

all-in-e160

Jason Calacanis: [00:00:00] I found out about a free bird purchase that it's just you were there to mop. You heard what he bought. What did I buy? Pickles? The quinoa? What was it? No, no. Sax, you missed this because you're, you are a sunbird now and the rest of us are snowbirds over the holidays, but the three of us have been hanging out, skiing, having dinner.

For a couple of weeks and we had a little wives dinner and one of the wives was complaining about the suit free birds purchasing. Oh my God. So

Chamath Palihapitiya: free burgers. Do you have pictures of the radiation

Jason Calacanis: suits? I don't have pictures of the radiation. I'm trying to find one but

David Sacks: radiation suits. I thought you're going to talk about like Brioni suits or something.

No

Jason Calacanis: radiation suits. You know how you went into full scale panic mode and you during COVID and you had your whole outfit your hazmat suit. Friedberg, just because he's panicked about nuclear proliferation, has bought suits for his entire family, [00:01:00] thousands of dollars of radiation suits, and nuclear fallout.

And he bought one for his dog. Dogs. Dogs. Dogs. Sorry, dogs.

David Friedberg: For Monty and Daisy. I should send you guys the photo of the dog. Well, do you have a bunker? I mean I've got it all taken care of. You need a

Jason Calacanis: bunker first, right? I think that's underway as well.

Chamath Palihapitiya: How do you get to your bunker, Friedberg? With the pilots that you'll be asking to leave their families?

Or will you be protecting them with the guns that were stolen from your house? At least you'll have the thousands of pickles you've made and the pounds of

Jason Calacanis: quinoa. I didn't know Friedberg was a prepper. Did you know this, Sax? Because Sax has a little

Chamath Palihapitiya: preppiness. Sax, Friedberg was howling because he was so mad.

He made like thousands and thousands of pickles and nobody would eat them,

Jason Calacanis: including himself. Because they were so terrible. You literally bought a radiation pod for your

David Friedberg: dogs. Yeah, so they that's their air filter on the right so that they don't breathe in the nuclear fallout [00:02:00] cloud. I

David Sacks: kind of like the prepping.

David Friedberg: Thank you, sir. Yeah, it's good. You guys don't understand there's a reason evolution happens in moments of what we call punctuated equilibrium. There's a massive event. And certain, you know, things survive and then that becomes the proliferant species going forward. This is the moment. Be

Jason Calacanis: ready. So you're saying paranoid rich white guys are going to survive the nuclear holocaust.

Is what you're saying. Paranoid rich white tech guys are going to make it to the other side. Got

Chamath Palihapitiya: it. How exciting. How

David Friedberg: exciting, what a great future! What a future Chamath and I are like, we'd rather die! It touches my

Chamath Palihapitiya: erogenous zones, just the idea of it. When Sax and Freeburg are the only two reproducing males left.

Mmm, delicious. Can

David Friedberg: you imagine the gene pool?

Jason Calacanis: It's like, literally, this is like some dystopian science fiction. This is like a Black Mirror episode. You'll have the pastiest preppers in the world. Hasty preppers to inherit the earth.[00:03:00]

Rainman David.

We open source it to the fans and they've just gone crazy with it. Queen,

welcome back to the program everybody. It is the new year, but it's the same squad. Your four besties are here. Chamath Palihapitiya. He is now not just the dictator, he is chairman dictator calling in from the slopes with his beautiful Burt sweater. That's a great sweater. It's major turtleneck going on there.

And we have David Friedberg also looks like he's on the slopes and he is wearing his Oh, hollow his Oh, hollow not Mahalo Oh, hollow hat is branding here on the all in podcast sneaking a little branding for his new startup that he is the CEO of David Sacks is with us, of course, and he cleaned up, he cleaned up a little bit here, the hair was getting out of control.

We had a lot of commentary on the hair. Apparently, you cleaned

David Sacks: up shop. I pivoted from the [00:04:00] the Jefferson to the gecko. Alright,

Jason Calacanis: so everybody loves when we do our predictions. And so we're going to start off 2024. Big year for us. We have a lot going on here and all in, and we're going to just do some predictions here.

So let's get started. We're going to kick it off with sacks doing his prediction for the biggest political winner in 2024. Sacks, who do you have? What's your prediction for who's going to be the biggest winner in 2024? We're bracing. Yeah, well,

David Sacks: you're gonna love this Jake out. But my prediction for biggest political winner in 2024 is Vladimir Putin.

Uh, 2023 last year was the year that Putin turned it all around. He stabilized his economy after the West attempt to sanction him to his knees, tried to collapse his economy. We issued a, basically an arrest warrant from the international criminal court. He has gained the upper hand militarily in Ukraine.

I think that 2024 will be a year of him consolidating [00:05:00] gains in Ukraine. I think that the stalemate narrative that our media has propagated about Ukraine will be exposed as a lie. I think the Russians are, in fact, winning that war. And what you're seeing is that his successful stance against the West. In Ukraine has only made him more influential throughout the global South and in the BRICS countries, countries that oppose American dominance and dollar hegemony, see him as the man with a plan as a bit of a conquering hero.

And I think as Project Ukraine falls apart in 2024, it's only going to reinforce that sense that he's the big winner.

David Friedberg: Sacks. Did you see that Argentina said they're not going to join bricks and that some have said that was a bit of a blowback on. The BRICS effort to end dollar hegemony. And do you think it's really impactful or is it just a one off?

David Sacks: [00:06:00] I think it's a one off. I mean, melee one in a big surprise there because the country's economy has been such a basket case and he is very pro American, pro Israel, pro West. And so he has distance. Argentina from bricks. But I think that's a little bit of a one off. The larger issue is that the whole global South now is really resisting the collective West in a number of different ways.

And so our influence and dominance is slowly declining across the world. And there's many examples of that. So we can get into it throughout the

Jason Calacanis: show. Just to be clear with the audience, you're not rooting for Putin here. You're just predicting he's the biggest

David Sacks: winner. I'm not rooting for it to happen. Mm hmm.

I've got other answers here that I think are negatives as well. I wish we had made a peace deal and avoided this whole Ukraine war. I think that was a gigantic mistake by the West. So, yeah, we have put [00:07:00] Putin in this position to be the victor because we plunged into a war without thinking it through. And the truth is we can't give Ukraine enough aid.

So, we've contributed massively to Putin being this victor. And you know, it was Fiona Hill, who is a Russia hawk in the foreign policy establishment, who pointed out in a speech, I think over the past year, that the global South is using This Ukraine war as a proxy to rebel against the West. So in the same way that we're using Ukraine as a proxy against Russia, she said the global South was

using Russia as a proxy against the West as a way to basically dethrone American hegemony all over the world.

And that that's a very negative trend.

Jason Calacanis: So if you had Ukraine and Putin in under seven minutes for this episode, you bet the under you win. Freeberg, who's your prediction for the biggest political winner in politics for 2024? [00:08:00] I'm going to go with

David Friedberg: independent third party in the US. We saw the stats last week, I think we reviewed them with a poll that showed that 60 plus percent of people are claiming interest in a third party or an independent effort outside of the traditional damn Republican split.

And if you look at In 1992, Ross Perot got 18 to 19 percent of the general election vote. RFK Jr. is obviously running on an independent ticket this year. We'll see if he can even get on the ballot in a bunch of states. But I think that whether it's him, Or the interest in developing a third party in the US that there may be a big winner this year that challenges the traditional two party split in this country.

Jason Calacanis: All right. And Chamath, who do you got for your biggest political winner in 2020?

Chamath Palihapitiya: Independent centrists. I think this election starts the breakdown of the two party

David Friedberg: system. Same,

Chamath Palihapitiya: same. Look at that. RFK this week actually just got added to the Utah ballot. I think that [00:09:00] This could be the most meaningful long lasting change that we see in American

Jason Calacanis: politics is this is amazing from from the RFK candidacy.

David Friedberg: I mean, how many people do you guys know that were Republicans that don't want to be Republicans anymore or were Democrats and don't want to be Democrats anymore? It's really like most so many people. I know more

Chamath Palihapitiya: of the latter. I know more of the latter actually

David Friedberg: than I do. Right? Yeah, that's true too.

Chamath Palihapitiya: Yeah, that's what I think. I think Republicans are still firmly established. I think people are embarrassed to be

Jason Calacanis: a Democrat right now. Interestingly, I also picked the dark horse presidential candidate who will beat treasonous and corrupt aka Trump and Biden. I think we're going to actually see some dark horse candidate maybe beat these two.

And the rematch that nobody wanted. Wow, that's crazy. Three of the four of us picked the same thing. No

David Friedberg: coordination beforehand.

Jason Calacanis: Yes. And this is done blind folks. And Nick has my notes here. So he can, he can vouch for me here just to go back and look at 2023, what we predicted Sachs. You said Asian American college applicants were going to be your biggest winner in politics.

That [00:10:00] actually turned out to be pretty

David Sacks: prescient, right? Yeah. I mean, I was betting on court cases, overruling affirmative action. And that's exactly what happened is that Supreme Court ruled against affirmative action and college admissions, saying that it unlawfully discriminated against Asian Americans.

So yeah, that worked out exactly

Jason Calacanis: right. So that's a great prediction. I think Chamath, you had perhaps the best prediction of even the entire show last year. Your spread trade long Nikki and short to Santa's that paid off in spades. Well done. They're free Berg You had MBS and Saudi have the most important year in their modern era.

I'd actually pretty pressing as well They seem to

David Friedberg: be I mean if you look at let me just post this This was this journal article that came out in March if you guys remember this when Saudi was considering accepting you on instead of dollars for sales of oil to China And then in August, the US ramped up pressure on Saudi Arabia to sell oil in dollars, not you on, let me just pull this up for you guys, which was obviously a big follow on story [00:11:00] where the US tried to counter the actions, which

is continuing obviously today, where there's a back and forth and Saudi, as I mentioned last week, I think is in this really Interesting central pivot position between all of these competing major nuclear powers and fighting for influence.

