

**Lex Fridman Podcast #458 - Marc Andreessen: Trump, Power, Tech, AI, Immigration &
Future of America**

Published - January 26, 2024

Transcribed by - thepodtranscripts.com

Lex Fridman

The following is a conversation with Marc Andreessen, his second time on the podcast. Marc is a visionary tech leader and investor who fundamentally shaped the development of the internet and the tech industry in general over the past 30 years. He's the co-creator of Mosaic, the first widely used web browser, co-founder of Netscape, co-founder of the legendary Silicon Valley venture capital firm, Andreessen Horowitz, and is one of the most influential voices in the tech world, including at the intersection of technology and politics. This is the Lex Fridman Podcast. To support it, please check out our sponsors in the description. And now, dear friends, here's Marc Andreessen. All right, let's start with optimism. If you were to imagine the best possible 1 to 2 years, 2025, '26 for tech, for big tech and small tech, what would it be? What would it look like? Lay out your vision for the best possible scenario trajectory for America?

Marc Andreessen

The roaring 20s.

Lex Fridman

The roaring 20s.

Marc Andreessen

The roaring 20s. I mean, look, couple of things. It is remarkable over the last several years with all of the issues including not just everything in politics, but also COVID and every other thing that's happened. It's really amazing, the United States just kept growing. If you just look at economic growth charts, the US just kept growing and very significantly, many other countries stopped growing. So Canada stopped growing, the UK has stopped growing, Germany has stopped growing, and some of those countries may be actually growing backwards at this point. And there's a very long discussion to be had about what's wrong with those countries. And there's of course, plenty of things that are wrong with our country, but the US is just flat out primed for growth. And I think that's a consequence of many factors, some of which are lucky and some of which through hard work. And so the lucky part is just number one, we just have incredible physical security by being our own continent. We have incredible natural resources. There's this running joke now that whenever it looks like the US is going to run out of some rare earth material, some farmer in North Dakota kicks over a hay bale and finds a \$2 trillion deposit. I mean, we're just blessed with geography and with natural resources. Energy. We can be energy independent anytime we want. This last administration decided they didn't want to be, they wanted to turn off American energy. This new administration has declared that they have a goal of turning it on in a dramatic way. There's no question we can be energy independent, we can be a giant net energy exporter. It's purely a question of choice, and I think the new administration's going to do that. And then I would say two other things. One is we are the beneficiaries, and you're an example of this. We're a beneficiary. We're the beneficiary of 50, 100, 200 years of the basically most aggressive driven, smartest people in the world, most capable people

moving to the US and raising their kids here. And so we're by far the most dynamic population, most aggressive, we're the most aggressive set of characters, certainly in any Western country and have been for a long time, and certainly are today. And then finally, I would just say, look, we are overwhelmingly the advanced technology leader. We have our issues and we have, I would say particular issue with manufacturing, which we could talk about. But for anything in software, anything in AI, anything in all these ... Advanced biotech, all these advanced areas of technology, we're by far the leader. Again, in part because many of the best scientists and engineers in those fields come to the US. And so we have all of the preconditions for just a monster boom. I could see economic growth going way up, I could see productivity growth going way up, rate of technology adoption going way up. And then we can do a global tour, if you like. But basically, all of our competitors have profound issues, and we could go through them one by one, but the competitive landscape just is ... It's like it's remarkable how much better positioned we are for growth.

Lex Fridman

What about the humans themselves? Almost a philosophical question. I travel across the world and there's something about the American spirit, the entrepreneurial spirit that's uniquely intense in America. I don't know what that is. I've talked to Saagar who claims it might be the Scots-Irish blood that runs through the history of America. What is it? You, at the heart of Silicon Valley, is there something in the water? Why is there this entrepreneurial spirit?

Marc Andreessen

Yeah. So is this a family show or am I allowed to swear?

Lex Fridman

You can say whatever the fuck you want.

Marc Andreessen

Okay. So the great TV show, succession, the show of course, which you were intended to root for exactly zero of the characters.

Lex Fridman

Yes.

Marc Andreessen

The best line from succession was in the final episode of the first season when the whole family's over in Logan Roy's ancestral homeland of Scotland. And they're at this castle for some wedding. And Logan is just completely miserable because he's been in New York for 50 years, he's totally miserable being back in Scotland. And he gets in some argument with somebody and he says, finally just says, "My God, I cannot wait to get out of here and go back to America where we can fuck without condoms."

Lex Fridman

Was that a metaphor or ... Okay

Marc Andreessen

Exactly. No, but it's exactly the thing, and everybody instantly knows what ... Everybody watching that instantly starts laughing because you know what it means, which it's exactly this. I think there's an ethnographic way of it. There's a bunch of books on, like you said, the Scots-Irish, like all the different derivations of all the different ethnic groups that have come to the US over the course of the last 400 years. But what we have is this sort of amalgamation of the Northeast Yankees who are super tough and hardcore. Yeah, the Scots-Irish are super aggressive. We've got the Southerners and the Texans and the whole blended kind of Anglo-Hispanic thing, super, incredibly tough, strong, driven, capable characters. The Texas Rangers, we've got the California, we've got the wild, we've got the incredibly inventive hippies, but we also have the hardcore engineers. We've got the best rocket scientists in the world. We've got the best artists in the world, creative professionals, the best movies. So yeah, I would say all of our problems, I think are basically, in my view, to some extent, attempts to basically sand all that off and make everything basically boring and mediocre. But there is something in the national spirit that basically keeps bouncing back. And basically what we discover over time is we basically just need people to stand up at a certain point and say, "It's time to build, it's time to grow, it's time to do things." And there's something in the American spirit that just roars right back to life. And I've seen it before. I saw it as a kid here in the early 80s because the 70s were horribly depressing in the US. They were a nightmare on many fronts. And in a lot of ways, the last decade to me has felt a lot like the 70s just being mired in misery and just this self-defeating negative attitude and everybody's upset about everything. And then by the way, energy crisis and hostage crisis and foreign wars and just demoralization. The low point in the 70s was Jimmy Carter who just passed away, he went on TV and he gave this speech known as the Malaise Speech, and it was like the weakest possible, trying to rouse people back to a sense of passion, completely failed. And we had the hostages in Iran for I think 440 days. And every night on the nightly news, it was lines around the block, energy crisis, depression, inflation. And then Reagan came in and Reagan was a very controversial character at the time. And he came in and he's like, "Yep, nope, it's morning in America and we're the shining city on the hill, and we're going to do it." And he did it, and we did it. And the national spirit came roaring back and roared really hard for a full decade. I think that's exactly what ... I think we'll see, but I think that's what could happen here.

Lex Fridman

And I just did a super long podcast on Milton Friedman with Jennifer Burns, who's this incredible professor at Stanford, and he was part of the Reagan ... So there's a bunch of components to that, one of which is economic, and one of which maybe you can put a word

on it of not to be romantic or anything, but freedom, individual freedom, economic freedom, political freedom, and just in general, individualism.

Marc Andreessen

Yeah, that's right. Yeah. As you know this, America has this incredible streak of individualism. Individualism in America probably peaked, I think between roughly call it the end of the Civil War, 1865 through to probably call it 1931 or something. And there was this incredible rush. I mean that period, we now know that period as the second Industrial Revolution, and it's when the United States basically assumed global leadership and basically took over technological and economic leadership from England. And then that led to ultimately then therefore being able to not only industrialize the world, but also win World War II and then win the Cold War. And yeah, there's a massive individualistic streak. By the way, Milton Friedman's old videos are all on YouTube. They are every bit as compelling and inspiring as they were then. He's a singular figure. And many of us, I never knew him, but he was actually at Stanford for many years at the Hoover Institution, but I never met him, but I know a lot of people who worked with him and he was a singular figure. But all of his lessons live on or are fully available. But I would also say it's not just individualism, and this is one of the big things. It's playing out in a lot of our culture and kind of political fights right now, which is basically this feeling, certainly that I have and I share with a lot of people, which is it's not enough for America to just be an economic zone, and it's not enough for us to just be individuals, and it's not enough to just have line go up, and it's not enough to just have economic success. There are deeper questions at play, and also there's more to a country than just that. And quite frankly, a lot of it is intangible. A lot of it involves spirit and passion. And like I said, we have more of it than anybody else, but we have to choose to want it. The way I look at, it's like all of our problems are self-inflicted. Decline is a choice. All of our problems are basically demoralization campaigns, basically people telling us, people in positions of authority telling us that, "We shouldn't stand out, we shouldn't be adventurous, we shouldn't be exciting, we shouldn't be exploratory, we shouldn't this, that, and the other thing. And we should feel bad about everything that we do." And I think we've lived through a decade where that's been the prevailing theme. And I think quite honestly, as of November, I think people are done with it.

Lex Fridman

If we could go on a tangent of a tangent, since we're talking about individualism, and that's not all that it takes. You've mentioned in the past the book *The Ancient City* by, if I could only pronounce the name, French historian Numa Denis Fustel de Coulanges. I don't know.

Marc Andreessen

That was amazing.

Lex Fridman

Okay. All right. From the 19th century. Anyway, you said this is an important book to understand who we are and where we come from.

