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Jul 3



[VIEW IN BROWSER](#)

JULY 3, 2020

Oh hello, its July 2020 already

Nobody on the road

Nobody on the beach

I feel it in the air

The summer's out of reach

The Boys of Summer, Eagles.

Summer officially starts for me in the last week of June -- together with my True Ventures colleagues, we head to the beach just across the bridge for our annual retreat of self-reflection, assessment, and planning for a better tomorrow. And then comes the July 4th weekend. We follow that up with work from home -- wherever you make a home. These days at home all we do is work. And not so strangely it doesn't feel like there is a summer. Another win for what is clearly a crazy 2020.

And for that reason, I am hoping to tune out for the next 72 hours. My plan is to finish at least two books that are sitting on my bedside, unfinished -- The Biggest Bluff by Maria Konnikova, who I just [interviewed on my podcast. Have a listen](#). The other one is a mystery book by [Martin Walker](#), a writer whose tales of a provincial policeman in the South of France are like a nice glass of chilled wine. I will be downloading some new tunes from Bandcamp, one of my favorite online stores. It is [the antithesis of streaming](#), and that's why even [others find it so wonderful](#).

I need the distractions -- for the last 72 hours I have dealt with the agony of being overseas as both my parents tested positive for COVID-19. It was difficult for me to write much this week on the blog. I wrote about even though the network has made distance and time fungible, it [can't take away The Pain of Distance](#). On a more positive note, I thought Microsoft's decision to shut down the retail stores was a good sign of a company that is [hell-bent on staying focused on its core strengths](#).

I don't know about you, but I need to take a deep breath and relax. I think a lot of people need to do that. Maybe it is because we have too much time, or just it is the sign of times, the conversations in the technology industry are becoming increasingly uncivil, [where debates are taking on a demonic tenor](#). We need to exhale and just read. So for this weekend, instead of one long piece, here are some of my favorite long reads that you can enjoy while lounging and going nowhere.

Have a great weekend everyone!

TECH READS

[The Promise and Peril of Virtual Health Care](#): The topic of telemedicine gets "The New Yorker" treatment and it is worth every minute of your time. Put me in the camp of those who believe that software, sensors, and algorithmic progress is going to help us fight the messy future of healthcare in the future.

[The Software-Defined Power Grid](#): It is clear that we need to rethink our antiquated and hardware-first power grid and energy systems. A combination of data, machine learning, and other new approaches could lead to a better future and a software-defined power grid.

[Why Sleep deprivation kills](#): Whether it is animals or humans, sleep is vital for us to function properly. This is such a great article that explores the topic of sleep deprivation. I have struggled with sleep patterns, so can speak from personal experience that since getting a CPAP machine, things are remarkably better.

[Spies, Lies, and Stonewalling: What It's Like to Report on Facebook](#) - Readers of my blog and this newsletter know that I am not a fan of Facebook and its dirty tactics. It is one of the reasons why I was never allowed to get close to Mark Zuckerberg by its public relations team. Anyway, I enjoyed this in-depth piece on the misinformation apparatus at Facebook. Media companies are no match

and in a few pieces on the information apparatus at Facebook Media companies are no match for Fakecrook.

[Inside Nextdoor's Karen Problems](#): Technology has unintended consequences because it can't seem to fathom the shittiness of human beings.

WHODUNIT READS

[Hitchhiker, hero, celebrity, killer: The strange journey of the man called Kai](#). He was on Jimmy Kimmel's show? Damn!

[The Pirates of the highways](#). Probably one of the scariest and unlikeliest pieces you are going to read this weekend.

[Botched Job](#): The world's most wanted war criminal was captured in France last month. Now, former American officials break their silence about how their own mission went awry. Vanity Fair at its finest.

[The Professor, the Bikini Model and the Suitcase Full of Trouble](#). This was quite a golden oldie.

ETC

Remember, [The Selfie Culture ruins the great outdoors](#). So if you are out there, be respectful of the land, the planet, and each other.

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Jul 19



[VIEW IN BROWSER](#)

JULY 19, 2020

It started with a single tweet

Fourteen years ago, on a somewhat cold evening, I stepped out of a party being hosted by Ruby Red Labs in an office it shared with Adaptive Path in San Francisco's SOMA district. I craved nicotine. Noah Glass, the forgotten co-founder of Twitter, told me about Twitter (or Twtr as it was called at the time.)