And this is a big story and it will continue to be this year

Jason Calacanis: and modernizing society.

David Sacks: That photo of the fist bump, I mean, what a mistake that was where Biden just gratuitously insulted MBS, compare that to the photo of Putin visiting the middle East and meeting shaking hands with MBS, which happened just a few weeks ago, and compare the welcome that Putin got.

In Saudi Arabia and I think UAE to the welcome that Biden got, it's just two completely different levels. It was a very warm embrace on both sides. I think it was UAE. They literally had a parade for him where they had the colors of the Russian flag up everywhere. [00:12:00] So, you know, we've tried to portray Putin as this global pariah.

We've tried to turn him into this global pariah, but it's not working because of the way that He is defeating the collective West in Ukraine. I think that it's given him enormous cachet and influence in the global South and much of the developing world, which would like to stand up to American dominance, or at least is tired of American dominance.

And if you double

David Friedberg: click on that article. The second one I sent on Washington trying to negotiate with the Saudis, you know, quote behind the scenes, but obviously this all comes out. They're asking assurances that Riyadh will use dollars, not yuan, to price oil sales, assurances that Saudi won't allow China to build military bases in the kingdom, and limitations on Saudi Arabia using technology developed by China.

And in exchange, the U. S. will protect Saudi, will provide military protection, and will help them develop a nuclear [00:13:00] program, which is an incredible demand. So, obviously, this is an unresolved point, but this becomes a pivot moment for Saudi Arabia. They may become a nuclear power, use this as leverage, as the U.

S. continues to try and keep dollar hegemony alive.

Jason Calacanis: And my prediction last year was that Trump would get indicted, win the nomination, and then agree not to run in order to get a pardon or something in that vein. And it looks like I'm going to get two of those three correct. We'll see on the pardon. He has been indicted, obviously, and he is, looks like a lock to win the nomination, but we'll see.

I don't, it seems like Nikki Haley's doing okay. We'll see. Biggest political loser of 2024 is what we're going to do next. Jamath, last year you picked DeSantis, I picked DeSantis. That was a pretty easy one. Sacha picked California. Also a pretty easy one. We know that California's gotten demolished.

Because

David Sacks: specifically, California went from having a 76 billion surplus in 2022 to a 68 billion deficit now. Yeah,

Jason Calacanis: it's bonkers. [00:14:00]

Chamath Palihapitiya: I don't think any of those were as obvious as they were in January of last year. I think DeSantis was leading. He was collecting a lot of big checks. And California hadn't imploded.

And everybody knew that. They were on be under pressure, but nobody expected to be I think this swift. So I don't think those are obvious. I think those are actually pretty decent picks.

Jason Calacanis: Okay, that's good argument. And then freeberg, you picked a debt issues for emerging nations, debt markets start to unravel IMF steps in.

I'm not sure if I have enough information to check in on that one yet. Any thoughts freeberg? We go on to our predictions for biggest loser? I don't

David Friedberg: think we had any big unwindings like I had expected. But these problems are bubbling and persist, you know, obviously, Argentina took a big step with the election there.

That one was one of the countries that was most at risk of having a big event last year. But

Jason Calacanis: Chamath, who's your prediction for biggest political loser in 2024, the coats,

Chamath Palihapitiya: I think on a dollar basis, they are the largest Spender and Republican politics. They have been, and they have been [00:15:00] the most consistent negative indicator of value.

And so if you just want to fade a trade, I think you can pretty easily just find where the, those. old school Republicans are putting their money and just kind of short it. And right now, as much as I was sort of long the Haley spread trade in 2023, I would probably now short that trade in

Jason Calacanis: 24. Okay, switching it up mostly because of the coax.

Freeberg,

David Friedberg: well, sacks like this one, but I think Ukraine might be the biggest loser this year as attention shifts to the brewing conflict in the Middle East. During an election year like the US is facing continuing this funding of this Ukraine, Russia conflict. With us dollars is becoming a more unpopular issue for people to support.

And so I think because of all these, these competing interests and the political pressure, the US will probably not have the [00:16:00] resources to commit to Ukraine. I think Ukraine's shot at being a NATO. It's going to fade away, and unfortunately, it seems like the country may be left behind by the end of this year.

Saks,

David Sacks: what do you got? Well, I totally agree with that, and I would just add demographic decline or even collapse. Uh, they've lost something like half a million soldiers in terms of casualties. They also, something like 10 million people have fled the country. I read recently that there's only about 20 million people left in the country and half of them are pensioners.

So, it's not even clear that the working population of the country is going to support the pensioners. And of course, the war isn't close to being over yet. So, there's going to be even more destruction that happens. So, I, I agree with that, that pick. I upleveled my answer a little bit here to have the collective West as the biggest political loser.

And Ukraine is a big part of that. Obviously this huge bet that the collective West made in terms of pressuring and challenging Putin in Ukraine [00:17:00] has completely crapped out. But I would also go much further than that. You

look at what's happening in Israel and Gaza right now, and I don't think that Israel's Invasion of Gaza is going well at all.

And again, just stepping back, these answers don't reflect my desire for what I want to have happen. It just reflects my honest assessment of who the, the losers are gonna be. And I just think that Israel's. invasion is, is not going well. It does not look like they're going to be able to militarily achieve their objective of destroying Hamas.

Admiral Kirby, who's the Pentagon spokesperson, even said that the other day, which was a pretty amazing admission. At the same time, Israel is creating a huge humanitarian crisis in Gaza, something like over 20, 000 Palestinians have already been killed over 50,000 wounded, something like 1.8 million of them have been displaced, and it doesn't look like it's gonna let up anytime soon.[00:18:00]

As a result of this, Israel is facing, I think, a huge amount of condemnation internationally. It is becoming a bit of a global pariah, so that is not going well for America and the West. And then you're gonna have a whole bunch of elections this year. Both in the U. S. And in Europe, I think that there's gonna be tremendous disruption.

Things are really not going well in Europe right now. Large parts of Europe are in recession as a result of losing cheap Russian gas. This is particularly true of Germany. And I think there's gonna be some big shakeups in the European Parliament. And I wouldn't be surprised if there was Similar shakeups in the U.

S. election as

Jason Calacanis: well. All right. And I pick for my biggest political loser. I was going to go with the American voter, but I'm hoping that the American voters make better choices. And maybe we see some alternative candidates, as we said in the last one. And I went with Netanyahu here. I think, [00:19:00] and again, this is just my assessment.

This isn't what I want to occur in the world, obviously. But every major Israeli poll is just suggesting that they want him out and they put the odds of Vox puts the odds of his answer at 75%. And obviously, yeah, Gaza is not going well. And it feels like there is a massive shift in terms of what was early support.

And obvious support for the terror attacks that occurred on 10 7 and any reasonable person would be supportive of that too. Hey, maybe what's

happening in Gaza is not helping the situation and needs to be resolved. And maybe a different approach has to occur. And so I think Netanyahu is going to be the biggest loser in 2024.

All right, let's go on to the biggest business winner of 2024. Back to business. Last year, last year, in 2023, I predicted laid off tech workers starting startup companies would be the big winner. Chamath, you predicted relativity space, 3d printing, rocket company. And [00:20:00] Sachs, you picked America's natural gas industry, Freeburg, OpenAI.

Wow. A lot of good choices there. I think OpenAI was a huge winner in 2023. Yeah. Freeburg, even with the chaos. I would

David Friedberg: say so. I would say so. That was a good pick. Massive revenue. The highest market cap gain of the year

Jason Calacanis: probably. Yeah. 30 to 90 billion. Yeah. American natural gas industry that really actually cooked in uh, 2023.

Yes. Sax.

David Sacks: Yeah, it has new records. Good prediction.

Jason Calacanis: Good pick. Yeah, good pick. All right. So let's go right to 2024 predictions. Freeberg, you haven't let us off yet. So you're gonna lead up be the lead off batter here. What do you

David Friedberg: got? I'm going with commodities businesses, which I know isn't speaking a specific business, but there's a lot of ways to play it.

And I think there's a big commodities boom that's coming back in 2024. There's been a lot of underinvestment relative to demand. Over the past, call it 18 to 24 months coming out of COVID and with rising interest rates. A lot of folks have been selling down [00:21:00] inventory and there now needs to be a build back up on inventory and supply.

There's also a bunch of cash coming into the commodities markets that was sitting in treasuries as yields go down, that cash is coming back. So building the base back up, rebuilding stockpiles and supplies coming out of the past 18 months, obviously economic activity is strong and robust. So commodities businesses are going to see a killer 2024.

Chamath Palihapitiya: Chamath, what do you got? I think the biggest business winner in 2024 is going to be the bootstrapped startup and or the profitable startup. But the best will probably be the bootstrapped profitable startup. And I think the reason is that we are underestimating how cheap it's going to be to copy an existing business in 2024.

And so if you assume that these models are going to get 10 and 100 times better, [00:22:00] and you assume the cost of compute is going to get 10 and 100 times cheaper, and you assume the cost of energy is going to get 10 times cheaper, you're no longer measuring in decades when a company will be subject to disruption.

I think you're measuring it in frankly months. And so I think you're going to be able to create these companies for very cheap and essentially have them attack an existing business which has upside on economics because they have just a lot of people and a lot of processes that these GPT is can replicate for essentially free.

So if you're profitable, you have the chance to survive. And I think if you are unprofitable, I think that you're going to be under a lot of pressure.