Marc Andreessen

So what that book does, it's actually quite a striking book. So that book is written by this guy as a [inaudible 00:11:02] Let Lex do the pronunciations, the foreign language pronunciations for the day. He was a professor of classics at the Sorbonne in Paris, the top university, actually in the 1860s, so actually right around after the US Civil War. And he was a savant of a particular kind, which is he, and you can see this in the book is he had apparently read, and sort of absorbed and memorized every possible scrap of Greek and Roman literature. And so is like a walking index on basically everything we know about Greek and Roman culture, and that's significant. The reason this matters is because basically none of that has changed. And so he had access to the exact same written materials that we have access to, and so we've learned nothing. And then specifically what he did is he talked about the Greeks and the Romans, but specifically what he did is he went back further. He reconstructed the people who came before the Greeks and the Romans and what their life and society was like. And these were the people who were now known as the Indo-Europeans. And you may have heard of these, these are the people who came down from the steppes. And so they came out of what's now Eastern Europe around sort of the outskirts of what's now Russia. And then they sort of swept through Europe. They ultimately took over all of Europe, by the way, almost many of the ethnicities in the Americas, the hundreds of years that follow are Indo-European. And so they were basically this warrior, basically class that came down and swept through and essentially populated much of the world. And there's a whole interesting saga there. And then from there came basically what we know as the Greeks and the Romans were kind of evolutions off of that. And so what he reconstructs, what life was like, at least in the West for people in their kind of original social state. And the significance of that is the original social state is living in the state of the absolute imperative for survival with absolutely no technology. No modern systems, no nothing. You've got the clothes on your back, you've got whatever you can build with your bare hands. This predates basically all concepts of technology as we understand them today. And so these are people under maximum levels of physical survival pressure. And so what social patterns did they evolve to be able to do that? And the social pattern basically was as follows, is a three-part social structure, family, tribe and city, and zero concept of individual rights and essentially no concept of individualism. And so you were not an individual. You were a member of your family, and then a set of families would aggregate into a tribe and then a set of tribes would aggregate into a city. And then the morality was completely ... It was actually what Nietzsche talks about. The morality was entirely master morality, not slave morality. And so in their morality, anything that was strong was good, and anything that was weak was bad. And it's very clear why that is. It is because strong equals good equals survive. Weak equals bad equals die. And that led to what became known later as the master-slave dialectic, which is, is it more important for you to live on your feet as a

master even at the risk of dying? Or are you willing to live as a slave on your knees in order to not die? And this is sort of the derivation of that moral framework. Christianity later inverted that moral framework. But the original framework lasted for many, many thousands of years. No concept of individualism. The head of the family had total life and death control over the family, the head of the tribe, same thing, head of the city, same thing. And then you were morally obligated to kill members of the other cities on contact. You were morally required to. If you didn't do it, you were a bad person. And then the form of the society was basically maximum fascism combined with maximum communism. And so it was maximum fascism in the form of this absolute top-down control where the head of the family tribe or city could kill other members of the community at any time with no repercussions at all. So maximum hierarchy, but combined with maximum communism, which is no market economy and so everything gets shared. And sort of the point of being in one of these collectives is that it's a collective and people are sharing, and of course that limited how big they could get because the problem with communism is it doesn't scale. It works at the level of a family. It's much harder to make it work at the level of a country. Impossible. Maximum fascism, maximum communism. And then it was all intricately tied into their religion. And their religion was in two parts. It was veneration of ancestors and it was veneration of nature. And the veneration of ancestors is extremely important because it was basically the ancestors were the people who got you to where you were. The ancestors were the people who had everything to teach you. And then it was veneration of nature because of course, nature is the thing that's trying to kill you. And then you had your ancestor, every family, tribe or city had their ancestor gods and then they had their nature gods. So fast-forward to today, we live in a world that is radically different, and the book takes you through what happened from that through the Greeks and Romans through to Christianity. But it's very helpful to kind of think in these terms because the conventional view of the progress through time is that we are ... The cliché is the arc of the moral universe bends towards justice or so-called wig history, which is that the arc of progress is positive. And so what you hear all the time, what you're taught in school and everything is every year that goes by, we get better and better and more and more moral and more and more pure and a better version of ourselves. Our Indo-European ancestors would say, "Oh no, you people have fallen to shit. You people took all of the principles of basically your civilization and you have diluted them down to the point where they barely even matter and you're having children out of a wedlock and you regularly encounter people of other cities and you don't try to kill them." And how crazy is that? And they would basically consider us to be living like an incredibly diluted version of this sort of highly religious, highly cult-like, highly organized, highly fascist, communist society. I can't resist noting that as a consequence of basically going through all the transitions we've been through going all the way through Christianity coming out the other end of Christianity, Nietzsche declares God is dead. We're in a secular society that still has tinges of Christianity, but largely prides itself on no longer being religious in that way. We being the sort of most fully evolved, modern secular experts, scientists and so forth have basically re-evolved or fallen back on the exact same religious structure that the Indo-Europeans had, specifically ancestor worship, which

is identity politics and nature worship, which is environmentalism. And so we have actually worked our way all the way back to their cult religions without realizing it. And it just goes to show that in some ways we have fallen far from the family tree, but in some cases we're exactly the same.

Lex Fridman

You kind of described this progressive idea of wokeism and so on as worshiping ancestors.

Marc Andreessen

Identity politics is worshiping ancestors. It's tagging newborn infants with either benefits or responsibilities or levels of condemnation based on who their ancestors were. The Indo-Europeans would've recognized it on sight. We somehow think it's super socially progressive.

Lex Fridman

And it is not.

Marc Andreessen

I mean, I would say obviously not. Get nuanced which is where I think you're headed, which is, is the idea that you can completely reinvent society every and have no regard whatsoever for what came before you? That seems like a really bad idea. That's like the Cambodians with Year Zero under Pol Pot and death follows. Obviously the Soviets tried that. The utopian fantasists who think that they can just rip up everything that came before and create something new in the human condition and human society have a very bad history of causing enormous destruction. So on the one hand, it's like, okay, there is a deeply important role for tradition. And the way I think about that is the process of evolutionary learning, which is what tradition ought to be, is the distilled wisdom of all. And this is what Indo-Europeans thought about. It should be the distilled wisdom of everybody who came before you. All those important and powerful lessons learned. And that's why I think it's fascinating to go back and study how these people lived is because part of the history and part of the learning that got us to where we're today. Having said that, there are many cultures around the world that are mired in tradition to the point of not being able to progress. And in fact, you might even say globally, that's the default human condition, which is a lot of people are in societies in which there's absolute seniority by age, kids are completely ... In the US, for some reason we decided kids are in charge of everything and they're the trendsetters and they're allowed to set all the agendas and set all the politics and set all the culture and maybe that's a little bit crazy. But in a lot of other cultures, kids have no voice at all, no role at all. The old people who are in charge of everything, they're gerontocracies, and it's all a bunch of 80 year olds running everything, which by the way, we have a little bit of that too. And so what I would say is there's a real downside. Full traditionalism is communitarianism, it's ethnic particularism, it's ethnic chauvinism, it's this incredible level of resistance to change. It just doesn't get you anywhere. It may be good and

fine at the level of an individual tribe, but as a society living in the modern world, you can't evolve, you can't advance, you can't participate in all the good things that have happened. And so I think probably this is one of those things where extremists on either side is probably a bad idea, but this needs to be approached in a sophisticated and nuanced way.

Lex Fridman

So the beautiful picture you painted of the roaring 20s, how can the Trump administration play a part in making that future happen?

Marc Andreessen

So look, a big part of this is getting the government boot off the neck of the American economy, the American technology industry, the American people. And again, this is a replay of what happened in the 60s and 70s, which is for what started out looking like, I'm sure good and virtuous purposes, we ended up both then and now with this, what I describe as sort of a form of soft authoritarianism. The good news is it's not like a military dictatorship. It's not like you get thrown into Lubyanka. For the most part, [inaudible 00:20:28] not coming at four in the morning. You're not getting dragged off to a cell. So it's not hard authoritarianism, but it is soft authoritarianism. And so it's this incredible suppressive blanket of regulation rules, this concept of a vetocracy. What's required to get anything done? You need to get 40 people to sign off on anything, any one of them can veto it. There's a lot of [inaudible 00:20:47] political system works. And then just this general idea of progress is bad, and technology is bad, and capitalism is bad, and building businesses is bad and success is bad. Tall poppy syndrome, basically, anybody who sticks their head up deserves to get it chopped off. Anybody who's wrong about anything deserves to get condemned forever. Just this very kind of grinding repression. And then coupled with specific government actions such as censorship regimes and debanking and Draconian, deliberately kneecapping critical American industries, and then congratulating yourselves on the back for doing it or having these horrible social policies, like let's let all the criminals out of jail and see what happens. And so we've just been through this period, I call it a demoralization campaign. We've just been through this period, whether it started that way or not, it ended up basically being this comprehensive message that says, "You're terrible and if you try to do anything, you're terrible and fuck you." And the Biden administration reached the full pinnacle of that in our time. They got really bad on many fronts at the same time. And so just relieving that and getting back to a reasonably optimistic, constructive, pro-growth frame of mind, there's so much pent-up energy and potentially in the American system, that alone is going to, I think cause growth and spirit to take off. And then there's a lot of things proactively that could be done.