I signed up, in the process, perhaps becoming the first user that wasn't a Twitter employee (which was part of Odeo, a podcast platform that eventually sunset.) I ended up sending a tweet — that I was looking for food. [I wrote a blog post](#) — bad spelling and all. And then hit publish and went to sleep, hungry of course. It was all so innocent, fun, and quirky. These were days when we were actually social.

Eventually, Twitter would go from being a text messaging centric experience to becoming a web-based product, and it wasn't long before it was on its way. And just like everything social on the web, Twitter went from being an open and fun place to a marketing platform on steroids.

It is not uncommon. Twitter, like other social media platforms - Myspace, Facebook, Instagram, and LinkedIn --started as a network of people who know each other offline and had common

interests. In the case of Twitter, those interests were web and technology. Over the years, the media personalities (and their employers) became part of the conversation. And then came the celebrities. Like its (social media) peers, Twitter's audience became diverse, and the interests converge to a few commonalities— politics, markets, religion, celebrity, and sports. This clustering around big topics is what leads to platforms accumulating big audiences and eventually leads to disenchantment with the services.

I am talking about Twitter, but the same is true of other networks, including Facebook and Instagram. You can see a level of intimacy in Clubhouse, the new audio-only social environment. It, too, will follow the same trajectory. Eventually, everything regresses to being a marketing/self-promotion platform. The only way to stand out is by being special or being famous or being the loudest.

Since that fateful evening fourteen years ago, Twitter had become the public square of the Internet. But in recent months, it resembles the colosseum of the old, where rabid mobs are howling and the gladiators fighting, have been replaced by troll armies and those who command them, fighting each other.

We should have seen this coming. If the early days of Twitter were about tweets (a sound associated with cute birds) and fail whales, the recent years have seen words like “tweetstorms” become part of the Twitter vernacular. We went from using the language of compassion to aggression in our association with Twitter.

If Facebook was a place where we shared stories of our events and experiences, Twitter was where we shared our quirks and occasional randomness. And then came links to articles and news, and then news itself. And it was only a step from news to opinion. And boy, with so much time on our hands and nowhere to go, we have opinions -- on everything. And we all want to share those opinions with everyone on the planet.

Humans are now being programmed to crave constant attention. And the algorithms are programmed to intensify engagement — and as a result, they only reinforce opinions that are on the extremes — for those extremes elicit responses, which feed the algorithms and they, in turn,

amplify the extreme views.

Sometime this week, one of my former editors, Jason Pontin, tweeted that perhaps it was time for Jeff Bezos and Bill Gates to buy Twitter and shut it down. I think he missed the point. In fourteen years, since that fateful evening, all I can say is the medium is optimized for the loudest and strangest to get the most attention. The virulent is what gets virality. It is not just Twitter. It is also us.

WHAT I WROTE ON THE BLOG

[Is there a podcast boom or a bubble?](#) Good question.

[WFH means more social media ahead.](#) And that's good news for some.

[Conflict Culture is making social unsocial.](#) A mini-essay.

[In praise of Feedbin.](#) A great (& simple) RSS reader.

WHAT TO READ THIS WEEKEND

[How social isolation affects the brain?](#) A lot of smart people are researching a topic that is more and more relevant in our present pandemic reality and the rise of "work from home" culture.

(Bonus read: [The Economist on The way we live now.](#))

[The pandemic and unrelenting capitalism.](#) A look at the reality that doesn't come from the privileged corner offices of Silicon Valley and Wall Street.

[The Rise and Fall of Adobe Flash.](#) Just read it for the memories.

[Tinder, Sailor, Hooker, Pimp: The U.S. Navy's sex trafficking scandal in Bahrain](#) I should include

this story just for the headline alone, but the whole thing is jaw-dropping.

[Inside the world of black market bourbon.](#)

[Instagram is ruining everything.](#) Well, at least all those highly Instagrammed places. I had been researching this story for almost two years, but Lisa Chase nailed it.

[The 19th century's influencers:](#) And you thought this was a new phenomenon.

ETC.

My apologies for attributing The Boys of Summer to Eagles in the July 4th weekend newsletter. Don Henley deserved the credit.

Also, since many of you asked for an update, [my parents are back home](#), virus-free, and are recovering.

Stuck@Om podcast is on a month-long hiatus. I am going on a summer schedule and enjoy some downtime.

And lastly, [I said something to The Washington Post](#) about social media platform hypocrisy. Typical, of me, obviously!