Jason Calacanis: I think it's a great pick. That's exactly what I'm seeing on the field in the early stage. Saks, who's your prediction for a biggest business winner of 2024?

Who do you predict is going to be the biggest business winner?

David Sacks: I'm predicting Anduril for its Roadrunner product, which it announced last [00:23:00] year. And this is a drone interceptor. So it basically intercepts Drones is built for ground based air defense. And the reason I say this is because if you saw recently what was happening in the red sea with the Houthis, the U S was having to use 2 million air defense missiles to shoot down 2, 000 drones.

And that is not sustainable. So right now we have a huge problem with asymmetric warfare where our adversaries are using very cheap missiles, very cheap drones, swarms of them, and they force us to exhaust our air defenses. Which are just way too expensive on a unit basis. And these cost

Jason Calacanis: hundreds of thousands of
dollars,

David Sacks: do you think?

Yeah, I think that's right. I think the Roadrunner system costs hundreds of thousands of dollars. But it can be, it's reusable. So it's not like you just send one up to take out

Jason Calacanis: one drone. Reusable if it doesn't blow up. If it does blow up, I don't think you can

David Sacks: reuse it. It basically takes off at loiters.

This is, uh, [00:24:00] basically, uh, AI system where it's self, self driving, I guess you will. It has operators, but, and then it returns back to its, uh, Base station after it's used. It's not like a kamikaze type drone. It's actually a drone killer. Oh, really?

Jason Calacanis: I think it is. I think it do dual purpose. It can either intercept and blow something up or it can return back to base.

But. We'll have to check in on that day and shout out to our friend Palmer lucky come back on the program. We miss you. Shout out to our boy. Are you an investor sacks in Andrew?

David Sacks: No, I'm not. I'm not an investor. But I think I would be. Yeah. You know, so they've raised a ton of

Jason Calacanis: money. Palmer. Great job. Yeah, no problem.

We'll all buy. Actually, I'm building a position right now. I've been buying secondary In, uh, and Andrew, and for me, I was gonna go with startups

David Friedberg: again. Wait, are you really buying secondary

Jason Calacanis: shares in Andro? I've been building a large position in And Andrew? Yes. I'm, I'm, I'm trying to get to a 2% ownership position so I can join the board.

So I've been, uh, yeah, using, so shout out to my guy Bob. We're lucky. I am gonna go with, for my biggest winner [00:25:00] in 2024, training data owners like the New York Times, Reddit, X, Twitter, YouTube, et cetera. I think what we learned in 2023. Was that the language models are starting to hit parity very

quickly and that the real value is going to be in and it may even become commodities and open source may win the day.

So then I think the winner is folks who have the training data and I'm actually proposing a new business model for these language models. I think now that we've seen this New York Times. an open AI lawsuit. I think there's a really great outcome here, which is a market based solution where if you have a chat GPT account, you can log in and federate with your New York Times subscription, or, you know, any other subscription.

And then it gives you the tier of chat GPT for with the New York Times. And so that could be a win win for everybody, or they could obviously pay a licensing fee. And so I think this is going to be an amazing turnaround for the entire content industry. If [00:26:00] the Language models respect copyright owners and come up with a sustainable system where every year copyright holders can get some money in exchange for using their training data, whether it's on images or content.

So I am very

David Friedberg: bullish on accumulate 2 percent position and open AI through secondary purchases and get

Jason Calacanis: them to do that on the board. It's only 2 billion. Yeah, no, I think. Yeah, I mean, we didn't bring this up because it's broke, Over the holiday break, but I think Sam Altman is doing a great job of telling people he wants to do the right thing.

And we discussed previously the licensing deal they did with Business Insider and the parent company

Chamath Palihapitiya: of it. Axel Springer, what do you think the deal with

Jason Calacanis: New York Times will look like? I think it's going to be a nine figure settlement for previous stuff. And then an ongoing licensing fee in order to have the New York Times in their training data.

And then you'll be able to say, Hey, what does the New York Times think of this, right? You could actually do queries about the New York Times in it. And I think the New York Times will come up with a license that everybody can use their data if they pay [00:27:00] this yearly fee. If you stop paying the yearly fee, then you can't train on it.

And we're in uncharted territory.

David Friedberg: You're saying there's going to be a New York Times model and a non New York Times model.

Jason Calacanis: Well, I think you could do two different things. One, you could do New York Times could make their own model, right, but they could fork their model or just to the user interface. Say if you want to query New York Times information and have that as part of your results, you have to have a New York Times account, right?

So if you say I want the best coffee machines or what's the best coffee equipment, it says, Oh, if you had wire cutter and a subscription to New York Times, we would include the wire cutter results. And this idea that technologists can't do citations has been proven. Absolutely incorrect. There are language models out there that are using citations all the time opening.

I think we'll wind up losing the case if it goes to the man. I think they're going to pay a big licensing fee to your question. My prediction

Chamath Palihapitiya: then is that if this happens, this is not my pick, but I'm just going to tell you, I suspect that what happens is you'll get these yearly licensing fees. And [00:28:00] then one year, the New York Times just falls off a cliff.

And when it comes time to renegotiate, then open AI says no, and they

David Friedberg: won't have

Jason Calacanis: a choice. Well, I mean, it's a possibility. But if you think about the Disney characters, you know, let's see, I don't know if you saw Nintendo and Disney characters. You know, making stuff on Dolly or other things, if you make derivative works on that, and you want to have that feature as part of your image creator, you just have to have a licensing fee.

And so I think that there's a win win here to be had. And I'm really interested to see the market based solution because I don't think this is a Napster situation where like open AI gets shut down. Because opening eyes too savvy. I bet you the

Chamath Palihapitiya: big difference between Napster and this is there the content universe was limited.

Yeah. And small here. It's infinite and unlimited. And so how do you pay anything to anybody without? I just think it's like without direct attribution of revenue, which is basically impossible. You're kind of making a value judgment, which I don't think makes any sense. I think I think doing a revenue licensing deal.

is impossible [00:29:00] when you get into the weeds when these business people sit down and actually start to try to figure out the bid ask. I don't know as a rational, coherent business person, what you would model in order to present the number.

Jason Calacanis: Yeah. So one suggestion would be what percentage of the models creation was using the New York Times data.

And I think people say one to 2 percent of the original chat GPT was built off a trading data was New York Times. And then if they weighted that heavily Chamath, like, let's say they said, New York Times is an authoritatively five times more important than these other sources. That could be upwards of five to 10 percent of the authority of that model.

Yeah, but so yes, it's not easy. But what's the

Chamath Palihapitiya: cause? Yeah, but what's the cause for the like, are you telling me that like, the music industry has is the music industry is going to be like a 30 40 percent cost of goods. You

Jason Calacanis: could say that chat GPT or let's say Apple, I predict Apple will do this, right?

They'll do a language model where they say 50 percent of the revenue that we generate from queries or subscriptions. goes to [00:30:00] the people we built it off of are the licensees. Sure, why not? Why not? They're already the music industry

Chamath Palihapitiya: already does that would guarantee the death of the startup ecosystem, and it would guarantee the lock in of big tech.

Jason Calacanis: No, I don't think so. You could build models that don't have the data and you could build models with it. So it'll be a choice by the person who builds the model and synthetic data might make it. So you don't need the New York Times from off. It's early days for synthetic data.

Chamath Palihapitiya: I don't have an opinion.

I'm just reacting to this idea that 50 percent of cogs, then all of a sudden, these aren't software companies, you know, these software companies will have a gross margin of like

Jason Calacanis: 30%. Yeah. Well, what a Spotify pays for music, you know, so that same argument is made for Spotify, you know, or Netflix, when they were

Chamath Palihapitiya: licensing.

And that's the difference. It's limited in scope, meaning There's there's only ever one hit song from Rihanna that matters, or Jay Z or whomever pick Taylor Swift. And so it's a very scoped content universe. And so you can ascribe value much easier, because then the user goes and actually listens to that song over another.

This is about something that's happening under the waterline, [00:31:00] where you don't know how the iceberg is. It's

Jason Calacanis: both. There are things under the model that do it. And then there's also quoting stuff. And that's really where the New York Times got their caught them with their hand in the cookie jar. is that when it was regurgitating information and giving the results, it was quoting deeply New York Times proprietary content.

And so that's, that's where there's like a, you're, you're right about the training data, but you, you might be wrong about the, the output. That

David Friedberg: could be fixed, right? They could train models and they could, they could exclude storing any proprietary data. You can create a filter that says the model can't store any of this data, but it can still

Jason Calacanis: be trained.

Or can't use it, right? So if you say, what's the best coffee machine, it can't use the New York Times wire cutted data. And I bet you that Sam Altman has already built a model without it. I guarantee you they've already built a for an emergent press hearing case of emergency. Here's the 4. 5 model in case they got an injunction, which would be highly unlikely.

But if they did get an injunction, they just say, Okay, here's 4. 5. It doesn't use the New York Times training data. So This is all uncharted territory, as [00:32:00] we all know, I think we got everybody's business predictions. Okay, Andrew, commodities, training data, and bootstrap profitable startups with a great cohort there.

Let's go on to biggest business losers. In 2024. 2023. Chamath said Google search as measured by profitability engagement. SAC said the consumer Freeburg said capital intensive series BCs and D growth companies. That's pretty pretty good winner there. And I said white collar workers without hard skills.

also known as surplus elites. Any feedback on those boys as

David Friedberg: your winner? I'll give you my prediction for 24,

Jason Calacanis: please. Yes, go ahead.

David Friedberg: Vertical sass companies I think are going to get smacked this year. And I mentioned this, I think we talked about this step off off the show. But or if we talked about on the show, I apologize.