Lex Fridman

So how do you relieve that? To what degree has the thing you describe ideologically permeated government and permeated big companies?

Marc Andreessen

Disclaimer at first, which is I don't want to predict anything on any of this stuff because I've learned the hard way that I can't predict politics or Washington at all. But I would just say that the plans and intentions are clear and the staffing supports it, and all the conversations are consistent with the due administration and that they plan to take very rapid action on a lot of these fronts very quickly. They're going to do as much as they can through executive orders, and then they're going to do legislation and regulatory changes for the rest. And so they're going to move, I think, quickly on a whole bunch of stuff. You can already feel, I think a shift in the national spirit, or at least, let's put it this way, I feel it for sure in Silicon Valley. I mean, we just saw a great example of this with what Mark Zuckerberg is doing, and obviously I'm involved with his company, but we just saw it kind of in public, the scope and speed of the changes are reflective of a lot of these shifts. But I would say that same conversation, those same kinds of things are happening throughout the industry. And so the tech industry itself, whether people were pro-Trump or anti-Trump, there's just a giant vibe shift, mood shift that's kicked in already. And then I was with a group of Hollywood people about two weeks ago, and they were still people who at least vocally were still very anti-Trump, but I said, "Has anything changed since November 6th?" And they immediately said, "Oh, it's completely different. It feels like the ice has thawed. Woke is over." They said that all kinds of projects are going to be able to get made now they couldn't before, that Hollywood's going to start making comedies again. It is just like an incredible immediate environmental change. And as I talk to people, certainly throughout the economy, people who run businesses, I hear that all the time, which is just this last 10 years of misery is just over. I mean, the one that I'm watching that's really funny. I mean, Facebook's getting a lot, Meta's getting a lot of attention, but the other funny one is BlackRock, which I don't know him, but I've watched for a long time. And so Larry Fink, who's the CEO of BlackRock, was first in as a major investment CEO on every dumb social trend and rule set every ... I'm going for it. Every retarded thing you can imagine, every ESG and every possible ... Saddling companies with every aspect of just these crazed ideological positions. And he was coming in, he literally had aggregated together trillions of dollars of shareholdings that were his customer's rights, and he seized their voting control of their shares and was using it to force all these companies to do all of this crazy ideological stuff. And he was like the Typhoid Mary of all this stuff in corporate America. And he in the last year has been backpedaling from that stuff as fast as he possibly can. And just an example, last week, he pulled out of the whatever the Corporate Net-Zero Alliance, he pulled out of the crazy energy stuff. And so he's backing away as fast as he can. Remember, the Richard Pryor backwards walk? Richard Pryor had this way where he could back out of a room while looking like he was walking forward. And so even there doing that and just the whole thing. I mean, if you saw the court recently ruled that NASDAQ had these crazy board of directors composition rules. One of the funniest moments of my life is when my friend Peter Thiel and I were on the Meta board and these NASDAQ rules came down, mandated diversity on corporate boards. And so we sat around the table and had to figure out which of us counted as diverse. And the very professional attorneys at Meta explained with 100% complete

straight face that Peter Thiel counts as diverse by virtue of being LGBT. And this is a guy who literally wrote a book called The Diversity Myth. He literally looked like he'd swallowed a live goldfish, and this was imposed. I mean, this was so incredibly offensive to him that it was just absolutely appalling and I felt terrible for him. But the look in his face was very funny. And it was imposed by NASDAQ, your stock exchange imposing this stuff on you, and then the court, whatever, the Court of Appeals just nuked that. So these things basically are being ripped down one by one. And what's on the other side of it is basically finally being able to get back to everything that everybody always wanted to do, which is run their companies, have great products, have happy customers, succeed, achieve, outperform, and work with the best and the brightest and not be made to feel bad about it. And I think that's happening in many areas of American society.

Lex Fridman

It's great to hear that Peter Thiel is fundamentally a diversity hire.

Marc Andreessen

Well, there was a moment. So Peter, of course, is publicly gay, has been for a long time, but there are other men on the board, and we're sitting there and we're all looking at it, and we're like, all right, okay, LGBT, and we keep coming back to the B, and it's like all I'm willing to do a lot for this company, but ...

Lex Fridman

It's all about sacrifice for diversity.

Marc Andreessen

Well, yeah. And then it's like, okay, is there a test?

Lex Fridman

Oh yeah, exactly. How do you prove it?

Marc Andreessen

The questions that got asked.

Lex Fridman

What are you willing to do for the greater good?

Marc Andreessen

I've become very good at asking lawyers completely absurd questions with a totally straight face.

Lex Fridman

And do they answer with a straight face [inaudible 00:27:29]?

Marc Andreessen

Sometimes. I think in fairness, they have trouble telling when I'm joking.

Lex Fridman

So you mentioned the Hollywood folks, maybe people in Silicon Valley and the vibe shift. Maybe you can speak to preference falsification. What do they actually believe? How many of them actually hate Trump? What percent of them are feeling this vibe shift and are interested in creating the roaring 20s in the way they've described?

Marc Andreessen

So first we should maybe talk population. So there's all of Silicon Valley, and the way to just measure that is just look at voting records and what that shows consistently is Silicon Valley is just, at least historically, my entire time there has been overwhelmingly majority just straight up Democrat. The other way to look at that is political donation records. And again, the political donations in the Valley range from 90 to 99% to 1 side. And so I just bring it up because we'll see what happens with the voting and with donations going forward. We can maybe talk about the fire later, but I can tell you there is a very big question of what's happening in Los Angeles right now. I don't want to get into the fire, but it's catastrophic. And there was already a rightward shift in the big cities in California, and I think a lot of people in LA are really thinking about things right now as they're trying to literally save their houses and save their families. But even in San Francisco, there was a big shift to the right in the voting in '24. So we'll see where that goes, but you observe that by just looking at the numbers over time. The part that I'm more focused on is, and I don't know how to exactly describe this, but it's like the top 1,000 or the top 10,000 people. I don't have a list, but it's all the top founders, top CEOs, top executives, top engineers, top VCs, and then into the ranks, the people who kind of built and run the companies. And I don't have numbers, but I have a much more tactile feel for what's happening. So the big thing I have now come to believe is that the idea that people have beliefs is mostly wrong. I think that most people just go along, and I think even most high status people just go along. And I think maybe the most high status people are the most prone to just go along because they're the most focused on status. And the way I would describe that is one of the great forbidden philosophers of our time is the Unabomber, Ted Kaczynski. And amidst his madness, he had this extremely interesting articulation. He was an insane lunatic murderer, but he was also a Harvard super genius. Not that those are in conflict.

Lex Fridman

Shots fired man.

Marc Andreessen

But he was a very bright guy, and he did this whole thing where he talked about, basically he was very right-wing and talked about leftism a lot. And he had this great concept that's just stuck in my mind ever since I read it, which is he had this concept just called

over-socialization. And so most people are socialized. We live in a society, most people learn how to be part of a society. They give some deference to the society. There's something about modern Western elites where they're over-socialized and they're just overly oriented towards what other people like themselves think and believe. And you can get a real sense of that if you have a little bit of an outside perspective, which I just do, I think as a consequence of where I grew up. Even before I had the views that I have today, there was always just this weird thing where it's like, why does every dinner party have the exact same conversation? Why does everybody agree on every single issue? Why is that agreement precisely what was in the New York Times today? Why are these positions not the same as they were five years ago? But why does everybody snap into agreement every step of the way? And that was true when I came to Silicon Valley, and it's just as true today 30 years later. And so I think most people are just literally, I think they're taking their cues from, it's some combination of the press, the universities, the big foundations. So it's basically, it's like The New York Times, Harvard, the Ford Foundation, and I don't know, a few CEOs and a few public figures and maybe the President if your party is in power. And whatever that is, everybody who's sort of good and proper and elite and good standing and in charge of things, and a sort of correct member of, let's call it coastal American society, everybody just believes those things. And then the two interesting things about that is, number one, there's no divergence among the organs of power. So Harvard and Yale believed the exact same thing. The New York Times and The Washington Post believe the exact same thing. The Ford Foundation and the Rockefeller Foundation believe the exact same thing. Google and whatever, Microsoft believe the exact same thing. But those things change over time, but there's never conflict in the moment. And so The New York Times and The Washington Post agreed on exactly everything in 1970, 1980, 1990, 2000, 2010, and 2020, despite the fact that the specifics changed radically. The lockstep was what mattered. And so I think basically we in the Valley we're on the tail end of that, in the same way Hollywood's on the tail end of that, in the same way New York's on the tail end of that, the same way the media's on the tail end of that. It's like some sort of collective hive mind thing. And I just go through that to say, I don't think most people in my orbit, or let's say the top 10,000 people in the Valley or the top 10,000 people in LA, I don't think they're sitting there thinking basically, I have rock ... I mean, they probably think they have rocks solid beliefs, but they don't actually have some inner core of rock solid beliefs. And then they kind of watch reality change around them and try to figure out how to keep their beliefs correct. I don't think that's what happens. I think what happens is they conform to the belief system around them, and I think most of the time they're not even aware that they're basically part of a herd.

Lex Fridman

Is it possible that the surface chatter ...

Marc Andreessen

That they're basically part of a herd.