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Jul 28



[VIEW IN BROWSER](#)

JULY 28, 2020

Tech CEOs in DC is a waste of time

In a few hours, the chief executives of four major technology companies -- Amazon, Apple, Facebook, and Google are going to be hauled up in front of our politicians. I am surprised to see Microsoft omitted from this list, though they should be in here with the big four. They will have to defend themselves from the charges that they stifle competition as a result of their market dominance.

What do I think about the whole brouhaha? The short version (in case you want to skip reading the piece) -- all sizzle no steak. In other words, you could (and should) avoid even thinking about it. You are not going to see the four chieftains say anything that damages their business or upsets the status quo. It is not going to impact the employees or the stocks of these companies. Hell, it is not even a photo-op: the whole non-drama is going to play out on Zoom.

But it will keep a lot of reporters, opinion writers, and television hosts busy. It will keep Twitter humming. It will allow politicians to score some points in the court of public opinion. And yes, it will allow politicians to get more money from lobbyists who represent these companies.

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The big tech is going through the great American ritual — the making of stars, the praise of the stars, and then the tearing down of the stars. We do it to our celebrities. We do it to our sports stars. And we do it to our technology companies. It is not a judgment on the cause or the punishment. I am merely pointing out the pattern of our media-saturated society. We may not manufacture a lot of things in America, but we make new heroes and new villains quite well.

manufacture a lot of things in America, but we produce new heroes and newer villains quite well in America.

At some point, we sour on the success we once celebrated. That is why we have this constant need for new heroes. Frankly, we could use some new heroes in technology. It is hard to romanticize the big tech. It was not always that way.

In my lifetime, I saw them all as startups (except Apple.) Amazon was a baby when I first wrote about them, dismissed by many when compared to their then-rival, Barnes & Noble. I wrote about Google when it was just a mere sapling. I remember their deal with Yahoo and their accidental business model. I had a front seat to Apple's flirtation with disaster. And I remember Facebook when it used to be all about college campuses on the east coast. In other words, I saw them struggle, make mistakes, stumble, and be mocked.

And yet here they are -- big trillion-dollar companies (except Facebook.) Together, they are the new American brands to be exported around the world. They might as well be the last stand of the American Brand on the global stage. And at the same time, they have become the vanguard for all things evil that is tech. It is hard to argue against their tactics.

Facebook has created a worse addiction than tobacco companies, and it doesn't take any accountability for its actions.

Google's gone from being the company that wanted to offer search results fast on a page uncluttered by advertising to becoming advertising posing as search results.

Apple that once needed a \$200 million bailout from Microsoft, then labeled a monopolist, now charges an ungodly 30 percent cut of subscription fees. It is as [if it is still 2008](#) in Cupertino, and the App Store is selling 3-dollars-a-pop apps.

Amazon's tales of ripping off rivals, using the advantages of data and its distribution platform to create its products. Not only are companies paying them to stock products in their warehouses, but these same companies have also given them access to all the relevant data to copy those products. And if that was not enough, like Facebook, Amazon repeatedly fails to police its platforms for fakes, scams, and ripoffs. It is ruthless capitalism at its very best.

To give their immense power some context, here are some numbers that Axios [put together](#).

Their combined market capitalization is 5 trillion dollars.

Their total revenues for 2019 were roughly \$773 billion.

They have over \$420 billion in cash.

These four companies (along with other technology companies) are helping the stock markets stay flying high during this pandemic. Stock markets are often a bet on the future. What the markets are saying -- the future is going to be shaped by technology.

As I have written about in the past, our relationship with technology is getting increasingly complicated. Weirdly, the pandemic has only exposed our need for these platforms.

Whatsapp is a crucial part of global communications. I was reminded of that this past month when I tried to manage my parents' health situation without Whatsapp. Amazon has delivered necessary (and sometimes not so essential) items. YouTube brings me entertainment and edutainment. Apple is a platform that I use for pretty much everything - reading, writing, viewing, and creating.

Like I said -- [it is complicated](#).

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The bigger question we need to ask is, what does breaking up these companies mean? How can it be achieved? What is the real outcome if the politicians get serious about it? Perhaps this is an opportune time to take a step back and see how we have landed here and what gives these companies an edge. And interestingly, not all of them can be lumped together.