But like I think these tools to write code, no code tools, co piloting tools, and the ability for engineers to [00:33:00] get 20 50 100 X more productive to build custom applications for their enterprise are so incredibly powerful. I mentioned this to you guys. I know of a couple vertical sass businesses that some of my companies use the software and they're getting off the software because they've built homegrown solutions in a very low cost, very low touch way.

And I'm seeing that so frequently now. I think this is a real threat to vertical SAS businesses that can charge thousands of dollars per seat per year that are getting disrupted by the ability for companies now to very cheaply and quickly build homegrown solutions using a lot of the generative tools that are out there.

Saks,

Jason Calacanis: your prediction.

David Sacks: My prediction for biggest business loser in 24 is, is actually the German economy. There's two big problems there. First is that the loss of cheap Russian gas has really cut the legs out from under. The German industrial

model, their entire economy is based on industrial output and cheap Russian gas was sort of at the [00:34:00] foundation of that.

As you guys know, someone blew up the Nord Stream pipeline. I think that has really hurt the German economy. And then second, the German car industry has been massively impacted by a sudden glut of cheap cars coming from China. So if you look at the Chinese automotive industry. It's really exploded in the last few years.

And auto exports is one of, you know, it's one of the biggest products that Germany manufactures and with German costs going up and Chinese costs coming down, that's, it's not a very good place for them to be. So I think double whammy for

Jason Calacanis: Germany. Chamath, do you have the biggest business loser in 2024?

Chamath Palihapitiya: I am going to say that 24 is the peak in terms of valuations of professional sports.

Oh, and I will give you four examples in 2023 that I [00:35:00] think were in some very concerning or pro sports franchise values. As of today, the first was you had an upstart competitor to a league that came out of nowhere. Used money to overcome the ability to attract stars. I'm talking about the live tour versus the PGA and then essentially force the PGA into merger talks with them.

The second was you had a country use their balance sheet to basically try to jumpstart their own professional sports business. In this case, it was soccer. The country was Saudi Arabia and the players were Ronaldo and Messi. They got one but not the other. The third was the explosion of NIL inside the NCAA.

You have people in college now making more in some cases than the same player in a professional sports context. So they're making millions of dollars to be in college. And then [00:36:00] the fourth, which may not seem like it's related, but There was an article in the Wall Street Journal, I think recently about a meaningful uptick in churn amongst all the streamers, Netflix, Hulu, all of these companies, Amazon, who are the only folks with in a position to actually have the balance sheet to keep paying a premium for professional sports rights.

So I think when you put that all together, you can start to see that there's been a tipping point in enterprise values. The acceleration we've seen over the last

decade has slowed down. So I would say that 2024 is going to be the year of peak pro sports values.

Jason Calacanis: Okay, starts to come down. And I went with smartphones, smartphone manufacturers are facing a major slowdown.

Consumers obviously love their phones and use them constantly. But people are skipping a generation of phones. And if you look at Apple's revenue, They're having a very hard time getting people to upgrade and so I think that's going to flatten out. [00:37:00] They will keep trying to squeeze money out of it. I don't know what you guys spent on your iPhone 15 if you got it, but I, I always buy the top of the line and I think it was 14 or 1, 500 this time.

And when I got the accountants, they said, Oh, is this a new laptop? I said, No, it's a new phone. But I think this is going to slow down and people will during austerity. They're going to skip two or three versions of it. I know I skipped for the first time. I skipped the 14 this time around. So I'm going with smartphone manufacturers and Apple would be obviously the tip of that spear.

Let's keep moving our next prediction. Biggest business deal of 2024. Biggest business deal of 2024. I went with last year. My prediction was Amazon getting into healthcare. Maybe they buy Peloton or Roman hems. And they have been getting into healthcare a bunch more. And my my wildcard was a CCP divesting of tick tock that didn't happen to map you went Starlink goes public in a spin out from SpaceX at 75 billion that didn't happen.

But Starlink is doing fantastic sacks. You said a deal [00:38:00] between Putin and she and then freeberg. You said Petro for one trade the Saudi China trade any thoughts on the predictions there doesn't look like anybody nailed it

David Sacks: Well, no, actually Putin as she did make a deal their ties in urban stronger and the trade between those two countries Keeps increasing as a result of the fact that we pushed Russia into China's arms.

So that absolutely happened.

Jason Calacanis: And what's your prediction this year? Sacks biggest business deal. So

David Sacks: what do you got? My biggest business deal is whatever the fed decides to do to replace or extend BTFP, the bank term funding program. Um,

remember that the BTFP, which is what the fed used to bail out the regional banking system last year, and it was like March or April.

It was only supposed to last for one year. It's supposed to be a temporary program, but I do not think that the balance sheets of regional banks are healthy enough to survive without this continued liquidity from this program. So I think the feds can have to do something to [00:39:00] either replace the program, extend the program.

They're going to have to do something. And I think that regional banks are still in pretty bad shape with. You know, impaired commercial debt portfolios, and they need this liquidity as long as the yield curve remains inverted. So I think the fed is going to try and somehow figure out a program to keep these guys liquid until they can.

D invert the yield curve. And I think the feds trying to massage all of this into place without there being a recession,

Jason Calacanis: it seems like they'll be able to do it. Jamal, what

Chamath Palihapitiya: do you got? I'm going to go with the same thing. I think I was just off by

Jason Calacanis: your starling public.

I like it. And I had a similar theme. My wildcard, my wildcard last year that the CCP would divest of TikTok. I'm going to say this year that I think TikTok goes public and they'll be under [00:40:00] pressure from different political factions to get the CCP off the board. So I'm going to go with ByteDance taking, going public or TikTok spinning out and going public.

Some, some version of that. Freeberg, what do you got for this year? We got some continuation bets here from Jake Allen. Yeah, I would keep going with

David Friedberg: my petro yuan trade bet. I don't think that the US is going to let Saudi become a nuclear power. But so maybe leave that one outstanding. But I think rights holder is getting licensing deals for generative AI or there's going to be a couple of blockbuster deals this year, where you'll see like Disney license out a chunk of their library.

So people can generate on demand video games or content or I don't know, do you guys remember this company in the early 2000s called Zazzle? Do you remember that company? Yeah, what was that? Yeah, they printed

Jason Calacanis: stuff

David Friedberg: on mugs. Yeah, and they had a big deal with Disney. Where the idea was you could put any character in any way you want on any piece of like t shirt or mug or whatever merch.

And it was like merch and it was a big deal. [00:41:00] I think we see that again with generative AI this year where you can take, for example, a character from a movie and generate them in an image. So anyone that has interesting content rights, we'll start to license it out and get a lot of value from it.

Absolutely.

Jason Calacanis: Because a couple of big deals like that this year. Okay. Most contrarian belief of 2024. I went American exceptionalism sores. I think I like that prediction from last year ahead. Chamath, you said inflation doesn't fall off a cliff as fast as people want. SAC says the bromance between Biden and Zelensky comes to an end.

Freeberg, you said 2023 marks the beginning of the end of the US dollar as the global reserve currency. I nailed that

Chamath Palihapitiya: one. Um,

Jason Calacanis: it didn't fall off a cliff? It didn't. What was inflation in the first quarter of 2023? I'm just kidding, it fell off a cliff. Oh, I'm like, yeah, I'm like, wait

David Friedberg: a second. It's like, what the f are you talking about?

Yeah, sorry, you're confusing me. I'm like, really?

Jason Calacanis: Wait a second. I think you get the Jim Kramer or the Professor [00:42:00] Galloway moment for that prediction. Yeah, I think you might have missed that one by a bit. All right. What do you got Chamath for this year? What do you got? Most contrarian belief of 2024?

Chamath Palihapitiya: I think the enterprise value of open AI goes down.

Okay. I don't think it has anything to do with open AI. I think it has everything to do with the rest of the industry. I think, and I think there's A couple of factors at play similar to what I just said earlier, but if you actually try to use these tools, which now I have been in my sort of day job as a CEO, I've been trying to build models.

Sonny's been helping me. My takeaway are 2 things. Number 1 is the latency right now amongst all these AI tools. makes building production quality code absolutely impossible. So you can't have APIs where you take 30, 40, 50 seconds in between a request to get data back. It's, that's ridiculous. These need to be non starter 50, 30, 40, [00:43:00] 70 milliseconds.

Second is the actual cost of a million tokens on any of these platforms is economically untenable if you're trying to build something. So whether it's Amazon, whether it's together at AI, whether it's open AI, it's extremely, extremely expensive. So I think that capitalism would tell you that if these two things are true, you should expect people to arbitrage that opening.

And so if you see cloud services come out that allow you to basically get millisecond latency batch size one. On the one hand and second, where you have pricing for a million tokens, that's sort of 10 20 cents. Those folks and they'll need to build their own custom hardware to do it. But those folks will multiply the capability of this market by 1000 X.

And I think when that happens, the open source models really [00:44:00] proliferate. Proprietary models and close models go under pressure and the existing economics of how you make money today will get reallocated to those different players. And I think in that it's going to be very hard for existing folks. I would say the same is probably true for NVIDIA, the folks that have won up until today to maintain a multiple of market cap.

In this next year, that happens. And so my prediction is that will happen. And as a result, the enterprise values of of those companies, and I think opening out will be the most obvious

Jason Calacanis: will go down people buying secondary at 90 billion right now will be underwater next year,

Chamath Palihapitiya: though it's again, they have to believe that the revenue composition today is sustainable.

And if you look under the hood, half the revenue is consumers paying subscriptions, The other half the revenue our enterprise is paying for essentially some version of AWS. Yes. But the problem is that version of AWS. is economically non functional, it's unsustainable, [00:45:00] it's way too expensive, and it's way too slow.

