it.

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They haven't defined what that is.

That's, I think, the issue is where is the actual definition of what's going to happen here?

And that's why it's hard for us to have a discussion about this, is because we don't know what they're talking about with this content.

That's so problematic.

Whatever they say in the future is disinformation needs to be taken down.

That's the framework.

The fine is going to be up to 6% of global revenue for companies that do not comply.

So the EU has also figured out that speeding tickets don't work, and they're looking to give pretty heavy penalties.

So we'll see.

This is a moving target here.

We don't have complete information.

But yeah, it's not good.

It's not a moving target.

We do have complete information.

This is a censorship regime, Jason.

We just don't know what their term for illegal or problematic content is here.

And again, I don't want to be pitted as your adversary here.

I am not in favor of this.

So we're clear.

But and I don't think there should be a star chamber where people get to pick what goes up and what goes down there.

I think the private companies can do a good enough job there, and there should be freedom of speech.

And yeah, you're going to see some things you don't like.

Yeah, grow up, change the time.

I mean, basically, as they say, sets a horizontal rule covering all services and all types of illegal content.

And disinformation.

Illegal content could be fine, right, Freeberg?

Like illegal content, putting up, doxing somebody, child pornography.

Illegal content, I think we would all be okay with.

It's the disinformation part, right?

I'm not trying to be okay or not okay.

I'm just saying that, like, you're basically saying that whatever the rules are that they come up with that may be different than somewhere else on the Internet, they get to then regulate other businesses on the Internet.

I think the Internet should be open.

Well, and there aren't lots.

I don't want to have a commission approve what I write in my blog post.

I don't want the commission telling me that what I put on Twitter or put on my website

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is up to them to decide whether or not it's okay to put up because they think it's illegal because it has what they seem to be misinformation.

Right, exactly.

When there are already laws that exist.

So disinformation, illegal content, two different things.

But those laws provide some authority to a commissioner.

I mean, that's the problem, right?

It's right.

Look, the problem is in the vagueness of this.

The law says that social media companies have to take down illegal content, but it doesn't say what illegal content is.

It delegates the power to define it to this group of Eurocrats led by Thierry Bretton, and they're meeting this week to hammer it out.

So look, in practice, illegal content is going to be whatever they say it is.

That is explicit censorship.

Okay, let's move on to our final topic.

Second largest hype cycle of 2023, perhaps GLP ones.

Chamath, you brought this up in our group chat, so maybe you could tee it up.

Well, I was just interested in understanding everything that's been happening around GLPs.

Mostly because it just seems like people think it's a panacea.

We have a lot of our friends, Jason, you were the one that said this in our poker group, like four of the 12 or 13 regulars are on it, is that right?

I think it was four of like, yeah, four of 12 people were on it.

Yeah, it was a third, yeah.

And then I got this really interesting chart, Nick, you may want to put this up.

It basically showed how the GLP one market

was tracking very similar to the AI market in terms of a hype, which is if you separated companies as a basket of people who were positively affected by GLP ones like Lily and Novo Nordisk, and you had a basket of companies that were disrupted by GLP ones, those would be like Dexcom or DeVita or folks like that.

It eerily mimics the same hype cycle around AI, which is there's those businesses that seem to be feeding the hype train around AI and then all of these companies that theoretically will be disrupted. And it just brought up to me that there's this incredible market movement here where I think people think that these GLP ones are a solution to everything. And I thought it was just an important thing to discuss because scientifically, the mechanism of action is still a little questionable and murky.

On top of that, I think we don't know physiologically what the real long-term ramifications of taking these things are. There's still a lot of mixed evidence around the total amount of weight loss you can lose, the percentage of muscle versus fat that you lose. And so, yeah, I just thought it was important for us to talk about it and see what people find. This would be a basket spread trade. Here are the companies that win, here are the companies that loses and look at that gap between the two. And it's exactly mimics people who would benefit

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from AI and people would lose from AI. Yeah, the GLP one hype, the summary is the GLP one hype cycle

is as overextended as the AI hype cycle. So, we should probably separate the wheat from the chaff and start by understanding what GLP ones are because I'm sure there's a lot of people in our listening community who are on this stuff, they should really probably understand.