Apple is a device maker. Its core advantage has been the ability to use its size and scale to build better devices. It has used the money to lock up component supplies. By using the strategy of vertical integration to extract profits, it is either the most or the second most valuable company in the world -- depending on which side of the bed, the stock markets wake up on any given day. And that's despite Apple's data-incompetency.

Amazon, Facebook, and Google, on the other hand, are three companies that are "data native" and use data as a strategic advantage to drive network effects. Their lock on the future is tied to the data they gather on an ongoing basis. About four years ago, [in a piece for The New Yorker](#), I wrote about the advantage of bigness -- the advantage that came from them being platforms.

"A platform is essentially a business model that thrives because of the participation and value-added from third parties with only incremental effort from the owner of the platform. The way I see it, the bigness of today's Big Five gives them an opportunity to keep building larger moats around their platforms. For starters, these companies are able to hoard data,

which allows them to become smarter in learning about their customers. Because of their leviathan-scale operations, they have the infrastructure and resources to write algorithms and make their platforms more effective. As I pointed out in an [earlier](#) post, this amalgam of algorithms, infrastructure, and data is highly potent.”

Technology’s domination of our daily lives has been like that of a frog on a slow boil. Every year, year after year, we became willing adopters and customers of companies whom we describe as “big tech.” If you took the time and looked at the businesses of these companies, you could see it plain as a day that they were going to become more significant because of the compounding advantage of their scale. The more aggressively they accumulated data, the better their machine learning models worked, which would allow them to meet their business models more effectively. This is an invaluable edge.

Amazon can use data it has accumulated and continues to collect as a way to get smarter about market demands. They can predict trends and have the ability to do dynamic pricing. Their rivals - Walmart and Target, for example, have always had access to a lot of data, and also have developed their own “in-house brands.” Amazon is just able to ride the demand curves faster and more efficiently, whereas the offline retailers are still pondering in their responses.

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What makes big tech effective is their ability to take advantage of one aspect of their business and apply it to another market segment. For instance, data collected by Google Android and Google Maps allows the company to jump-start its self-driving ambitions by offering different inputs. Those inputs make Waze indispensable. Google Photos gives it an advantage in crafting and tweaking its visual algorithms, much like how YouTube itself provides the company with vital insights into sentiment, interest, and also help along the path of better multimedia algorithms. Google Voice has helped give the company a leg-up when it comes to building Google Translate and offering Google Home Voice Assistant. How do you rip out all those things? The only thing to do is chop up Google into smaller pieces that make the whole company worthless.

Sure, you can chop off Amazon Web Services from Amazon, but it will be hard to slice and dice the company without killing the company. Warehouses, the distribution network, the sales front end are all part of the intricate system that informs Alexa, Echo, and whatever else they are cooking up.

So any solution to wrangle these giants has to go beyond the traditional notion of what is a

monopoly. That means work. And that means rethinking the whole idea of monopoly in the intelligence age. If anything -- all attention should be paid to reigning in the ability of these companies to expand into new markets using data collected from their current systems. For me, that is the 5 trillion dollar question.

As I said, don't expect anything real to happen tomorrow, or anytime in the future. It is politicians looking to get paid - one way or the other. I hope you don't spend time thinking about CEO-in-Washington Circus.

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Aug 9



[VIEW IN BROWSER](#)

AUGUST 9, 2020

Unicorns, Red Queen & Startup Reality

This week, the media has been oversaturated with thoughts about TikTok as the fulcrum of the ongoing dynamics between a rising power and an aging power. (Just to be clear, China is the former, and the latter is the good ol' U.S. of A.) This posturing against a single company — as opposed to having a coherent, intelligent, and effective trade and political strategy against a country that is not to be taken lightly — is not how evolved economies should behave.

The sheer number of hot takes suggests that the idea of a pending TikTok-ban is achieving its intended purpose, which is to distract us from the hard economic realities of the pandemic and the looming social crisis facing the American people. Speaking of hot takes, I plan to take time this weekend to write my piece on the China-US situation, mostly from the perspective of technology and the risk it poses to some of America's most owned stocks.

STARTUPS, PLATFORMS & RED QUEEN RACE

Long before the pandemic made in-person coffee conversations a nostalgic memory, I was chatting with a friend about the increased frequency with which large technology companies copied their rivals. Microsoft was quick to imitate Slack with Teams. Instagram ripped off Snap Stories and even brazenly acknowledged it in its initial announcement. And today, Facebook-owned IG announced Reels, a competitor to the red hot creator platform, TikTok.