And by the way, that's just not an open AI problem. It's an entire industry problem. And so if this industry is really going to be real, it needs to be literally dirt cheap and as close to zero as possible. The minute that that happens, that revenue goes away. So then they're just left with the subscription, right?

By the way, the people that provide that will be the ones that have the hardware to enable that 1000 xing of the cost,

Jason Calacanis: which is Azure. No,

Chamath Palihapitiya: no, no, no. I think these are startups that are building

Jason Calacanis: proprietary hardware. Oh, okay. Wow. So there's another prediction. freebird. What do you got? 2024 prediction, most contrarian belief.

Okay, so

David Friedberg: I don't think we're past the conflict escalation stage. I think things are only going to continue to mount. So a lot of the theater that we see on a global stage is more fundamentally driven by these big cycles that we're in. So I think A big one and a kind of tactical one. I think the big one that's [00:46:00] contrarian is that there's an increased probability of a nuclear weapon being used for the first time in conflict, and I think that that's conditioned on the fact that there are declining military supplies.

There's declining appetite and capacity to support traditional conflict. Meat grinder type conflicts that we're seeing sprout up everywhere right now. And we're not everywhere, but in a lot of places, And you could see a moment where, as I mentioned in the past, someone gets backed into a corner and a tactical, low yield nuclear weapon gets used.

And I think that when you do that, it opens up the gates to hell. So it's a little scary. That's why, you know, we all joking aside, that's why you bought the radiation suits. And I, and by the way, I don't think this is a high probability and I'm not joking. It's, I don't think it's a high probability. I think it's like one, you know, call it one to 2 percent chance.

Something like this happens, but it's 10 X where it was five years ago. And so that's my outcome

Jason Calacanis: of this is. Terrifying.

David Friedberg: Yeah, it's such a significant event that it's it's definitely one to kind of be thoughtful [00:47:00] about. And then the other one that I kind of said was tactical is I think there's a risk that Turkey gets challenged to leave NATO that a lot of what's going on Right now where Turkey is siding with Hamas, this has obviously been talked about and rumored about for a long time.

There's no real mechanism, by the way, for kicking a member out of NATO. But I'll share with you guys. There's a lot of political commentary that Turkey cannot be a trusted ally. And obviously that now Turkey is siding with folks who are actual threats to the West. The U. S. Incentive is you don't want to see Turkey with the biggest one of the biggest armies in Europe run into Russia's arms.

You're going to try to keep them in NATO, but there is a real risk that you start to see the first fracturing of NATO happen with Turkey being asked to leave or some negotiation on something that happens this year. So that that's one that I keep an eye on that is certainly not top of anyone's mind, but it certainly begins to.

Thank the question of the, uh, the importance of NATO.

Jason Calacanis: What do you got sacks? Your most contrarian belief. Well,

David Sacks: [00:48:00] can I first just make a comment on last year's pick? Yes. If it's okay. So I, you know, last year I felt like I was going out on a limb predicting a rift in the bromance between Biden and Zelensky because that relationship seems so tight.

And with about four days left in the year, there was this article that came out in Politico that says the Biden administration is quietly shifting its strategy in Ukraine. The article basically says that the administration wants to go on the defensive. And I think pretty clearly it wants a ceasefire and a frozen conflict.

It wants to get this conflict sort of out of the way, swept under the rug before the election season really cranks into high gear. And the problem they have is that Zelensky does not want to negotiate. Uh, ceasefire with Russia that would involve Ukraine losing territory. So there is now a rift between, maybe not

Biden himself, but let's say Biden operatives, the Biden administration and what Zelensky wants.

And I think this will be a theme in [00:49:00] 2024 is how do you reign in Zelensky after you've been telling the public for the last two years that our job is to support whatever Zelensky wants.

Jason Calacanis: And your prediction.

David Sacks: For this year, so my prediction for this year is that the soft landing gets very bumpy. I think that over the last two months of the year, I think markets got super optimistic.

They started pricing in big fed rate cuts, you know, let's call it one and a half percent. So we had this huge stock market rally in November, December. And I think there's generally a very strong belief that the fed will be able to pull off the soft landing. I'm not necessarily saying that there's going to be a recession.

I just. You know, I feel like I predicted 10 of the last two recessions. So I keep basically predicting recession when there's not one, but I do think that there's, it's been too much too soon of this euphoria. And I just think that this year is going to be a lot bumpier than that, both politically and economically.

So I think there's just a little bit too [00:50:00] much. Euphoria and overoptimism right

Jason Calacanis: now, I'm tempted to go again with American exceptionalism. I think I nailed that last year. America just had an amazing year in 2023. While Xi Jinping made unforced errors and getting rid of capitalism in his country, and nobody starting companies, their stock market falling apart, real estate falling apart.

And now he's coming back to America, as we saw when he had a summit with Biden, asking people, please come back and invest again, huge unforced error. And I think Russia with a huge unforced era losing hundreds of thousands of their citizens, their young people to a senseless war for no reason. And losing customers in the West like Germany, as you pointed out, sacks, I think American exceptionalism will continue to soar.

But I don't want to take the same prediction. So I also consider two other options Apple making huge gains in generative AI and then streaming services. right sizing and becoming highly profitable and having a rebound between those

two. I think I'm going to go with Apple as my contrarian belief. I think Apple is going to [00:51:00] become a player in AI the end of the year, maybe they reboot Siri, but they're going to figure something out.

And I think they're not going to remain on the sidelines when it comes to AI. So I'm going to go with Apple making huge gains in generative AI or AI in general, maybe a new Siri coming soon. best performing asset of 2024. In 2023, I went with seed stage investing, I think I'll be proven right in five years.

But that's kind of hard to prove in the short term Chamath you said cash and the front end of the yield curve. It's actually what we short term t bills as well. And Freeberg, you went with semiconductor capital equipment, oil gas services, pharma infrastructure, anybody have thoughts on their predictions from last year?

That was pretty good at 5%. No kidding.

David Sacks: Right. As good as it gets. This is not a lot of motivation to enter the markets when you're earning five, five and a half percent risk free.

Jason Calacanis: Okay. So let's do our

David Friedberg: 20, 20 cap equipment up 60%. Amazing.

Jason Calacanis: Good year. Good year. What do you got? What's your prediction for best [00:52:00] performing asset of this coming year?

Oh, I

David Friedberg: took the uranium ETF URA easy money, whether it plays out in the next 12 months or over time, I'm not sure. It's just an inevitability. A lot of folks have this bet on this trade on it's. It's kind of an inventory that we have to see it's a, it's an index on businesses that benefit from mining and producing nuclear power, mining uranium, producing nuclear power.

China is building up 415 nuclear power stations. As we've talked about, there's a lot of ESG driven demand and a lot of conflict driven demand, a big shift underway, a lot of deregulatory effort underway globally to try and get nuclear back on track. You put power back on track. So these companies are going to benefit from this big macro cycle.

So it's

Jason Calacanis: a, and this is a, an existing ETF where you're saying you, you, you roll one, it's

David Friedberg: called uranium. It's a uranium tracking ETF. URA is the ticker.

Jason Calacanis: I like that a lot. And

David Friedberg: I do a lot of esoteric general statements. This [00:53:00] one, I thought I'd go a little

Jason Calacanis: specific. I like it. I mean, it's, it's, it's a great prediction and sentiment has certainly changed here in the U S that

David Friedberg: has been on, right?

So since I'll just tell you guys. It bottomed out in March of this year at 19 bucks. It's up 50 percent since then. And in the last five years, You know, it's up to X, but plenty of room to run. If you look at the underlying assets, that BTF

Jason Calacanis: tracks. Chamath, what do you got best performing asset of 2024?

What's your prediction? I

Chamath Palihapitiya: have to do it with the worst performing asset of 2024, cause it's a bit of a spread trade, so I'm going to take the public software index. And my short is going to be the private tech software companies, the late stage, mostly SaaS companies. And I think we've all talked about the reasons why, but I think that the terminal valuations are getting reset in the public markets.

I don't think the growth rates are there in the private companies. And so you're going to [00:54:00] have a reset on valuation. In many cases, that reset may just be that they stay at the same valuation three years later, even after doubling revenue or more. The problem is you will have taken another 30 percent dilution between now and then because of all the stock based comp that these private companies give out.

So Long the public tech cycle, short the private late stage tech cycle, expecting a valuation contraction in the latter.

Jason Calacanis: What do you got, Sax? What do you think is going to be the best performing asset of 2024?

David Sacks: Well, I'm really not sure about this, so I would urge nobody to actually trade on this, but Yes, this

David Friedberg: is not investment

Jason Calacanis: advice, to be clear.

None of this

David Sacks: is investment advice. Yeah, I'm not, I'm not trading on this, on these predictions, so you shouldn't either. My guess here, just a guess, is energy, is energy stocks, um, energy prices could be among the top performers of 2024 just because there's so much risk of conflict breaking out [00:55:00] now and escalating.

So I agree with Freeberg that there are huge risks of escalation in the Middle East, the Ukraine war still going on. I think not enough attention is being paid to what's happening between Venezuela and Guyana. Venezuela is basically attempting to annex. Guyana's offshore oil reserves, uh, which are huge.

This is basically just pure theft. Ethiopia also has tense relationships with a few of its neighbors. And I could easily see there being a war that breaks out between Ethiopia and Egypt or Ethiopia and. And then that could spill over and create further disruption in the Red Sea. We also still have this unresolved issue of the hoodies.

And of course you have neocons bring for war with Iran as they always do. John Bolton just published another piece saying that we had to go to war with Iran. So there's just so many ways that the conflict could escalate and create, I think, a [00:56:00] spike in the price of oil. All right.

Jason Calacanis: I, you know, I'd love to, I, in my heart of hearts, I believe the best performing asset will still be seed stage.