Lex Fridman

Is it possible that the surface chatter of dinner parties, underneath that there is a turmoil of ideas and thoughts and beliefs that's going on, but you're just talking to people really close to you or in your own mind, and the socialization happens at the dinner parties? When you go outside the inner circle of one, two, three, four people who you really trust, then you start to conform. But inside there, inside the mind, there is an actual belief or a struggle, attention within New York Times or with the listener. For the listener, there's a slow smile that overtook Mark Andreessen's face.

Marc Andreessen

So look, I'll just tell you what I think, which is at the dinner parties and at the conferences, no, there's none of that. What there is that all of the heretical conversations, anything that challenges the status quo, any heretical ideas and any new idea is a heretical idea, any deviation is either discussed one-on-one, face-to-face, it's like a whisper network or it's like a real life social network. There's a secret handshake. Which is like, okay, you meet somebody and each other a little bit, but not well, and you're both trying to figure out if you can talk to the other person openly or whether you have to be fully conformist. It's a joke.

Lex Fridman

Well, yeah, humor 100%.

Marc Andreessen

Somebody cracks a joke, right? Somebody cracks a joke. If the other person laughs, the conversation is on.

Lex Fridman

Yeah.

Marc Andreessen

If the other person doesn't laugh, back slowly away from the scene, I didn't mean anything by it. And then by the way, it doesn't have to be a super offensive joke. It just has to be a joke that's just up against the edge of one of the, use the Sam Bankman-Fried term, one of the chivalrous. It has to be up against one of the things, one of the things that you're absolutely required to believe to be the dinner parties. And then at that point, what happens is have a peer-to-peer network. You have a one-to-one connection with somebody, then you have your little conspiracy of thought criminality, and then you've probably been through this, you have your network of thought criminals, and then they have their network of thought criminals, and then you have this delicate mating dance as to whether you should bring the thought criminals together.

Lex Fridman

And the fundamental mechanism of the dance is humor.

Marc Andreessen

Yeah, it's humor. Well, of course.

Lex Fridman

Memes. Yeah.

Marc Andreessen

Well, for two reasons. Number one, humor is a way to have deniability, right? Humor is a way to discuss serious things without having deniability. Oh, I'm sorry. It was just a joke. So that's part of it, which is one of the reasons why comedians can get away with saying things the rest of us can't, they can always fall back on, oh yeah, I was just going for the laugh. But the other key thing about humor is that laughter is involuntary. You either laugh or you don't. And it's not a conscious decision whether you're going to laugh. And everybody can tell when somebody's fake laughing and every professional comedian knows this. The laughter is the clue that you're onto something truthful. People don't laugh at made-up bullshit stories. They laugh because you're revealing something that they either have not been allowed to think about or have not been allowed to talk about or is off limits. And all of a sudden it's like the ice breaks and it's like, oh yeah, that's the thing. And it's funny and I laugh, and then of course, this is why of course live comedy is so powerful is because you're all doing that at the same time, so you start to have the safety of numbers. It's no surprise to me, for example, Joe has been as successful as he has because they have this hack that the rest of us who are not professional comedians don't have, but you have your in-person version of it, and then you've got the question of whether you can join the networks together. And then you've probably been to this, is then at some point there's like the Alt dinner party, the [inaudible 00:36:23] dinner party, and you get six or eight people together and you join the networks. And those are the happiest, at least in the last decade, those are the happiest moments of everybody's lives. Everybody's just ecstatic because they're like, I don't have to worry about getting yelled at and shamed for every third sentence that comes out of my mouth, and we can actually talk about real things. So that's the live version of it. And then of course, the other side of it's the group chat phenomenon. And then basically the same thing played out until Elon bought X and until Substack took off, which were really the two big breakthroughs in free speech online, the same dynamic played out online, which is you had absolute conformity on the social networks, literally enforced by the social networks themselves through censorship, and then also through cancellation campaigns and mobbing and shaming. But then group chats grew up to be the equivalent of Samizdat. Anybody who grew up in the Soviet Union under communism, note, they had the hard version of this. It's like, how do you know who you could talk to? And then how do you distribute information? And again, that was the hard authoritarian version of this. And then we've been living through this weird mutant soft authoritarian version, but with some of the same patterns.

Lex Fridman

And WhatsApp allows you to scale and make it more efficient to build on these groups of heretical ideas bonded by humor.

Marc Andreessen

Yeah, exactly. Well, and this is the thing, and well, this is the running kind of thing about group chats. It's not even a joke. It's true. If you've noticed this principle of group chats, every group chat ends up being about memes and humor. And the game of group chat is to get as close to the line of being actually objectionable as you can get without actually tripping it. And literally every group chat that I have been in for the last decade, even if it starts some other direction, what ends up happening is it becomes the absolute comedy fest where, butt they walk right up the line and they're constantly testing. And every once in a while somebody will trip the line and people will freak out. And it's like, oh, too soon. Okay, we got to wait until next year to talk about that. They walk it back. And so it's that same thing. And then group chats is a technological phenomenon. It was amazing to see. Number one, it was obviously the rise of smartphones, then it was the rise of the new messaging services, then it was the rise specifically of I would say combination of WhatsApp and Signal. And the reason for that is those were the two big systems that did the full encryption, so you actually felt safe. And then the real breakthrough I think was disappearing messages, which hit Signal probably four or five years ago and hit WhatsApp three or four years ago. And then the combination of encryption and disappearing messages I think really unleashed it. Well, then there's the fight over the length of disappearing messages. And so it's like I often get behind on my thing, so I set to seven day disappearing messages and my friends who are like, no, that's way too much risk. It's got to be a day. And then every once in a while somebody will set to five minutes before they send something particularly inflammatory.

Lex Fridman

Yeah, 100%. One of the things that bothers me about WhatsApp, the choice is between 24 hours and seven days, one day or seven days. And I have to have an existential crisis deciding whether I can last for seven days with what I'm about to say.

Marc Andreessen

Exactly. Now, of course, what's happening right now is the big thaw. The vibe shift. So what's happening on the other side of the election is Elon on Twitter two years ago and now Mark with Facebook and Instagram. And by the way, with the continued growth of Substack and with other new platforms that are emerging, I think it may be, I don't know that everything just shifts back into public, but a tremendous amount of the verboten conversations can now shift back into public view. And this is one of those things, quite frankly, even if I was opposed to what people are saying, and I'm sure I am in some cases, I would argue still net better for society that those things happen in public instead of private.

Does you want to know? And then look, it's just I think, clearly much healthier to live in a society in which people are not literally scared of what they're saying.

Lex Fridman

I mean, to push back, to come back to this idea that we're talking about, I do believe that people have beliefs and thoughts that are heretical, like a lot of people. I wonder what fraction of people have that? To me, the preference falsification is really interesting. What is the landscape of ideas that human civilization has in private as compared to what's out in public? Because the dynamical system that is the difference between those two is fascinating. Throughout history the fall of communism and multiple regimes throughout Europe is really interesting. Everybody was following the line until not. But for sure, privately, there was a huge number of boiling conversations happening, where this is the bureaucracy of communism, the corruption of communism, all of that was really bothering people more and more and more and more. And all of a sudden there's a trigger that allows the vibe shift to happen. To me, the interesting question here is, what is the landscape of private thoughts and ideas and conversations that are happening under the surface of Americans? Especially, my question is how much dormant energy is there for this roaring twenties? What people are like, no more bullshit, let's get done.

Marc Andreessen

So we'll go through the theory of preference falsification just to-

Lex Fridman

Yes. By the way, amazing. The books on this is fascinating.

Marc Andreessen

Yeah, yeah. So this is one of the all time great books. Incredible. About 20, 30-year-old book, but it's completely modern and current in what it talks about as well as very deeply historically informed. So it's called Private Truths, Public Lies, and it's written by a social science professor named Timur Kuran, at I think Duke, and his definitive work on this. And so he has this concept, he calls Preference Falsification. And so preference falsification is two things, and you get it from the title of the book, Private Truths, Public Lies. So preference falsification is when you believe something and you can't say it, or, and this is very important, you don't believe something and you must say it. And the commonality there is in both cases, you're lying. You believe something internally, and then you're lying about it in public. And there's the two classic forms of it. For example, there's the, I believe communism is rotten, but I can't say it version of it. But then there's also the famous parable of the real life example, but the thing that Vaclav Havel talks about in the other good book on this topic, which is The Power of the Powerless, who is an anti-communist resistance fighter who ultimately became the president of Czechoslovakia after the fall of the wall. But he wrote this book and he describes the other side of this, which is workers of the world unite. And so he describes what he calls the Parable of the Greengrocer, which is you're a

greengrocer in Prague in 1985, and for the last 50 years, it's been absolutely mandatory to have a sign in the window of your store that says Workers of the World Unite. And it's 1985, it is crystal clear that the workers of the world are not going to unite. Of all the things that could happen in the world, that is not going to happen. The Commies have been at that for 70 years, it is not happening. But that slogan had better be in your window every morning because if it's not in your window every morning, you are not a good communist. The secret police are going to come by and they're going to get you. And so the first thing you do when you get to the store is you put that slogan in the window and you make sure that it stays in the window all day long. But he says, the thing is, the greengrocer knows the slogan is fake. He knows it's a lie. Every single person walking past the slogan knows that it's a lie. Every single person walking past the store knows that the greengrocer is only putting it up there because he has to lie in public. And the greengrocer has to go through the humiliation of knowing that everybody knows that he's caving into the system and lying in public. And so it turns into the moralization campaign. In fact, it's not ideological enforcement anymore because everybody knows it's fake. The authorities know it's fake, everybody knows it's fake. It's not that they're enforcing the actual ideology of the workers of the world uniting. It's that they're enforcing compliance and compliance with the regime. And you fuck you, you will comply. And so anyway, that's the other side of that. And of course, we have lived in the last decade through a lot of both of those. I think anybody listening to this could name a series of slogans that we've all been forced to chant for the last decade that everybody knows at this point are just simply not true. I'll let the audience speculate on their own group chats.