The Reels release is a good reminder for startups, that when any new behavior that becomes popular and gets engagement — in other words, steals attention from a big platform — is viewed as a threat. And no company goes into panic mode when it senses attention drifting quite like Facebook. Mark Zuckerberg said as much during the Big Tech CEO hearings.

"Our job is to make sure that we build the best services for people to connect with all the people they care about," he said of his strategy.

The new reality for all startups today is that they are in the Red Queen's race from Lewis Carroll's *Through The Looking Glass*. In it, Alice is competing with the Red Queen, and though Alice is running, she remains in the same spot. When Alice complains about it, the Queen responds, "Now, here, you see, it takes all the running you can do, to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that!"

In this case, Alice represents any startup that comes up with new behavior and manages to carve itself out an edge. It doesn't have the luxury to sit on its laurels for long, because big platforms are playing the role of the Queen, and they can take advantage of the new markets opened by the startups. In order to beat the big bad Queen, the startup needs to run twice as fast. That means taking the early attention and turning it into a more significant moat. If they don't, then they find themselves trapped in the Red Queen's race, going nowhere.

Let's take the Slack vs. Microsoft drama. Slack correctly identified the behavioral shift and has become a publicly-traded company. Microsoft recognized the shift to the new behavior and quickly created Teams. It also threw its corporate weight and fearsome distribution channel to become a Slack competitor. If they hadn't, they would have to worry about what Slack could add to keep the attention and engagement of its customers. And that could mean Slack offering products that compete with Microsoft.

We have seen this with online storage as well. DropBox and Box had correctly identified that we will all use online storage to sync and share documents and files. They both became multi-billion dollar publicly-traded companies, but they didn't go unnoticed by Microsoft, Google, and Apple. Today, the big platforms all offer online storage integrated into their platforms, leaving Dropbox running in place.

Inspired by the Red Queen's race, US evolutionary biologist Leigh Van Valen came up with the Red Queen hypothesis. He proposed that a species must continuously adapt, evolve, and reproduce to compete with other species that are ever-evolving. If not, they go extinct. Today's big tech platforms are much more adept at evolving and growing. And if you are an upstart, you better take advantage of your edge or become extinct.

Adapted from [What do Instagram, TikTok & Asparagus have in common](#)

THE UNICORN CURSE

A few years ago, tech media stories were filled with the dodgy behavior and dubious sales tactics of Zenefits, one of the most well-funded Silicon Valley companies in recent years. The Securities and Exchange Commission brought down the hammer, and the company fizzled. Earlier this week, Bloomberg celebrated Zenefits founder Parker Conrad's return to running a "unicorn" called Rippling. The headline posted the valuation, but nary a detail about the fiscal health of the company. This obsession with valuation and "unicorn" status has become cancer in Silicon Valley.

Unicorn is a label that is much abused and it is one commonality in a [list of 18-biggest startup frauds compiled](#) by CB Insights, a research firm, has compiled a list of 18 of the biggest startup frauds. Remember Outcome Health, which cooked the books when it came to the effectiveness of its advertising network? Then there is Wirecard, the German financial house of cards that was

its advertising network. Then there is Wirecard, the German financial house of cards that was backed by Softbank, the investor behind WeWork and Ola. As long as there is FOMO, there are going to be more incidents of fraud and monkey business. [Last week](#), for example, The Information [reported](#) that Headspin, a network performance software provider, was involved in some Enron-style skullduggery.

To be clear, I am not saying all unicorns are frauds or terrible. But it is clear that it is a label that has more downsides than its upside. Don't you see the irony in using a moniker for a fictitious being? In Silicon Valley parlance, a unicorn is a company valued at over one billion dollars. No matter how rational, smart, or intelligent, every founder wants to be the head of a unicorn. Never mind that unicorns are mythical and non-existent in real life.

Time and again, we have seen public markets value unicorns (SNAP, Pinterest, Uber, Casper, and others) much lower than private markets. It is because they valued these companies using data and audited metrics. If we are going to see more billion-dollar-plus valuations for startups, perhaps we need to adopt a more rigorous approach to data and diligence. It can't be just FOMO and founder vanity. If we don't, then Headspin will just be one entry on a long list of similar cases.

Adapted from [Cooking the Books](#).