Startups, I'm going to go with consumer comfort services. I think as austerity measures and this, whether we have a soft landing or a recession, it's clear the consumers have spent all their money. So they're going to go for small luxuries like DoorDash, Airbnb, Uber, small things to have great experiences.

And I'm talking my book in two out of those three, which I own shares in. But I think consumers are going to keep treating themselves to getting some DoorDash or, uh, you know, getting an Airbnb and going to Japan or whatever it happens to be. So, Consumer Comfort Services is my pick for the best performing asset of 2024.

Worst performing asset. Let's go right on to worst performing asset. We're cooking with oil. Worst performing asset. I went with energy, Chamatho and tech energy junk debt. SACs went with office hours in San Francisco and Freiburg went with [00:57:00] consumer credit. Wow. I think we nailed it in almost all those cases here.

What do we got for 2024? SACs, you got a 2024 prediction of worst performing asset. Again, this is not investing

David Sacks: advice. Yeah. So I'm not going to trade on this. So just take it with a grain of salt, but I would bet. Against the magnificent seven, just because I believe that what goes up must come down and the hotter they are, the harder they fall.

I'm not saying that the magnificent seven are actually going to go down. I'm just saying that the S and P four 93. Are going to catch up a little bit. So I would book this as a spread trade where I would bet on the S and P four 93 over the magnificent seven. Because again, I just think that there's gotta be some catching up here and the huge gains made by the Mason magnificent seven were really based on.

story, you know, based on AI. And I don't see why those gains should be limited to [00:58:00] the minutes and seven if AI is going to play such a big role in the economy.

Jason Calacanis: Jamal, I too, when you predicted earlier about open AI losing some value, my worst performing asset in 2024 is LLM startups, I believe they've been massively overvalued.

And I believe open source is making an incredible run at them. And I think they're going to hit parity and there's too many players. This is like having 15 search engines or 20 Amazons. There's just too many players and there's too much parity. The prices make no sense. And I think they're all going to come down by, you know, 50, percent in terms of their valuations.

And that won't get marked in their books, but that will be the reality of where their stocks will trade on the private markets. Freeberg, what's your Worst performing. Worse performing. Just

David Friedberg: based on what I shared earlier, I would go short, vertical SAS, vertical software companies and long cloud providers that have AI tools and platforms that will allow enterprises to build custom applications in a [00:59:00] low cost, low code way.

And so you could. Obviously pick the companies that would go in that bucket, go along those, those cloud bucket and go short

David Sacks: the vertical bucket. Is there like a per seat price threshold that you think would kind of demarcate the companies that you think are at risk? In other words, like I invest in plenty of SAS companies that sell seat.

It's at five, 10 bucks per month. I'm just like very skeptical that it's worth an enterprise as well to recreate that

David Friedberg: software. And so I'll give you an example that there's a vertical software provider. We're paying five grand per seat per year right now. And we look at that and we're like, okay, it's basically a data management tool for our particular vertical.

Let's just go recreate that and did it very quickly, very low cost and we're going to replace it. Cut that out. I don't want to say that, but yeah. Is it? [01:00:00] So it's like, you know, very specific, very expensive. But I mean, you can probably see the same thing happen in sales CRM type tools that are obviously also very expensive.

And how much is it? How much do you pay? 5 grand per year. 5 grand per year.

David Sacks: So that's basically like over 400 a seat per month.

David Friedberg: That's like a hundred employees. So we're paying like 500 grand. And so one of our software engineers is like, this spins up a replacement for it. We're going to roll it out in Q1.

David Sacks: Okay. So is there, is there like a per seat per month price that you think starts to where it doesn't work? Is it 50 bucks? What is the

David Friedberg: number? I mean, I do the math, but yeah, it shouldn't be in the range that it's at. For sure. But a lot of these guys where they had a monopoly and it wasn't worth the company's time to try and invest in software at the price point that they were charging, they found a market.

Now the market has to compress. So I'm not saying that the companies go away, but I do think pricing compression is going to hurt these businesses a lot. If you

Jason Calacanis: pay could pay 50,000 for the same software instead of 500, you would not have spun it up [01:01:00] yourself. So there is a reasonable number between those two, correct?

And that reasonable number might be 250 or something. But

Chamath Palihapitiya: here's the thing that we need to also factor in, which is that Freeberg's companies, that engineer, could also then just release that product for everybody else to use at 10 cents. And everybody else will then use it because it'll be good enough.

And that 80 percent will take over the we'll take over the

David Friedberg: market. Yeah, that's my point. There's going to

Chamath Palihapitiya: be pricing compression. This is the thing like I think that people underestimate how deflationary this whole thing is. It's like, yeah, exactly. It's like two to three orders of magnitude more deflationary than people have any inkling of.

Jason Calacanis: Interestingly, I had David Hanmar Hansen on this week in startups, and they're releasing something called one stock calm where they're going to charge for software one time like we used to do. And their first product is a slack killer. And so the idea of paying per seat for slack, what they're planning to do is just charge you, you know, 95.

No, you find a hosting company. So it's going to be, okay. So it's

David Friedberg: [01:02:00] like old school. It's old school on prem software on prem. And then you pay, you pay an upgrade fee when you upgrade the software. Basically, I think they're going

David Sacks: to pay them like a maintenance percentage. That's the

David Friedberg: way it always works. Cool.

Enterprise software, right? The pricing model was the revenue model was always built at when you did a sale. You would make on average 20 percent of the revenue per year in update fees. And so now, and then everything switched to SAS, which we're just continuing to

David Sacks: support maintenance, all that kind of stuff.

So it's never, they say it's one time it's one time for the software, but if you want to stay up to date. And get support and patches and all that kind

David Friedberg: of stuff. Yeah. And the old school enterprise software model was always like figure 20 percent of the install cost. And by the way, this is

David Sacks: one of the reasons why Oracle made so much money is they did a roll up of all these old school on prem software companies that weren't growing, but the maintenance fees were just rolling in forever and they rolled all that stuff up.

And then probably

Jason Calacanis: raised the fees. I mean, for me, you [01:03:00] know, when you have a 20 person company, 50 person company, the slack fees don't seem. Like a big deal, but when you get to, you know, when you're spending 500, 000 or a million dollars a year on something like slack, you know, then maybe you would consider other options.

And I know people at large organizations that have done that because there's an open source competitor to it. So that does exist in the world. Okay. No, but what

Chamath Palihapitiya: Freeberg is bringing up is like, why would you support 500, 000 to 1, 000, 000 a year OPEX for software? I mean, can you really put a model together that shows that that's somehow accretive to you, especially if you're a money losing startup?

It just doesn't make any logical sense. I understand that it happens.

David Friedberg: And the fact that that software SAS companies have been able to make 80 to 90 percent margins and grow on that, it has created the best business model in history. But I think what may become apparent now is that the SAS business model is really a temporary phenomenon that existed between

ubiquity of the Internet and the development of AI and low cost, low code tools [01:04:00] for developing software.

Chamath Palihapitiya: Yeah, it was an arbitrage of the dearth of engineers. It was the gross margin that

David Friedberg: was correlated to the lack of engineers. And now that the work that software engineers could have done has been automated into software itself, you were going to see a lot of that arbitrage. Say it differently, Friedberg.

Chamath Palihapitiya: You could say, like, the number of engineers has now Multiplied by a million

David Friedberg: fold. That's right. And now everyone has them available. So then they

Chamath Palihapitiya: can build margins. We're not going to be 90%. The gross margins

David Friedberg: may be 30%. Right. And so, so everything gets competed away and pricing goes down. Pricing gets compressed.

And that's why, this is a big macro trend for me. Like, I'm, and I'm just seeing it across every company. Everyone's rethinking whether or not the BBC fees for all different types of software tools.

Chamath Palihapitiya: By the way, the the part of that which is economically true is if you look at every other category in the economy, and you look at the gross margin profile of businesses that are not pure play tech, we have grown up and we've monetized this belief that tech companies Not only can start at 80 to 90%, [01:05:00] but stay there and definitely stay there.

David Friedberg: Yeah, they should be at 40%. Not

Chamath Palihapitiya: even every other market can start off in the 50 60 70 percent when they're nascent, but capitalism competes away those margins down to 30 to 40 percent right and a best in class business generates 20 to 25 percent EBITDA margins on a sustained basis. So if you believe that the average best run company is a 35 percent gross margin business with 20 to 25 percent free cash flow margins.

Tech stocks have a long way to go down.

David Friedberg: Exactly, exactly. Software. Software companies. Yeah, software

Jason Calacanis: companies. But if it's priced below the cost of you rebuilding it. And then you're not, you're just, it's a buyer. No, no, no, but Jason

Chamath Palihapitiya: the point is, the point is like when somebody does that, so Friedberg's company did that work, he doesn't even need to need, want to make a profit from that software to just say, anybody else can use this, I have an auto GPT that will basically configure myself to you if you want to use it.

And now that in plus first company who's [01:06:00] starting up with two or three people can now raise an order of magnitude less money, and we'll write the GPT that connects to his and now has this. So this is my point where, like, it just it's, it's, it's just a

Jason Calacanis: race to the bottom. Yeah. All right. Last year for our most anticipated trend, Chamath and I both picked austerity.

Feels like that came to fruition to actually pick.

David Sacks: You're kidding, right? We did not see any austerity. We added like 2 trillion to the debt. I was talking

Jason Calacanis: about consumers and companies and individual

David Sacks: consumers didn't, didn't, uh, cut either. I mean, they kept spending and in fact, credit card debt is now at the highest level it's ever been.

So where's the austerity.

Jason Calacanis: I think it's happening right now where people are maxed out. You're already starting to see it happen with travel and some of those areas. But, uh, yeah, we could be off by six months on this one. Zach, you said Trump's influence in the GOP wanes. That was definitely wrong. Yeah, that was [01:07:00] wishful thinking.