That's where you think we should go next. We should then throw it to the

Sultan of Science himself. David Freberg explained to us while we prepare our Uranus jokes, the GLP

ones. These drugs have been around for a while. They're small peptides, little proteins that bind to this GLP receptor in your gut that causes insulin to be released from your pancreas and triggers a couple of other hormones that reduce your hunger and appetite. So, basically gets you to eat less. And your brain. And your brain. And it's effectively a way to make you feel not hungry and you can then run a calorie deficit. And when you run a calorie deficit, your body starts starving and starts burning other parts of your body besides the glucose that can get out of the stomach where you would otherwise have food and ends up in your blood. And it starts generating energy from your stored body fat and your stored and your muscle mass. So, these have been around for a while. Novo Nordisk is the developer of two of the main drugs. And here's a chart of Novo Nordisk stock price. You can see that in the last five years, their stock has five Xs. They've basically gone from, you know, call it a \$60 billion company to a \$350 billion company in five years, largely on the back of the promise of this drug. So, these drugs have been around for a while and there's actually one that's been on the market for a long time, but it only causes 5% body mass loss. So, 5% weight loss. So, people are like, oh, it's not that great. It didn't really get widely adopted. Then this new class, they added a little side chain, added another little molecule to the peptide. And as a result, it didn't get degraded as fast and it was far more bioactive in the body and caused a much greater benefit. And so, suddenly, people on these drugs started to see massive weight loss, massive improvement, diabetes and metabolic health all moves together. So, as you burn body fat, as you have less glucose in your blood, your metabolic condition improves. The problem is, when you're starving normally, if you were to just stop eating, you would typically see that your body starts burning, first of all, the glucose and then it burns off the glycogen in your muscles, which is the next energy store. Once that's gone, your body starts burning fat. And as it's burning more fat, it also says, hey, I need to get these other molecules, which I'm not getting just from the fat, I need muscle. And your body actually starts burning muscle. And that's how your brain gets energy that it needs when you're starving is actually primarily from the degradation of muscle tissue. So, normally, if you're just starving yourself, you'll see a ratio of weight loss, where it's about 20% coming from lean muscle mass. In some of the studies that have been done on these

GLP1 agonists, we're seeing up to 40% of the weight loss coming from lean muscle mass being burnt off. So, Jason, I don't know if you've done a DEXA scan, because I think you've said publicly that you've tried it, right? I mean, you should check out what your lean muscle mass is versus your fat composition and your body. I don't know if you have it from before.

And this has been one of the concerns. Obviously, if you're not working out, and you're not doing what you need to to eat protein and build muscle,

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you're going to be burning through a lot of that muscle mass. And so, that's problem number one that's arisen that people are concerned about. The other one that's really, I don't know if it's concerning or not, but when people go off these drugs, they gain the weight back in a very quick way. And there's two reasons for this. One is, if you haven't actually changed your behavior, you haven't changed your exercise patterns, and you suddenly have the appetite-suppressing drug taken out of your system, you start eating more food again. And when you've been in a state of starvation, your metabolism, your baseline metabolism goes down. So instead of burning on average 2,000 calories a day, your body's only burning at 1,200 calories a day. So suddenly, if you go back to eating 2,000 calories a day, because you're no longer have the appetite suppressor, you're going to reflight. You're going to reflight. And so, your metabolism goes down, the appetite suppressant goes away, and you gain all the weight back. If you haven't changed your behavior otherwise. And so, I don't know if you guys saw this clip I sent out of Arnold Schwarzenegger

talking with Howard Stern, but he was talking about how like, I can't do a Howard accent, Jake, how you could probably do it really well, but you know.

Yeah, it's one thing. What do you think of the Osempic?

But you know how the Osempic is, you know, Americans used to be very interested in working hard. And I don't know why that's so bad, but you get up at 5am and you work hard, and you do it, and you make yourself strong. That's what it's about. You don't need to do a little baby girl Osempic in your side. Oh, look, I'm going to eat less food.

Thank you.

Wait, did you listen to the clip? Is that what he said?

No, that's what he said.

That's exactly what he said.

He told me exactly what he said.

I don't make a Osempic.

What do you mean it's Osempic?

Hard work. That's why I say in my book, you know, work your ass off. And because it's a shortcut. What built this country?

Is it people that were wimping out?

No, America is great.

I want to be comfortable. No, these were bossy women and men that went out there at 5 in the morning and got up and they struggled and they fought and they worked their butts off.

That's what made this country great.

He said that in response to I think Howard Turen's questions about Osempic.

That is the problem. We're basically creating a new multi-billion dollar pharmaceutical drug system that people are going to have to stay on in order to stay healthy.

Do we know what the long-term effects of taking semi-glutide are and can be and will be?

These drugs have been around for quite a long time. So, you know, there are various side effects, but in terms of like, are we debilitating our health over the long run?

You know, it seems to be a reasonably safe drug and it seems to be a drug that folks are kind of recognizing as being well worth the cost and whatever the risks may be.

Well, what are the implications for the benefit?

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If you lose 40%, well, it's about 16% of your weight loss. You typically lose, right? They'll say up to 20%. If you lose weight, you'll usually see up to 20% of the weight you lost coming from lean muscle mass loss. And, you know, 80% or 85% as you say, Chamomile coming from body fat loss. But with the Osempic drugs, they're seeing as high as 40% coming from lean muscle mass, which is obviously concerning.