WHAT ELSE I WROTE THIS WEEK

[Social media's out of control growth.](#)

Earlier this month, [I pointed out that](#) the pandemic, and being locked indoors, is turning us to social media in large numbers. And now that Facebook, Snap, and Twitter have reported their numbers, it would be an opportune time to check my thesis. During the months of April, May, and June, it seemed to hold.

Working from home? Then [Apple's HomePod makes for a great speakerphone](#) for calls, at least on the phone — not on Zoom.

[Microsoft's TikTok, But why?](#) I wrote this on August 3rd. It feels so long ago.

WHAT TO READ THIS WEEK

[Has the Internet become better at mediating change?](#) It's a good question, and the exploration of the topic by Jane Hu for The New Yorker is even better. This should be on one of your must-reads for the weekend. (In relation to this piece, I would recommend [this report from Brookings](#). More than half of Americans are millennials and younger, and that impacts everything, including activism.)

[“This is the Internet We Were Promised”](#) is a good read about how being online can bring support and joy. The internet is proving its true value in this pandemic. Just imagine if we were left to mainstream media and its coverage of the pandemic and politicians? It is often easy to overlook that aspect in this age when everything seems to be about outrage and troll-like behavior.

[“There’s No Such Thing as Family Secrets in the Age of 23andMe.”](#) This is a great piece about something that has quietly upended many lives, both in a good and a bad way. It is a perfect illustration of the unintended consequences of technology, which [I often bring up in my writing](#).

As a consequence of the COVID-19 pandemic, the idea of remote work and distributed teams have gone from being quixotic to the mainstream. Here's the big question [Will remote work kill the idea of a city?](#) If the steady trickle of tech-workers abandoning San Francisco Bay Area is any indication, then cities, as we know them, might be going through a mutation.

[“How Saudi Arabia monitors and intimidates its critics abroad.”](#) A close look.

ETC.

[Imagined Landscapes](#). My approach to creating images and landscapes involves less reality and more imagination. Plus some photos.

[Ansel Adams & looking from the mind's eye.](#)

We lost two good ones this week. RIP, [Pete Hamill](#), the bard of New York. [Goodbye, Frances Allen](#), the first woman to win the Turing Award.

PROMO

My dear friend, the always very smart Chetan Sharma, is hosting his annual Mobile Future Conference on September 9th and 10th of this year. An eclectic and intelligent group of people are going to get together virtually to talk about the state of the world from the perspective of technology, networks, and innovation. www.mobilefutureforward.com

REPEATABLE FOOTER SECTION

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Aug 16

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AUGUST 16, 2020

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The first \$2 trillion is the hardest

In a typical year, August is sleepy time for the technology industry. But (in case you hadn't noticed) 2020 is anything but normal. The news cycle is spinning so fast that it is virtually impossible to pause and take a breath. Anything requiring deeper deliberation is getting lost in the muddle of hype, click-bait, and hot takes.

Last week, I managed to spend some time considering the impact of the spat between TikTok and the U.S., not to mention its public disagreement with Fortnite-makers Epic Games. I came to the conclusion that **Apple is America's Achilles heel**. I explore why below (and I went even deeper [on my blog](#)). But first — as I said, there's so much news — let's consider the future of Uber and Lyft, which is really a way into a discussion we need to be having about the future of work and society.

What is work?

In response to a California court ruling that all drivers must be reclassified as employees with benefits, Uber and Lyft [are threatening](#) to leave the state. Putting the legal posturing of Uber and Lyft aside, the judgment and its potential economic impact raise profound questions.

How should we be thinking about work? Why is there not more of a gray zone in between full-time employees and independent contractors? Where exactly is work going to come from beyond 2020 and beyond? Those are just a few.

Politicians and their sycophants love to talk about creating jobs, but they are less fond of discussing the specifics of how that job creation happens.

The United States isn't very good at large-scale manufacturing. Construction jobs are plentiful in times when things are great but hard to come by when they aren't. (You can check out the most recent job statistics at [the U.S. Bureau of Labor website](#).) America is mostly a service economy. And the pandemic has exposed its fragile nature. Many millions of jobs are going to be permanently lost.

The people that used to have those jobs will be forced to turn to the gig economy.

And if that is the only option, shouldn't there be an effort to define this segment of the overall economy? Admittedly, there aren't any answers. Even the BEA is struggling with this ongoing shift.

economy? Admittedly, there aren't easy answers. Even [the BLS is grappling](#) with this ongoing shift in economic activity.