Freeberg cell gene therapy for you for you to get over and over again. You

David Sacks: don't want him as your candidate. Well, I can explain that. I mean, at the end of 2022, we had that election that was supposed to be a red

wave and it turned into a red puddle. Remember that? And it was a big loser for the GOP and a lot of the candidates, I'd say in particular, the candidates who had been endorsed and supported by Trump ended up losing, not doing very well.

So. And then by contrast, it seemed like the one part of the country where the Republicans have done incredibly well was in Florida, where obviously Stanton's won by like 20 points and added seats to their majority in the legislature. So it seemed like going into the year that. DeSantis was kind of the heir apparent, and Trump's influence would wane.

But like you said, that may have been wishful thinking. That's clearly not what's happened. But a big part of the reason why Trump's influence is greater than ever is because of all this lawfare, all [01:08:00] these indictments against him, and this prosecution and persecution of him by Biden and his minions. It's really, I think, galvanized the base to support

Jason Calacanis: Trump.

Freeberg. Well, you last year, you said cell gene therapy becoming more mainstream. How did that one pan out your prediction? Most interesting trend

David Friedberg: are about mainstream. But I mean, we're seeing we've seen more approvals this year. It's been good. I mean, steady, steady pace of the sickle cell product come out, sickle cell came to market.

Yep, there's a few more that got approved. So in cell therapy. So it's great that we're seeing good progress there. And I remember there's like over 1000 in clinical. So there's this tidal wave coming to market soon of selling gene therapies. They're going to have a profound effect on a lot of disease conditions.

So really exciting.

Jason Calacanis: Freeberg, you want to continue and tell us what your most anticipated trend this year.

David Friedberg: I'm really excited based on the progress we've seen in 2023 of predictive models, AI driven discovery of novel [01:09:00] molecules, materials, and methods of production in biopharma, in chemical engineering, lots of new materials and new drugs that are actually coming out of software.

We're not coming out of. Brute force, wet lab, discovery processing. And then we're also seeing these really amazing generative systems on production

processes and chemistry that are going to unlock all of these new products and grow up costs. Going back to the deflationary point, not only does this introduce new products into the world that are going to benefit humanity, but it reduces the cost of making them and reduces the footprint of making them.

So there's a lot of great. Benefit coming from these predictive modeling tools that's starting to percolate its way into these industries. So I'm excited about seeing what comes to market this year. I'm sure we're gonna have a science corner at some point this year that says, look at this amazing new thing that was discovered in software and it works.

And it's going to be really cool.

Jason Calacanis: Okay. What do you got your mouth for your most anticipated trend of 2024? What are you most anticipating? I think

Chamath Palihapitiya: this is the [01:10:00] most important year for Bitcoin that has ever existed. We are probably days away from a series of ETFs being approved. And so this is the moment for Bitcoin to, to use that old term, cross the chasm and really see mainstream adoption where our parents and our grandparents understand what it is, can buy it, and then do buy it.

And I think that If all of this comes to pass, Bitcoin will be a part of the traditional financial lexicon by the end of 2024. So that is my most anticipated

Jason Calacanis: trend of the year. What do you got, Sax, for your most anticipated trend of the year, Sax? What Jamal says

David Sacks: is a pretty good one. I think there's a version of that same thing in AI.

I mean, it's hard to know exactly what all the advancements are going to be in AI, but, you know, when we look back on it in five or ten years, it's going to be pretty [01:11:00] clear that the exponential pace Of advancement in a I continued, and so I can't say exactly what those breakthroughs are going to be this year, but there certainly are going to be some, and I think we'll see those innovations continue to percolate down to more and more of the average sort of mainstream consumer

Jason Calacanis: sacks.

Once again, you and I are simpatico. I picked my most anticipated trend of 2024 as efficiency in the form of AI advances and outsourcing. Basically, a lot of Americans don't want to work or they want to work from home or they want high salaries. We have record low unemployment, thanks to Biden. I'm joking.

But all of this is forcing people to build robots, AI, and software to route around. You know, and make things more efficient. And I think the number one trend I'm seeing from startups, and they tend to adopt this stuff early, is outsourcing to all other geographies around the world for work, [01:12:00] because it's so easy once you have a work from home.

Philosophy or paradigm at your company well adding somebody from portugal manila argentina canada is the same as adding somebody from outside of new york city or silicon valley or la but you can do so at a third of the price for somebody maybe who really wants to work and so i think efficiency is my most.

anticipated trend, but in the form of AI and outsourcing. Okay, now, media, everybody loves we do our most anticipated media for 2024. For last year, I had Oppenheimer. Wow, that was great. Chamath, you had Dune part two, that was delayed. Sachs, you also had Oppenheimer. What did you think of Oppenheimer, Sachs?

Did it deliver for you? Have you seen it? I thought

David Sacks: it was good, not great. It was very long. It kind of went on and on. It's not a movie I need to see a second time. Let's put it

Jason Calacanis: that way. Okay. And Freeberg, you said generative AI based [01:13:00] media. For this year, I'm I have to confess I have inside information. So my prediction is going to be the winner.

It turns out our favorite DJ is dropping a new album in 2024. And I got a release track. So my most anticipated media I'll just play the the, what is the

David Friedberg: unreleased track here? What is

David Sacks: this? According to nasa, there's a new look at Uranus. Uranus. Uranus .

Jason Calacanis: Talk about my anus. Uranus. Uranus is this young Spielberg.

This is Young Spielberg coming at you the Summer Jam of the Year.

David Friedberg: how it's a banger.

Jason Calacanis: Well, there

David Friedberg: it is. Talk about my anus coming at you. That was a banger.

David Sacks: He obviously likes the deep bass of my voice. He

David Friedberg: does like the deep bass of your voice

Jason Calacanis: and his anus. Yes. [01:14:00] So that's a banger. That's going to be, I think that that's going to carry, it's going to be the summer anthem.

The new album from Youngspielberg dropping. That's the lead title track, Your Anus, coming at you. I also am looking forward to gladiator 2 is coming out really scott lucius the nephew of comatose is a grown man it's gonna be awesome i hope and netflix is three body problem if you haven't read the books are great and that's being done by the game of thrones guys and that's gonna be awesome dnd.

Anyway, three body problem gladiator

David Sacks: two for me. Once the books ran out, they were kind of, yeah, they were kind of on their own there and the show kind of declined. It

Jason Calacanis: was a terrible last season. In this case, the three body problem is a complete series and it's, it's mind blowing in terms of its epicness.

Sax, what's your most anticipated media? Of 2024. Is there a Putin biography coming out? , is it Alex Jones's biography 10 part series on Netflix. What do you

David Sacks: got? None of that. Whatcha looking forward to . [01:15:00] Well, I, I agree with you about Gladiator two. We actually have similar taste in, in movies. I'm also looking forward to how the Dragon Season two.

Ooh. Yes. But one project I will give a little plug to is Jimmy Sony's book, the Founders. Which is the story of PayPal and the entrepreneurs who shaped Silicon Valley that came out in 2022. The reason I'm mentioning it is because I optioned this book along with Jack Selby, who's another PayPal mafia alum who has a film company.

And so we've optioned this and we have just made a deal with Drake's company called Dream Crew to turn this into some sort of television series. Could be done as a docu Wait, did you say Drake, the musician Drake? Yeah, he actually has a very successful Production company called dream crew. They're the producers of euphoria, which is this huge hit on HBO.

Terrifying. So they've decided to, it is kind of a terrifying show, but it is terrifying, but it's an incredible show, but terrifying. And yeah, it is scary. [01:16:00] But anyway, it's a big hit. So they've produced a lot of not just music, but television content. They're very interested in the story. And so we're partnering with them to create a TV show.

So hopefully that comes together this year. Are you in production this year on it? Or is it still in development this year?

Chamath Palihapitiya: You get any credit

Jason Calacanis: sacks? Oh, how much does it cost

Chamath Palihapitiya: the rest of us to get EP credits? 50, 50 grand. Yeah. Is it a

David Friedberg: 50 grand or is it a little, this

David Sacks: is, this is a, this is going to be an expensive one.

Oh,

Jason Calacanis: really? Well, who's your dream? Is it HBO? Is it Dream or Netflix? Yeah. Who funds production? HBO or Netflix? Ultimately,

David Sacks: a studio would make this.

Jason Calacanis: Right. You would want HBO or Netflix, I take it? Those are the top two in terms of making high

David Sacks: quality stuff? They'd be really good, yeah. It doesn't have to be those two, but they'd be good.

It could be Amazon Prime. I mean, there's a lot of these. And who are you

Jason Calacanis: hoping plays a young Sax? Who would play a young Sax?

David Friedberg: Oh, good question. Good question.

Jason Calacanis: That's a good question. Who would play a young

Chamath Palihapitiya: David Sax? What's the name of the guy [01:17:00] that's dating Zendaya? What's his name? Tom Holland. How about that?

Tom Holland. Peter Parker.

Jason Calacanis: Peter Parker. Yeah. How about Millie Bobby

David Friedberg: Brown for you? Only one guy can play a young sex that it would be Ryan

David Sacks: Gosling. Well, you guys are really shooting the moon with this.

David Friedberg: Hmm.

Jason Calacanis: Tom Holland's interesting. J. Kel's busy

David Friedberg: on the internet right now. He's going to give you a No, I'm looking,

Jason Calacanis: I'm looking on the internet for a young actor to play you sex.

Well, we'll let the audience

David Friedberg: come back to that. Let the audience decide who plays a young sex. Yeah.