I just made an adjustment. Everybody knows I lost like 40 pounds or so or talk to me for more than five minutes, you know, I have because I'll tell you. And the first 20 was just fasting and doing keto. And then when this drug came out, I tried it, I tried Osempic and then I did Wagovia and I lost the next 20 pounds. But I didn't gain it back. I gained back about four or five pounds and I also increased protein in the morning and I do a lot of walking. Okay. So, so let me give you this map and tell me if it maps to what you have felt or not. So if 250 pounds, let's just say you lose 16% of your body weight, that's 40 pounds. Okay. So you get to 190. I was right to 210. And of that, you lose 16 pounds of muscle. Is that what you saw or did you see something less than that? No, much less muscle because I use weights and I do a lot of walking and I eat a ton of protein. Right. So you're doing the exercise. You're doing the exercise. I'm not doing the hardcore exercise. I do exercise.

You have to do exercise. And the challenge, J.K.L., is that the vast majority of people that go on the drugs, by the way, I'm not saying the drugs shouldn't be adopted. I think that there's extraordinary benefit, health benefit to the majority of people that are on these drugs. But the downside is that if you're not exercising, you are going to lose muscle mass. And then obviously there is the fact that you're now hooked on this thing if you're not going to figure out ways to change behavior. I cycled off of it two or three times and had very minor weight gain back, three, four, five pounds. But I deliberately changed my relationship with food portion size and I work out now. And what I found was as I lost weight, my interest and the joy I got out of working out dramatically increased. So running, walking, skiing, everything got easier and I just got more into it. So I like working out again now that I'm 40 hot pounds, 42 pounds off my peak weight. So I think it's an amazing one to draw.

But you have a summary point on this, like a take on this, like you think that these things are overhyped right now and we're just in the middle of a hype cycle or what's your key takeaway? My key takeaway is that for many people from a health perspective, I think that it could be a really great solution. I think that these triple agonists that are coming out are going to be probably even more effective than these double agonists that we have right now.

I don't understand the triple.

Mungaro is the triple agonist, yeah.

People who tell Mungaro told me it is unbelievable how not hungry you are.

Yeah, it's super fast too. Super fast.

I just want to see, for example, when you get older in your 60s and 70s, one of the biggest risks you take on in your 80s is actually like musculoskeletal and falls and things like that. And one of the best preventative measures for that is muscle mass. And so you get into this weird catch 22 of you replace one issue with another. So longitudinally, if you use it for a long time, I'm concerned about that. I do think that these GLP ones, if when we look back on it, will probably be like statins. And in as much as when statins first came on the market,

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it was a wonder drug. And we were all teetering towards heart disease and heart attacks and all of this stuff. And then once people got on these statins, I think there was a very meaningful impact to the percentage of people that suffered heart disease and cardiac issues. But heart disease still continues to grow. And you would say to yourself, well, how is this possible? Because statins are effectively free, they're generic, they're widely available. And today right now, because of the lack of supply, the emergency FDA order around these semi-glutides allows you to make generics right now, right? So the cost of those are not really a thousand bucks a month, but can be as cheap as a few hundred. So you're getting this widespread adoption and usage. I think the open question for me is if human history is a guide, we're going to replace this issue with a different kind of issue. Because unfortunately, maybe people take it and then they physiologically adapt and then they just continue to eat the same or more. Because they think, wow, this is a get out of jail free card for me. And maybe they overpower that satiety that GLP1 is supposed to give you. I don't know. I find it from a sort of public societal health perspective really interesting. From an economic market perspective, I think that these things are priced to perfection. It's kind of like NVIDIA, which is like everything. People are assuming everything is going to work. It's a tough point in the cycle to be a buyer, I think, as an economic actor. But if you're making a trade, that seems like a hard trade to make. And just to give even some more color to it, Novo Nordisk announced that it was haunting. So is it a kidney disease trial early? Because it was so conclusive. That sparked a \$3.6 billion sell-off in shares of dialysis providers. Remember, over 40% of Americans are clinically obese. It's almost 60% now. It's an extraordinary health epidemic in the United States. And if this drug can have this sort of an effect, it can reduce cost across the health care system. So there is still a, I mean, that is the key because this affects cardiovascular disease, diabetes, kidney disease, liver disease, Parkinson's, Alzheimer's. But does an average 16% weight loss reduction actually get people from obesity to unobesity? Or are they still obese? The obesity trial seemed to, I mean, remember, you have to get FDA approval for a particular. Yeah. So this is what Jason was mentioning. So this is a basket that Morgan Stanley created, which was essentially starting at the beginning of the year when the hype was really starting to get out of control. Morgan Stanley created a basket of the GLP-1 winners and a basket of the GLP-1 potentially disrupted health care stocks. So you could trade them off against each other. And this just shows how it's performed, which is just the blockbuster trade in the last 10 months. So if you went along the GLP-1 winners and short these potentially disrupted, it's, I mean, I've never seen a spread trade pay off like this in such a short period of time. 80%, 80% a year, unless unbelievable. The nature of creating- But Jamon, would you take the other side of this trade right now? Or like, how do you- I would. I would. And the reason is because of two practical factors. One, is that when a market gets this exaggerated, what you're pricing in is essentially like a panacea solution. And those tend to not really be realistic. And again, I would point to statins as a good example of that. And so there's a part of it, which is just like, these trades are so overextended that you can probably be pretty safe on the other side. And then the second part is