In BLS lingo, the gig economy is [electronically mediated employment](#). "Electronically mediated employment is defined as short jobs or tasks that workers find through websites or mobile apps that both connect them with customers and arrange payment for the tasks," they say, noting that this could be one's primary job or a side hustle.

For better or for worse, the idea of electronic mediated employment is only going to become more pervasive. If you want to discuss how to deal with this shift, I am looking to expand my knowledge around the future of work. Please get in touch.

[Surface Duo or DuOH?](#)

Just what is Microsoft's Surface Duo, aside from the subject of hundreds of recent headlines and hot takes? Well, technically speaking, it is an Android phone that costs \$1400 and has an 8.1-inch foldable screen. "On paper, this is an intriguing union," [writes](#) Engadget's Cherlynn Low. When I look at it, I am left scratching my head. Who needs this foldable hybrid? Is it a phone or a mini-tablet? There is not a single report I have read thus far (and I read most of them) that asks the question: What problem is this solving?

Carolina Milanesi, a principal analyst at Creative Strategies, [writes](#), "Surface Duo will disappoint anyone who is not willing to invest some time in figuring out what the device can do for them. As it is often the case with a new category of devices, you need to have an exploration period."

She is being generous. If I have to spend time exploring and learn how to use a new device, it is a non-starter. Duo may solve some problems for Microsoft, but it is not solving mine. And I am someone who uses — and strongly believes in — Microsoft products for work. If not for working stiffs like me, who is the ideal buyer for Surface Duo?

In a year from now, no one will confuse Surface Duo for a product that changed everything. This kind of experimentation from a company that is notoriously behind on mobile should be viewed as a warning sign: **We have entered the geriatric phase of mobile phone innovation.**

[US vs TikTok is bad for Apple](#)

First Huawei, then TikTok, and now WeChat. We are navigating stormy seas when it comes to the U.S.-China relationship. When the blowback comes, it is going to be concentrated against a company with an outsized influence on our lives.

That company is Apple.

Apple depends on China, which accounts for about 20 percent of Apple's iPhone sales. The Chinese App Store is another vital source of revenue for Apple. At last count, the company clocked revenues of \$43.7 billion from China in 2019— roughly 17 percent of its 2019 sales. That makes China its third-largest market. Additionally, it manufactures the vast majority of its products there.

Barry Ritholtz [recently noted that](#) “four industry groups — internet content, software infrastructure, consumer electronics, and internet retailers — account for more than \$8 trillion in market value, about a third of the S&P500 and a quarter of total U.S. stock market value of about \$35 trillion.” Apple's market capitalization, which was just shy of \$2 trillion last week, is roughly a quarter of that \$8 trillion in market value.

Let that sink in!

It is hard to ignore that such a massive concentration of the market's good fortunes is also its Achilles heel. Matthew Pipenberg [recently wrote](#), “When (not if) even the big boys of the S&P see a sharp decline in price, the S&P, based on the very concentrated nature of its market cap weightings, is in fact, more dangerous, rather than safe.”

It is also important to note that three of the most significant tech stocks — Google, Facebook, and Netflix — don't have that much China exposure. Meanwhile, [The Verge, quoting](#) analyst Ming-Chi Kuo, pointed out that if Apple had to remove WeChat from all of its App Stores, its annual iPhone shipments in China could fall between 25 to 30 percent and sales of other hardware could fall between 15 to 25 percent. And that's before the Chinese government starts to act against Apple in a hostile manner.

We should all be on alert because the company has become such a favorite stock that its future and that of the stock market are entangled.

Even more conservative investors, such as Warren Buffett's Berkshire Hathaway, have become

Apple believers. Why not? They got \$800 million in dividends from Apple last year. And a lot of pension funds, mutual funds, and other such institutions own the gilt-plated Berkshire Hathaway stock, the seventh-largest component of the S&P 500.

Former BuzzFeed writer Alex Kantrowitz [recently wrote](#), “New York State’s Common Retirement Fund invests a small country’s GDP worth in Apple.” Of the top ten mutual funds holding Apple, nine are index funds. There are over 225 exchange-traded funds (ETF) that count Apple among their top 15 holdings.

Start doing the math. What currently seems like an arcane battle over TikTok and WeChat could become an American crisis.