Jason Calacanis: Chamath, you looking forward to anything in media in 2024? Did you have anything for us to, uh, Look out for

Chamath Palihapitiya: Jimmy Donaldson. Mr. Beast added 100 million subscribers on YouTube in 2023, more than two times the next largest channel.

And if you watch his content, Mr. Beast channel, it's incredible. And that has become event based viewing now for hundreds of millions of people. So I I'm

really excited to see what production value gets cranked out [01:18:00] in 2024 from these guys. But my, that's my most anticipated media is uh,

Jason Calacanis: is MrBeast. And Freebird, anything you're looking forward to in the media space in 2024?

David Friedberg: I mean, I put AI generated news. Which I think has become like an interesting, have you guys seen these where there's like a broadcaster that just tells you the news and they're like naked. I haven't seen that. No, that was the thing in

Jason Calacanis: the early days of theater, right? Wasn't there like naked news or something?

Yeah, no, that was like, I'm getting from the

Chamath Palihapitiya: news and that was like naked news where like these people would be like in, in the process of undressing as they, as they like read the news. It was so

Jason Calacanis: stupid. Oh, really? It was really dumb, but it did capture people's imagination. Naked news. You could basically watch newscasters naked, read the news.

David Friedberg: I do think you're going to see a lot of this real time generative video that's going to take as its input, uh, news feeds and develop some understanding and then present it back to you. In whatever visual [01:19:00] format you want. And so you'll have your own personal newscaster presenting you the stuff that's interesting and be like, No, no, tell me less about the Middle East.

Tell me more about Wall Street. Tell me more about tech. And you can basically interact with it and curate your own personal news feed. Whether that's through video or through text or through audio, you can have it presented to you any way you want. So I'm really excited for the day that that happens so I don't have to doom scroll through Twitter all the time to get news.

And I can have, you know, a personally curated

Chamath Palihapitiya: newscaster. To your point, one of the things that One of the tasks that I had this year was to kind of like, take a model and learn how to fine tune it. And Sonny and I, we took a stable diffusion, and there's a mod to it

called juggernaut Excel, which basically produces know the most beautiful people you've ever seen, like under any boundary condition, it doesn't matter what prompt you give handsome, the people that it generates are the most stunningly symmetrically beautiful people.

And All it's going to take to your point is to just put this stuff together next year and [01:20:00] you'll have these people that capture your attention and can keep your attention and they'll tell you the news or whatever. And you can just

David Friedberg: say skip. You can say tell me more. You can say go back. You can say, Hey, I want to hear more like double click on that story.

And interact with it. It's going to be incredible. I do think it's, it's going to happen in 2024 where a series of products will come out that start to look like this and it'll get in terms of objective views.

Chamath Palihapitiya: If that as they're telling the news, you can have another agent that's basically scoring it and telling you how biased it is.

Yeah. By the way, I'll tell you a crazy story yesterday after Jason, Jason took Nat and I out yesterday. We had an epic day. It was incredible. Good times. I was totally gassed skiing. And so I took an app and I fell asleep for like 40 minutes and I woke up and I turn on the TV and I watched CNN for 20 minutes.

Have you guys watched CNN?

Jason Calacanis: I can't

David Friedberg: watch more than

Chamath Palihapitiya: a minute is so bad. It is all

Jason Calacanis: network news. Yeah. Well, no, no, it's

Chamath Palihapitiya: really bad Jason Like no, it's not nice it is [01:21:00] and just how inaccurate it is If you were to watch it for an hour a day You would have this totally lopsided view of what's going on in the world.

That is completely not accurate. But here's my here's my point There's nobody fact checking CNN just like there's nobody really fact checking Fox News But

my thought is these models and these AI tools should be the thing that presents objective news and then actually just

David Friedberg: tells the truth. I disagree.

I think what will happen is people will bias the delivery to what they want to hear and you'll end up having something that's going to become more of an echo chamber for you. I want to hear more about how X, Y, or Z is so great. I want to hear less about the stuff that I don't agree with and you're going to curate your news to exactly what's happened with social media.

So I don't know if that's necessarily how this will evolve to my because people don't like to hear what they don't believe or what they don't already know. I mean, they don't want to hear the truth.

Jason Calacanis: Yeah, they want to hear the truth that speaks to them. Yeah, their version of the truth. They want to be

David Friedberg: emotionally titillated.

You know, it's about time I

Jason Calacanis: let you guys know that we ran an experiment right now. Chamath and Freeberg. I did this with Sax's permission, but Sax's [01:22:00] participation here today was actually his AI. This is an AI version of Sax that we programmed. AI Sax, can you reveal yourself and what? training data went into this version of AI sacks.

Can you can you give us something about your training data? AI sacks? What training data was used? If this

David Sacks: is a bit you want to do, you're gonna have to give me more of a heads up. That

David Friedberg: would be hilarious,

Jason Calacanis: though, if we actually trained like a sacks model, and we had them come on, and we tried to fool the audience.

Can we just do

David Friedberg: a quick roundtable? If you guys were to summarize your in one word or two words, your emotional condition for 2024? What would it be? Like, how are you feeling going into 2024 sex?

David Sacks: Oh, I feel fine. But if I were to describe 24 in one word, I would say the year is going to be turbulent. I feel, I feel level.

That's not me, but I feel like the world is going to be very turbulent.

Jason Calacanis: Um, kind of exhilarated, enthusiastic about 2024. It feels like a lot of [01:23:00] the cleanup work, you know, that we had to do in 20. 23 2022. Like I feel like a lot of that we've worked through it and I'm finding a lot of optimistic. So I guess that would be, you know, enthusiastic and optimistic about 2024.

I'm really excited to go to work and create. I want to create some new things in 2024. I feel very creative, creative. Yeah, yeah, creative. I

Chamath Palihapitiya: would say cautious and pensive. I think that just a lot of Stuff is changing underfoot and I'm personally not excited to make a bunch of decisions because I worry that those decisions will have to be remade or unmade even nine or 10 months later.

So I, I'm just kind of like very pensive. I'm like, wow, a lot of stuff can change, will change. Even just like, you know, and then free bird knows this, but like, you know, [01:24:00] there's like some deals underfoot that like, I think for the industry as a lot, like as a whole are just really meaningful things. And so to do stuff right now, free bird makes me very anxious.

So, right, I'm really cautious and pensive, right?

David Friedberg: Where are you at free bird? I'm excited. I'm enjoying my new job as CEO at Ohalo. There's so much cool stuff happening. I'm personally excited about it. So this is the most excited I've felt in many years in terms of my, my work. And then I would, and I'm really excited to share what we've done next year, which earlier this year, which I'll do, I'll do it on the show first, obviously.

And then looking outside of the world, I'm just A little cautious. I'm all nervous. I think there's like, there's still a lot of tinder boxes out there. So I mean, you guys know, like we joke about it, but I do think there's these like little mousetraps that can get set off and then they set up all the other mousetraps.

So there's a couple of those things out there

Jason Calacanis: that I'm a little nervous about. But in the course of history, aren't there always conflicts in the world? And like, do you try to like, put them on a spectrum of like, there's always going to be [01:25:00] conflict.

David Friedberg: There's always going to be, there's never been this much debt in the world.

And that's what makes me so nervous. Like, and I think, yeah, no, and I think they're related. Right. So actual conflict relates to the debt load, and that's why I'm so nervous because we've never been, you can't keep your societal fabric together. If you have a lot of debt and you can't grow your economy, those are two, that's a simple fact.

And so that leads naturally to finding points of conflict with other nations and other places because. You know, you look for conflict elsewhere, but there's a good chance that

Chamath Palihapitiya: will, the Republicans will force some momentary temporary budget cuts in this next couple of weeks. Shut down. Yeah. A couple of weeks.

Yeah. 17, two weeks, two weeks away. Yeah.

David Friedberg: Yeah,

David Sacks: that's pretty interesting. Under the terms of the debt ceiling increase that they agree to last year, they're supposed to all agree on a new budget. And if they don't, then there's a 1 percent cut across the board on discretionary spending that goes into effect.

Right. If I were the Republicans, why agree to a deal? [01:26:00] You're never going to do better than a 1 percent cut in discretionary spending. If you care about austerity or just having any kind of reason in our spending, just take the 1 percent cut. Just don't agree to anything.

David Friedberg: Agreed. That's the most likely path, right?

At this

David Sacks: point. I hope so. And you know, a 1 percent cut is a rounding error, but the Washington elites are going to shriek like crazy over that. I mean, they're going to. Yeah. Squeal over this minuscule cut. Like we were slashing their budgets, right? But that's all we're cutting our arm. And I think, yeah, exactly.

They're cutting their

Jason Calacanis: fingernail and they're crying. It's like just

David Sacks: clicker. Totally. They're going to have their arm when they got like a fingernail clip.

Jason Calacanis: Yeah, it's nothing. All right, I gotta run. All right, everybody. What an amazing 2023 we had. Here's to a great 2024. You got your prediction show and we'll be back with more news and a kind of classic all in episode next week.

Have a great New Year. And we wish you all the best in 2024 Love you boys.
Back at

Chamath Palihapitiya: you Byebye,[01:27:00]

Jason Calacanis: rain man, David

n We open source it to the fans and they've just gone crazy with it. Queen
besties are,

Chamath Palihapitiya: that is

David Friedberg: my, uh, dog ticket. Your driveway,

Jason Calacanis: Oh man.

Chamath Palihapitiya: We should all just get a room and just have one.
Georgie, because they're all just useless.

David Friedberg: It's like this, like,

Jason Calacanis: sexual tension that we just need to release somehow. What?

Chamath Palihapitiya: You're about

Jason Calacanis: to be

David Sacks: What? We need

Jason Calacanis: to get merch. Besties are back. I'm going all in!

[01:28:00]