Lex Fridman

Send Marc your memes online as well, please.

Marc Andreessen

Yes, yes, exactly. Okay. So anyway, so it's the two sides of that, right? So it's Private Truth, Public Lies. So then what preference falsification does is it talks about extending that from the idea of the individual experience in that to the idea of the entire society experiencing that, right? And this gets to your percentages question. Which is like, okay, what happens in a society in which people are forced to lie in public about what they truly believe? What happens number one is that individually they're lying in public and that's bad. But the other thing that happens is they no longer have an accurate gauge at all or any way to estimate how many people agree with them. And again, this literally is how you get something like the communist system, which is like, okay, you end up in a situation in which 80 or 90 or 99% of a society can actually all be thinking individually, I really don't buy this anymore. And if anybody would just stand up and say it, I would be willing to go along with it, but I'm not going to be the first one to put my head on the chopping block. But because of the suppression censorship, you have no way of knowing how many of the people agree with you. And if the people agree with you are 10% of the population and you become part of a movement, you're going to get killed. If 90% of the people agree with you, you're going to win the revolution. And so the question of what the percentage actually is is a really critical

question. And then basically in any sort of authoritarian system, you can't run a survey to get an accurate result. And so you actually can't know until you put it to the test. And then what he describes in the book is it's always put to the test in the same way. This is exactly what's happened for the last two years, like 100% of exactly what's happened. It's like straight out of this book. Which is somebody, Elon, sticks his hand up and says, the workers of the world are not going to unite. Or the emperor is actually wearing no clothes, that famous parable. So one person stands up and does it, and literally that person is standing there by themselves, and everybody else in the audience is like, Ooh, I wonder what's going to happen to that guy? But again, nobody knows. Elon doesn't know, the first guy doesn't know, other people don't know which way is this going to go. And it may be that that's a minority position and that's the way to get yourself killed. Or it may be that that's the majority position and you are now the leader of a revolution. And then basically, of course, what happens is, okay, the first guy does that doesn't get killed, the second guy does... Well, a lot of the time that guy does get killed, but when the guy doesn't get killed, then a second guy pops his head up, says the same thing. All right, now you've got two. Two leads to four, four leads to eight, eight leads to 16. And then as we saw with the fall of the Berlin Wall, this is what happened in Russia and Eastern Europe in '89, when it goes, it can go, and then it rips. And then if it turns out that you had a large percentage of the population that actually believed the different thing, it turns out all of a sudden everybody has this giant epiphany that says, oh, I'm actually part of the majority. And at that point, you were on the freight train to revolution, right? It is rolling. Now, the other part of this is the distinction between the role of the elites and the masses. And here the best book is called the True Believer, which is the Eric Hoffer book. And so the nuance you have to put on this is the elites play a giant role in this because the elites do idea formation and communication, but the elites, by definition are a small minority. And so there's also this giant role played by the masses, and the masses are not necessarily thinking these things through in the same intellectualized formal way that the elites are, but they are for sure experiencing these things in their daily lives, and they for sure have at least very strong emotional views on them. And so when you really get the revolution, it's when you get the elites lined up with, or either the current elites change or the new set of elites, a new set of counter elites, basically come along and say, "No, there's actually a different and better way to live." And then the people basically decide to follow the counter elite. So that's the other dimension to it. And of course, that part is also happening right now. And again, case study one of that would be Elon, and who turns out in truly massive following.

Lex Fridman

And he has done that over and over in different industries, not just saying crazy shit online, but saying crazy shit in the realm of space, in the realm of autonomous driving, in the realm of AI, just over and over and over again. Turns out saying crazy shit is one of the ways to do a revolution and to actually make progress.

Marc Andreessen

Yeah. And it's like, well, but then there's the test. Is it crazy or is it the truth?

Lex Fridman

Yeah.

Marc Andreessen

And this is where there are many specific things about Elon's genius, but one of the really core ones is an absolute dedication to the truth. And so when Elon says something, it sounds like crazy shit, but in his mind it's true. Now, is he always right? No. Sometimes the rockets crash, sometimes he's wrong. He's human, he's like anybody else. He's not right all the time. But at least my through line with him both in what he says in public and what he says in private, which by the way are the exact same things. He does not do this. He doesn't lie in public about what he believes in private, or at least he doesn't do that anymore. He's 100% consistent in my experience. By the way, there's two guys who are 100% consistent like that that I know. Elon and Trump. Whatever you think of them, what they say in private is 100% identical to what they say in public. They're completely transparent, they're completely honest in that way. Again, it's not like they're perfect people, but they're honest in that way. And it makes them potentially both as they have been, very powerful leaders of these movements because they're both willing to stand up and say the thing that if it's true, it turns out to be the thing in many cases that many or most or almost everyone else actually believes, but nobody was actually willing to say out loud. And so they can actually catalyze these shifts. I think this framework is exactly why Trump took over the Republican Party. I think Trump stood up there on stage with all these other kind of conventional Republicans, and he started saying things out loud that it turned out the base really was they were either already believing or they were prone to believe, and he was the only one who was saying them. And so again, elite masses, he was the elite, the voters of the masses, and the voters decided, no. No more bushes, we're going this other direction. That's the mechanism of social change. What we just described is the actual mechanism of social change. It is fascinating to me that we have been living through exactly this. We've been living through everything exactly what Timur Kuran describes, everything that Vaclav Havel described. Black Squares and Instagram, like the whole thing, right? All of it. And we've been living through the true believer elites masses thing, with a set of basically incredibly corrupt elites wondering why they don't have the masses anymore, and a set of new elites that are running away with things. And so we're living through this incredible applied case study of these ideas. And if there's a moral of the story, it is I think fairly obvious, which is it's a really bad idea for a society to wedge itself into a position in which most people don't believe the fundamental precepts of what they're told they have to do to be good people like that. That is just not a good state to be in.

Lex Fridman

So one of the ways to avoid that in the future maybe, is to keep the delta between what's said in private and what's said in public small.

Marc Andreessen

Yeah. Well, this is sort of the siren song of censorship is we can keep people from saying things, which means we can keep people from thinking things. And by the way, that may work for a while. I mean, again, the hard form, Soviet Union, pre photocopiers, there were mimeograph machines that were used to make Samizdat and underground newspapers, which is the mechanism of written communication of radical ideas, radical ideas. Ownership of a mimeograph machine was punishable by death. So that's the hard version. The soft version is somebody clicks a button in Washington and you were erased from the internet, which good news, you're still alive. Bad news is, shame about not being able to get a job. Too bad your family now hates you and won't talk to you, whatever the version of cancellation it's been. And so does that work? Maybe it works for a while. It worked for the Soviet Union for a while in its way, especially when it was coupled with official state power. But when it unwinds, it can unwind with incredible speed and ferocity. Because to your point, there's all this bottled up energy. Now, your question was what are the percentages? What's the breakdown? And so my rough guess, just based on what I've seen in my world, is it's something like 20, 60, 20. It's like you've got 20% true believers in whatever is the current thing. You got 20% of people who are just true believers of whatever's in the New York Times, Harvard professors and the Ford Foundation, they're just... Maybe it's 10, maybe it's five, but let's say generously it's 20. So 20% kind of full-on revolutionaries. And then you've got, let's call it 20% on the other side that are like, no, I'm not on board with this. This is crazy. I'm not signing up for this. But their view of themselves is they're in a small minority, and in fact, they start out in a small minority, because what happens is the 60% go with the first 20%, not the second 20%. So you've got this large middle of people. And it's not that the people in the middle are not smart or anything like that, that they just have normal lives and they're just trying to get by and they're just trying to go to work each day and do a good job and be a good person and raise their kids and have a little bit of time to watch the game, and they're just not engaged in the cut and thrust of political activism or any of this stuff. It's just not their thing. But that's where the over socialization comes in. It's just like, okay, by default, the 60% will go along with the 20% of the radical revolutionaries at least for a while, and then the counter elite is in this other 20%. And over time, they build up a theory and network and ability to resist in a new set of representatives, in a new set of ideas. And then at some point there's a contest and then, and then the question is, what happens in the middle? What happens in the 60%? And it is kind of my point. It's not even really does the 60% change their beliefs as much as it's like, okay, what is the thing that that 60% now decides to basically fall into step with? And in the valley, that 60% for the last decade decided to be woke and extremely, I would say, on edge on a lot of things. And that 60% is pivoting in real time. They're just done. They've just had it.

Lex Fridman

And I would love to see where that pivot goes because there's internal battles happening right now.