ALSO ON OM.CO THIS WEEK

[Why does it all feel so mundane?](#)

[How does the present pandemic stack up against the previous pandemics?](#)

WHAT TO READ THIS WEEKEND

[How China is trying to dominate the digital currency market](#): While we are busy fighting the battle over TikTok, China is making moves to dominate the currency markets of the future. This is a must-read story. (Also: [The Precarious Triangle](#) — As the U.S. and China drift apart, Taiwan is caught in the middle of their looming war.)

[Why are men turning to cosmetic procedures?](#): To gain a competitive edge in the workplace — especially in notably ageist Silicon Valley.

[How to move an elephant 1700-miles in the middle of a pandemic?](#): Here’s an uplifting story about an elephant who spent most of her life alone in captivity and finally found a friend and a place to roam free. Think of our past few months, and imagine how hard the past 25 years must have been for this animal.

[An American tragedy](#): This story of a homeless Harvard graduate and his killers, two juveniles from broken families, is an all-too-familiar one in post-Industrial America. Broken homes, homelessness, crime, addiction, and lack of hope are signs of a sick society and broken social contract.

[Inside skateboarding's new counter-culture](#): Instagram is changing skateboarding by allowing a new audience to join the party. They don't know the insider rules — and that's a good thing.

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Aug 20



[VIEW IN BROWSER](#)

AUGUST 20, 2020

Are we ready for the unintended consequences of messing with US Postal Service?

Like you, I, too, have watched the drama around USPS with amazement. Politics aside, I wanted to dig into the consequences of messing with the postal service and its impact on our economy. It's easy to grok at the symbiotic (and somewhat abusive) relationship between Amazon and the Postal Service.

What about other businesses — small mom and pop shops, or the fast-growing direct to consumer services? So I asked companies like PayPal, WooCommerce, Stripe, and Shopify. And I talked to a handful of folks running small businesses around the country.

[The United States Political Shitshow](#) is far from over, and Silicon Valley has more at stake than it realizes.

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Aug 31



[VIEW IN BROWSER](#)

AUGUST 31, 2020

Why Windows 95 & the Web made each other a hit

Hello friends:

It is time to take a walk down the memory lane.

Twenty-five years ago, Windows 95 came into the world, and with it changed our relationship with technology. [In his essay](#), long-time technology watcher, Anil Dash, reminisces about how Windows 95 took computing mainstream.

However, for an Internet geek like me, Windows 95 had a much more significant impact. It became the great enabler of the consumer Internet. And most importantly, it turned the browser into the first and the ultimate killer app.

You can read more [about it here](#).

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[VIEW IN BROWSER](#)

OCTOBER 13, 2020

The New Medium

The [#NobelPrize](#) committee couldn't reach Paul Milgrom to share the news that he won, so his fellow winner and neighbor Robert Wilson knocked on his door in the middle of the night. pic.twitter.com/MvhxZcgutZ

— Stanford University (@Stanford) [October 12, 2020](#)

I am pretty sure you have seen [this clip](#) that went viral last night. It shows Stanford University's Robert Wilson walking up to the door of his neighbor, Stanford colleague, and former student Paul Milgrom in the middle of the night. Wilson is there to tell Milgrom that he has won the 2020 Nobel Prize for economics. Wilson's graciousness is such that he doesn't mention that they won the prize together.

This priceless moment is all caught on Milgrom's doorbell camera. I often talk [about the unintended consequences of technology](#), both good or bad. This one seems to be in the positive column. A decade ago, the idea of doorbell cameras or nanny cams was viewed as a joke, something destined to be confined to the pages of the (now long-gone) Sharper Image catalog. Now, these things that were essentially viewed as toy cameras are pervasive.

As their utility and presence has increased, so have our fears about them and what they see. They have become a lightning rod for privacy advocates, and many view the camera culture as part of the post-digital redlining of society. But those heavy topics need to be put aside for today as we celebrate the chance to witness a truly special moment. I wanted to see this clip again and again.

Recommended Reads For Today

One of Internet's pioneers, Leonard Kleinrock, now a distinguished computer science professor at the UCLA Samueli School of Engineering, in an opinion piece for The Los Angeles Times wonders: [What went wrong with the Internet?](#)

The Walrus takes a look at how amateur inventors and app developers are working around the clock to fight the pandemic in this well researched and in-depth piece: "[Hacking Covid](#)"

Are you ready for some kindness? On a social network? I am, and that is why I am excited about the emergence of Telepath. Technology Review [explains why you should be excited](#).

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Apple Watch's Sensory Overload

In Convenience We Trust

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