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that

I don't think we really understand yet the other half of the coin, which is, you know, for every one of us that's generally positively inclined around GLP-1s, who isn't getting enough attention right now, are the doctors who are spending a lot of time researching this stuff, who may actually have a perspective on the other side. You know, probably the most prominent one, like Bob Lustig. So you have to give that a little bit of time for it to play out, because nobody wants to hear the bear case on GLP-1s as a drug that people take.

So I would just say that it's probably, again, when you see an economic trade like this, it's probably okay to be on the other side of it. And then just from a public health perspective, you know, take a wait and see. But for a lot of people who are clinically obese, it doesn't seem like the math is such that if you're at a BMI of 30, reducing your weight 16%, I think gets you to like a 26. It doesn't get you under that. I think it's meaningful. I think it's meaningful.

No, no, no, I'm not saying it's not meaningful. I'm saying you're still obese.

Yeah, I think the key thing, and I don't want to give medical advice, but

I think you need to do this holistically. So you got to keep your diet and you got to keep working out in mind when you do it. And that should be fairly obvious. And those are always good things to do. Do you plan to take it your whole life in spurts, J. Cal, or how do you view it?

No, I'm five pounds from my lowest weight as an adult and the weight I used to be when I ran marathons. And so my plan is to come off of it by the end of this year. And then,

and I had taken like six months off twice doing this. So I did it like in little intentional

in spurts, spurts, yeah, just to get where I want it to be. And this last five,

last five pounds. What is your, do you have a sense of if your behavior changes

when you're on and you're off? Like, do you? Yeah, I do feel more hungry. But then I remember how

bad I felt when I was overweight and I just weigh myself every day. And if I see myself get

above a certain number, I consider that like a red alert. And I just, you know, either start

fasting, working out or just eating super healthy. So it's just the discipline of weighing myself

every day that I've gotten into. And just understanding, Hey, you know, if I make two or three

bad decisions, you're not going to make two or three bad decisions when you're on these drugs in my experience, because you feel so bloated and so painful when you overeat that you don't want to

do

it. So it's really, it's really like it hurts. You feel distended. And you know, there are reports

and it did happen to me twice over two or three years of doing this, that if you take it and you

eat too much, you could get sick and actually vomit. So some people just don't have the stomach

for it. I think a lot of people just tap out. It makes their stomachs feel too distended or

gnarly. And that's why the dosage actually really matters. They have dosages that are like a very

wide range, maybe 10x. And so the dosage, getting that right, working with your doctor is key.

But yeah, I'm just, I'm excited to get off of it because I want to really start sincerely

weightlifting. So I'm getting a personal trainer to do like weightlifting twice a week

and get really into that next, because you can't do hardcore intense working out with this because

you're, you know, just lower calorie. But I think it's a miracle drug. And I'm excited about it.

The one question I have for you on the spread trade before we end, Chamath,

does the nature of making those indexes and giving people the ability to put the trade on,

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exacerbate the trade because then I saw everybody was tweeting about this, you know, over the last week, does the nature of an index being made impact the action in the box?

You know, Morgan Stanley is particularly good at these basket creations, and they tend to make it for their biggest hedge fund clients and their richest family. So it tends to be pretty isolated.

They give an edge to a few folks. So these things are not broadly published.

And so I doubt it in the end.

But so they come up with this idea. How many names are in each index?

It all just depends. And they're very smart about, you know, being able to create these on the fly based on what themes they're seeing. And then, like I said, they share them with their best

hedge fund clients and their biggest families. They don't trade, you know, they don't share them with us. I got it, Jason, one that I told you, like, at the end of all of that, at the end of

that crap, everybody put the trade on and got the win. So let's get your mom.

But so they didn't actually share it with me in January. I wish they did.

All right. Listen, we got to wrap up. Great show, boys. And we're praying for peace and the return of the hostages for the Sultan of Science, the dictator and the rain man. Yeah, David Sacks.

I am the host grace mama. We'll see you at episode 151. Enjoy the 150 fan meetups this weekend. Anybody who's going to love you, boys. Love you, best.

Besties are gone.

We should all just get a room and just have one big huge orgy because they're all just like this like sexual tension that they just need to release somehow.