Marc Andreessen

So this is the other thing. So there's two forms of things, and Timur has actually talked about this, Professor Kuran has talked about this. So one is he said, this is the kind of unwind where what you're going to have is you're now going to have people in the other direction. You're going to have people who claim that they supported Trump all along, who actually didn't, right? So it's going to swing the other way. And by the way, Trump's not the only part of this, but he's just a convenient shorthand for a lot of this. But whatever it is, you'll have people who will say, well, I never supported the EI, or I never supported ESG, or I never thought we should have canceled that person, where of course, they were full on a part of the mob at that moment. So anyway, so you'll have preference falsification happening in the other direction. His prediction, I think, basically is you'll end up with the same quote, "problem" on the other side. Now, will that happen here? I don't know. How far is American society willing to go on any of these things? I don't know. But there is some question there. And then the other part of it is, okay, now you have this elite that is used to being in power for the last decade. And by the way, many of those people are still in power and they're in very important positions. And the New York Times is still the New York Times, and Harvard is still Harvard, and those people haven't changed, like at all. Bureaucrats in the government and senior democratic politicians and so forth. And they're sitting there right now feeling like reality has just smacked them hard in the face because they lost the election so badly. But they're now going into, and specifically the Democratic Party, is going into a Civil War. And that form of the Civil War is completely predictable and it's exactly what's happening, which is half of them are saying, we need to go back to the center. We need to de-radicalize because we've lost the people. We've lost the people in the middle, and so we need to go back to the middle in order to be able to get 50% plus one in an election. And then the other half of them are saying, no, we weren't true to our principles. We were too weak. We were too soft. We must become more revolutionary. We must double down and we must celebrate murders in the street of health insurance executives. And that right now is a real fight.

Lex Fridman

If I could tell you a little personal story that breaks my heart a little bit, there's a professor, a historian, I won't say who, who I admire deeply, love his work. He's kind of a heretical thinker. And we were talking about having a podcast, on doing a podcast, and he eventually said that, "You know what, at this time, given your guest list, I just don't want the headache of being in the faculty meetings in my particular institution." And I asked, "Who are the particular figures in this guest list?" He said, "Trump." And the second one, he said, "That you announced your interest to talk to Vladimir Putin." So I just don't want the headache. Now, I fully believe it would surprise a lot of people if I said who it is. This is a person who's not

bothered by the guest list. And I should also say that 80 plus percent of the guest list is left wing. Nevertheless, he just doesn't want the headache. And that speaks to the thing that you've kind of mentioned, that you just don't want the headache. You just want to just have a pleasant morning with some coffee and talk to your fellow professors. And I think a lot of people are feeling that in universities and in other contexts, in tech companies. And I wonder if that shifts, how quickly that shifts? And there, the percentages you mentioned, 20, 60, 20 matters, and the contents of the private groups matters, and the dynamics of how that shifts matters. Because it's very possible, nothing really changes in universities and in major tech companies. Where just, there's a kind of excitement right now for potential revolution and these new ideas, these new vibes, to reverberate through these companies and universities, but it's possible the wall will hold.

Marc Andreessen

Yeah. So he's a friend of yours, I respect that you don't want to name him. I also respect you don't want to beat on him, so I would like to beat on him on your behalf. Does he have tenure?

Lex Fridman

Yes. He should use it.

Marc Andreessen

So this is the thing. This is the ultimate indictment of the corruption and the rot at the heart of our education system, at the heart of these universities. And it's, by the way, it's across the board. It's all the top universities. Because the siren song for what it's been for 70 years, whatever, of the tenure system, peer review system, tenure system, which is like, yeah, you work your butt off as an academic to get a professorship and then to get tenure, because then you can say what you actually think. Then you can do your work and your research and your speaking and your teaching without fear of being fired. Without fear of being canceled. Academic freedom. I mean, think of the term academic freedom, and then think of what these people have done to it. It's gone. That entire thing was fake and is completely rotten. And these people are completely giving up the entire moral foundation of the system that's been built for them, which by the way, is paid for virtually 100% by taxpayer money.

Lex Fridman

What's the inkling of hope in this? This particular person and others who hear this, what can give them strength, inspiration, and courage?

Marc Andreessen

That the population at large is going to realize the corruption in their industry and it's going to withdraw the funding.

Lex Fridman

Okay, so desperation.

Marc Andreessen

No, no, no, no, no. Think about what happens next. Okay, so let's go through it. So the universities are funded by four primary sources of federal funding. The big one is a federal student loan program, which is in the many trillions of dollars at this point, and then only spiraling way faster than inflation. That's number one. Number two is federal research funding, which is also very large. And you probably know that when a scientist at the university gets a research grant, the university rakes as much as 70% of the money for central uses.

Lex Fridman

Yeah.

Marc Andreessen

Number three is tax exemption at the operating level, which is based on the idea that these are nonprofit institutions as opposed to, let's say, political institutions. And then number four is tax exemptions at the endowment level, which is the financial buffer that these places have. Anybody who's been close to a university budget will basically see that what would happen if you withdrew those sources of federal taxpayer money, and then for the state schools, the state money, they all instantly go bankrupt. And then you could rebuild. Then you could rebuild. Because the problem right now, the folks at University of Austin are mounting a very valiant effort, and I hope that they succeed and I'm cheering for them, but the problem is you're now inserting. Suppose you and I want to start a new university, and we want to hire all the free thinking professors, and we want to have the place that fixes all this, practically speaking, we can't do it because we can't get access to that money. I'll give you the most direct reason we can't get access to that money, we can't get access to federal student funding. Do you know how universities are accredited for the purpose of getting access to federal student funding? Federal student loans? They're accredited by the government, but not directly, indirectly. They're not accredited by the Department of Education. Instead, what happens is the Department of Education accredits accreditation bureaus that are nonprofits that do the accreditation. Guess what the composition of the accreditation bureaus is? The existing universities. They are in complete control. The incumbents are in complete control as to who gets access to federal student loan money. Guess how enthusiastic they are about accrediting a new university? Right. And so we have a government funded and supported cartel that has gone... It's just obvious now. It's just gone sideways in basically any possible way it could go sideways, including, I mean, literally, as you know, students getting beaten up on campus for being the wrong religion. They're just wrong in every possible way at this point. And it's all on the federal taxpayer back. And there is no way, I mean, my opinion, there is no way to fix these things without replacing them. And there's no way to replace them without letting them fail. And by the way, it's like

everything else in life. I mean, in a sense, this is the most obvious conclusion of all time, which is what happens in the business world when a company does a bad job is they go bankrupt and another company takes its place, and that's how you get progress. And of course, below that is what happens is this is the process of evolution. Why does anything ever get better? Things are tested and tried, and then the things that are good survive. And so these places, they've been allowed to cut themselves off, both from evolution of the institutional level and evolution of the individual level as shown by the just widespread abuse of tenure. And so we've just stalled out. We built an ossified system, an ossified, centralized, corrupt system, where we're surprised by the results. They are not fixable in their current form.

Lex Fridman

I disagree with you on that. Maybe it's grounded in hope that I believe you can revolutionize a system from within, because I do believe Stanford and MIT are important.

Marc Andreessen

But that logic doesn't follow at all. That's underpants gnome logic.

Lex Fridman

Underpants gnome, can you explain what that means?

Marc Andreessen

Underpants gnomes logic. So I just started watching a key touchstone of American culture with my nine-year-old, which of course is South Park.

Lex Fridman

Yes. Wow.

Marc Andreessen

Which by the way is a little aggressive for a nine-year-old.

Lex Fridman

Very aggressive.

Marc Andreessen

But he likes it. He's learning all kinds of new words.

Lex Fridman

And all kinds of new ideas. But yeah, go on.

Marc Andreessen

I told him, I said, "You're going to hear words on here that you are not allowed to use."

Lex Fridman

Right. Education.

Marc Andreessen

And I said, "You know how we have an agreement that we never lie to mommy?" I said, "Not using a word that you learn in here does not count as lying. And keep that in mind."

Lex Fridman

Wow. This is Orwellian redefinition of lying. But yes, go ahead.

Marc Andreessen

And of course, in the very opening episode, in the first 30 seconds, one of the kids calls the other kid a dildo. We're off to the races.

Lex Fridman

Yep. Let's go.

Marc Andreessen

"Daddy, what's a dildo?"

Lex Fridman

Yep.

Marc Andreessen

"Sorry son. I don't know."

Lex Fridman

Yeah.

Marc Andreessen

So the-

Lex Fridman

Underpants gnome.

Marc Andreessen

So famous episode of South Park, the underpants gnomes. All the kids basically realize that their underpants are going missing from their dresser drawers, somebody's stealing the underpants. And it's just like, well, who on earth would steal the underpants? And it turns out it's the underpants gnomes. And it turns out the underpants gnomes have come to town and they've got this little underground warren of tunnels in storage places for all the underpants. And so they go out at night, they steal the underpants, and the kids discover

that the underpants gnomes, and they're, "What are you doing? What's the point of this?" And so the underpants gnomes present their master plan, which is a three-part plan, which is step one, collect underpants, step three, profit, step two, question mark. So you just proposed the underpants gnome. Which is very common in politics. So the form of this in politics is we must do something. This is something, therefore we must do this. But there's no causal logic chain in there at all to expect that that's actually going to succeed because there's no reason to believe that it is.

Lex Fridman

Yeah, but-

Marc Andreessen

But this is what I hear all the time, and I will let you talk as the host of the show in a moment, but I hear this all the time. I have friends who are on these boards, very involved in these places, and I hear this all the time, which is like, "Oh, these are very important. We must fix them." And so therefore, they are fixable. There's no logic chain there at all.

Lex Fridman

If there's that pressure that you described in terms of cutting funding, then you have the leverage to fire a lot of the administration and have new leadership that steps up that aligns with this vision that things really need to change at the heads of the universities. And they put students and faculty at primary, fire a lot of the administration, and realign and reinvigorate this idea of freedom of thought and intellectual freedom, because there is already- And intellectual freedom. Because there is already a framework of great institutions that's there, and the way they talk about what it means to be a great institution is aligned with this very idea that you're talking about, meaning like intellectual freedom, the idea of tenure. On the surface it's aligned, underneath it's become corrupted.

Marc Andreessen

If we say free speech and academic freedom often enough, sooner or later these tenured professors will get brave.

Lex Fridman

Wait, do you think that universities are fundamentally broken? Okay, so how do you fix it? How do you have institutions for educating 20-year-olds and institutions that host researchers that have the freedom to do epic shit, like research-type shit that's outside the scopes of R&D departments and inside companies? So how do you create an institution like that?

Marc Andreessen

How do you create a good restaurant when the one down the street sucks?

Lex Fridman

Right. You invent something new?

Marc Andreessen

You open a new restaurant.

Lex Fridman

Yeah.

Marc Andreessen

How often in your life have you experienced a restaurant that's just absolutely horrible, and it's poisoning all of its customers and the food tastes terrible, and then three years later you go back and it's fantastic? Charlie Munger actually had the best comment, this great investor, Charlie Munger has great comment. He was once asked, it's like General Electric was going through all these challenges, and he was asked at a Q&A. It said, "How would you fix the culture at General Electric?" And he said, "Fix the culture at General Electric?" He said, "I couldn't even fix the culture at a restaurant." It's insane, like obviously you can't do it. Nobody in business thinks you can do that, it's impossible. Now look, having said all that, I should also express this because I have a lot of friends who work at these places and are involved in various attempts to fix these. I hope that I'm wrong, I would love to be wrong, I would love for the underpants gnome step two to be something clear and straightforward that they can figure out how to do. I would love to fix it, I'd love to see them come back to their spoken principles, I think that'd be great, I'd love to see the professors with tenure get bravery, it would be fantastic. My partner and I have done a lot of public speaking on this topic, it's been intended to not just be harsh, but also be like, okay, these challenges have to be confronted directly. By the way, let me also say something positive, especially post-October seventh, there are a bunch of very smart people who are major donors and board members of these institutions like Mark Rowan who are really coming in trying to, I think legitimately trying to fix these places. I have a friend on the executive committee at one of the top technical universities. He's working overtime to try to do this. Man, I hope they can figure it out. But the counter question would just be like, do you see it actually happening at a single one of these places?

Lex Fridman

I'm a person that believes in leadership. If you have the right leadership, the whole system can be changed.

Marc Andreessen

So here's a question for your friend who have tenure at one of these places, which is who runs his university?

Lex Fridman

You know how I think runs it? Whoever the fuck says they run it, that's what great leadership is. A president has that power.

Marc Andreessen

But how does-

Lex Fridman

President of university has the leverage because they can mouth off like Elon can.

Marc Andreessen

Can they fire the professors?

Lex Fridman

They can fire them through being vocal publicly, yes.

Marc Andreessen

Can they fire the professors?

Lex Fridman

What are you talking about legally? Can we fire? No, they cannot fire the professors.

Marc Andreessen

Then we know who runs the university.

Lex Fridman

The professors?

Marc Andreessen

Yeah, the professors. The professors and the students, the professors and the feral students. Then they're of course in a radicalization feedback cycle driving each other crazy.

Lex Fridman

You said feral students?

Marc Andreessen

The feral students. Yeah, the feral students. What happens when you're put in charge of your bureaucracy where the thing that the bureaucracy knows is that they can outlast you? The thing that the tenured professors at all these places know is it doesn't matter who the president is because they can outlast them because they cannot get fired. By the way, it's the same thing that bureaucrats in the government know. It's the same thing that the bureaucrats in the Department of Education know. They know the exact same thing. They

can outlast you. I mean it's the whole thing that, it's the resistance. They can be the resistance. They can just sit there and resist, which is what they do. They're not fireable.

Lex Fridman

That's definitely a crisis that needs to be solved. That's a huge problem. And I also don't like that I'm defending academia here. I agree with you that the situation is dire, but I just think that institutions are important. And I should also add context since you've been grilling me a little bit, you were using restaurants as an analogy and earlier offline in this conversation you said the Dairy Queen is a great restaurant. So let's [inaudible 01:10:12].

Marc Andreessen

I didn't say Dairy Queen is a great restaurant.

Lex Fridman

Let the listener take-

Marc Andreessen

I said Dairy Queen is the best restaurant.

Lex Fridman

The best restaurant. There you go. So everything that Marc Andreessen is saying today, put that into, cont-

Marc Andreessen

You should go order a Blizzard. One day, you should walk down there and order a Blizzard.

Lex Fridman

Yeah.

Marc Andreessen

They can get like 4,000 calories in a cup.

Lex Fridman

They can and they're delicious.

Marc Andreessen

It's amazing.

Lex Fridman

They are truly delicious. And they -

Marc Andreessen

They're really fantastic. And they'll put anything in there you want. Okay. But anyway, let me just close by saying, look, my friends in the university system, I would just say, "Look, this is the challenge." I would just pose this as the challenge. To me having had a lot of these conversations, this is the bar in my view, this is the conversation that actually has to happen. This is the bar that actually has to be hit. These problems need to be confronted directly because I think there's been way too much, I mean, I'm actually worried on the other side. There's too much happy talk in these conversations. I think the taxpayers do not understand this level of crisis, and I think if the taxpayers come to understand it, I think the funding evaporates. And so I think the fuse is going through no fault of any of ours, but the fuse is going and there's some window of time here to fix this and address it and justify the money because just normal taxpayers sitting in normal towns in normal jobs are not going to tolerate this for that much longer.

Lex Fridman

You've mentioned censorship a few times. Let us, if we can go deep into the darkness of the past and how censorship mechanism was used. So you are a good person to speak about the history of this because you were there on the ground floor in 2013-ish Facebook. I heard that you were there when they invented or maybe developed the term hate speech in the context of censorship on social media. So take me through that history if you can, the use of censorship.

Marc Andreessen

So I was there on the ground in 1993.

Lex Fridman

There's multiple floors to this building, apparently.

Marc Andreessen

There are.

Lex Fridman

Yeah.

Marc Andreessen

So I got the first ask to implement censorship on the internet, which was in the web browser.

Lex Fridman

That is fascinating.

Marc Andreessen

Yeah, yeah. Actually 1992. I was asked to implement a nudity filter.

Lex Fridman

Did you have the courage to speak up back then?

Marc Andreessen

I did not have any problems speaking up back then. I was making \$6.25 cents an hour. I did not have a lot to lose. No, I was asked at the time, and then look, in some sense, a legitimate request, which is working on a research project actually funded by the federal government at a public university. So I don't think my boss was in any way out of line, but it was like, yeah, this web browser thing is great, but could it just make sure to not have any photos of naked people that show up? But if you think about this for a second, as a technologist, I had an issue, which is this was pre-image net. And so I had a brief period where I tried to imagine an algorithm that I referred to as the breast detection algorithm that I was going to have to design and then apparently a variety of other apparently body parts people are also sensitive about. And then I politely declined to do this.

Lex Fridman

For just the technical difficulties of it.

Marc Andreessen

Well, number one, I actually didn't know how to do it, but number two is just like, no, I'm just not building a censorship engine. I'm just not doing it. And in those days, the internet generally was a free fire zone for everything. It was actually interesting as sort of pre-'93, the internet was such a specific niche community. It was the million kind of highest IQ nerds in the world. And so it actually didn't really have a lot of issues that people were super interested in talking about like astrophysics and not very interested in even politics at that time so there really was not an issue there. But yeah, I didn't want to start the process. So I think the way to think about this, so first of all, yeah. So I was involved in this at Facebook, by the way, I've been involved in this at Facebook every step of the way. I joined the board there in 2007 so I've seen everything in the last almost 20 years every step of the way. But also I've been involved in most of the other companies over time so I was angel investor on Twitter. I knew them really well. We were the founding investor in Substack. Part of the Elon takeover of Twitter with X. I was an angel at LinkedIn. So I've been in, we were the funder of Pinterest. We were one of the main investors there, Reddit as well. And I was having these conversations with all these guys all the way through. So as much talk specifically about Facebook, but I can just tell you the general pattern. And for quite a while it was kind of all the same across these companies. So basically the way to think about this, the true kind of nuanced view of this is that there is practically speaking, no internet service that can have zero censorship. And by the way, that also mirrors, there is no country that actually has unlimited free speech either. The U.S. First Amendment actually has 12 or 13 formal carve

outs from the Supreme Court over time. So incitement to violence and terrorist recruitment and child abuse and child pornography and so forth, they're not covered by the First Amendment. And just practically speaking, if you and I are going to start an internet company and have a service, we can't have that stuff either because illegal or it will just clearly destroy the whole thing. So you're always going to have a censorship engine. I mean hopefully it's not actually in the browser, but you're going to have it for sure at the level of an internet service. But then what happens is now you have a machine. Now you have a system where you can put in rules saying, we allow this. We don't allow that. You have enforcement, you have consequences. And once that system is in place, it becomes the ring of power, which is like, okay, now anybody in that company or anybody associated with that company or anybody who wants to pressure that company will just start to say, "Okay, you should use that machine for more than just terrorist recruitment and child pornography. You should use it for X, Y, Z." And basically that transition happened, call it 2012, 2013 is when there was this very, very kind of rapid pivot. I think the kickoff to it for some reason it was the beginning of the second Obama term. I think it also coincided with the sort of arrival of the first kind of super woke kids into these schools. It's the kids that were in school between for the Iraq war and then the global financial crisis and they came out super radicalized. They came into these companies, they immediately started mounting these social crusades to ban and censor lots of things. And then quite frankly, the Democratic Party figured this out. And they figured out that these companies were very subject to being controlled and the executive teams and boards of directors were almost all Democrats. And there's tremendous circulation. A lot of Obama people from the first term actually came and worked in these companies. And a lot of FBI people and other law enforcement intelligence people came in and worked and they were all Democrats for that set. And so the ring of power was lying on the table. It had been built and they picked it up and put it on, and then they just ran. And the original discussions were basically always on two topics. It was hate speech and misinformation. Hate speech was the original one. And the hate speech conversation started exactly like you'd expect, which is we can't have the N word. And which the answer is fair enough, let's not have the N word. Now, we've set a precedent, and Jordan Peterson has talked a lot about this. The definition of hate speech ended up being things that make people uncomfortable. So we can't have things that make people uncomfortable. I, course people like me that are disagreeable raise their hands and say, "Well, that idea right there makes me uncomfortable." But of course that doesn't count as hate speech. So the ring of power is on one hand and not on the other hand. And then basically that began this slide where it ended up being that completely anodyne is the point Mark has been making recently completely anodyne comments that are completely legitimate on television or on the Senate floor all of a sudden are hate speech can't be said online so that the ring of power was wielded in grossly irresponsible ways. We could talk about all the stuff that happened there. And then the other one was misinformation. And there was a little bit of that early on, but of course that really kicked in with Trump. So hate speech stuff pre-dated Trump by three or four years. The misinformation stuff was, it was a little bit later and it was a consequence of the Russiagate hoax. And then that was a ring of power that

was even more powerful because hate speech, it's like, okay, at some point if something offensive or not, at least you can have a question as to whether that's the case. But the problem with misinformation is like, is it the truth or not? What do we know for 800 years or whatever western civilization it's that there's only a few entities that can determine the truth on every topic. There's God, there's the king. We don't have those anymore and the rest of us are all imperfect and flawed. And so the idea that any group of experts is going to sit around the table and decide on the truth is deeply anti-Western and deeply authoritarian. And somehow the misinformation kind of crusade went from the Russiagate hoax into just full-blown, we're going to use that weapon for whatever we want. And then of course, then the culminating moment on that, that really was the straw that broke the camel's back was we're going to censor all theories that the COVID virus might've been manufactured in a lab as misinformation. And inside these companies, that was the point where people for the first time, this is what, three years ago for the first time, they were like, that was when it sunk in where it's just like, okay, this has spun completely out of control. But anyway, that's how we got to where we are. And then basically that spell lasted, that complex existed and got expanded basically from, call it 2013 to 2023. I think basically two things broke it. One is Substack, and I'm super proud of those guys because they started from scratch and declared right up front that they were going to be a free speech platform. And they came under intense pressure, including from the press, and they tried to beat them to the ground and kill them. And intense pressure, by the way, from let's say certain of the platform companies basically threatening them. And they stood up to it. And sitting here today, they have the widest spectrum of speech and conversation anywhere on planet Earth. And they've done a great job. And it is worked by the way. It's great. And then obviously Elon with X was the hammer blow. And then the third one now is what Mark is doing at Facebook.

Lex Fridman

And there's also singular moments, I think you've spoken about this, which like Jon Stewart going on Stephen Colbert and talking about the lab leak theory.

Marc Andreessen

Yes.

Lex Fridman

There's certain moments that just kind of shake everybody up, the right person the right time. It's a wake-up call.

Marc Andreessen

So that there, and I will tell you, and I should say Jon Stewart attacked me recently, so I'm not that thrilled about him, but I would say I was a long run fan of Jon Stewart. I watched probably every episode of The Daily Show when he was on it for probably 20 years. But he did a very important public service and it was that appearance on the Colbert Show. And I don't know how broadly this is, at the time, it was in the news briefly, but I don't know how if

people remember this, but I will tell you in the rooms where people discuss what is misinformation and these policies, that was a very big moment. That was probably actually the key catalyzing moment. And I think he exhibited, I would say, conspicuous bravery and had a big impact with that. And for people who don't recall what he did, and this was in the full-blown, you absolutely must lock down for two years. You absolutely must keep all the schools closed. You absolutely must have everybody work from home. You absolutely must wear a mask like the whole thing. And then one of those was you absolutely must believe that COVID was completely natural. You must believe that. And not believing that means you're a fascist Nazi Trump supporter, MAGA, evil QAnon person. And uniformly, that was enforced by the social media companies. And like I said, that was the peak. And Jon Stewart went on the Colbert Show, and I don't know if they planned it or not because Colbert looked shocked. I don't know how much, it was a bit, but he went on there and he just had one of these, the Emperor's wearing no clothes things where he said, "It's just not plausible that you had the COVID super virus appear 300 yards down the street from the Wuhan Institute of lethal coronaviruses." It's just not plausible that certainly that you could just rule that out. And then there was another key moment, actually, the more serious version was I think the author, Nicholson Baker wrote a big piece for New York Magazine. And Nicholson Baker is one of our great novelist, writers of our time. And he wrote the piece and he did the complete undressing of it. And that was the first, I think that was the first legit, there had been alt renegade, there had been people running around saying this, but getting censored all over the place. That was the first one that was in the mainstream press and he talked to all the heretics and he just laid the whole thing out. And that was a moment. And I remember let's say a board meeting at one of these companies after that where basically everybody looked around the table and was like, "All right, I guess we're not, we don't need to censor that anymore." And then of course, what immediately follows from that is, "Well, wait a minute, why were we censoring that in the first place?" And then the downstream, not that day, but the downstream conversations were like, "Okay, if we made such a giant, in retrospect, if we all made such a giant collective mistake censoring that, then what does that say about the rest of our regime?" And I think that was the thread in the sweater that started to unravel it.

Lex Fridman

I should say it again, I do think that the Jon Stewart appearance and the statement he made was a courageous act.

Marc Andreessen

Yeah, I agree.

Lex Fridman

I think we need to have more of that in the world. And like you said, Elon, everything he did with X is a series of courageous acts. And I think what Mark Zuckerberg did on Rogan a few days ago is a courageous act. Can you just speak to that?

Marc Andreessen

He has become, I think, an outstanding communicator, and he's somebody who came in for a lot of criticism earlier in his career on that front. And I think he's one of these guys who can sit down and talk for three hours and make complete sense. And as you do with all of your episodes, when somebody sit and talks for three hours, you really get a sense of somebody because it's really hard to be artificial for that long and he's now done that repeatedly. He's really good at it. And then look again, I would maybe put him in the third category now certainly after that appearance, I would say I would put him up there now with kind of Elon and Trump in the sense of the public and the private are now synchronized. I guess I'd say that. He said on that show what he really believes. He said all the same things that he says in private. I don't think there's really any discrepancy anymore. I would say he has always taken upon himself a level of obligation, responsibility to running a company the size of Meta and to running services that are that large. And I think his conception of what he's doing, which I think is correct, is he's running services that are bigger than any country. Over 3 billion people use those services. And then the company has many tens of thousands of employees and many investors, and it's a public company and he thinks very deeply and seriously about his responsibilities. And so he has not felt like he has had, let's just say, the complete flexibility that Elon has had. And people could argue that one way or the other, but he talked about a lot. He's evolved a lot. A lot of it was he learned a lot. And by the way, I'm going to put myself right back up there. I'm not claiming any huge foresight or heroism on any of this. I've also learned a lot, my views on things are very different than they were 10 years ago on lots of topics. And so I've been on a learning journey. He's been on a learning journey. He's a really, really good learner. He assimilates information as good as, or better than anybody else I know. The other thing I guess I would just say is he talked on that show about something very important, which is when you're in a role where you're running a company like that, there are a set of decisions that you get to make and you deserve to be criticized for those decisions and so forth and it's valid, but you are under tremendous external pressure as well. And by the way, you're under tremendous internal pressure. You've got your employees coming at you, you've got your executives in some cases coming at you. You've got your board in some cases coming at you. You've got your shareholders coming at you, so you've got your internal pressures, but you also have the press coming at you. You've got academia coming at you, you've got the entire nonprofit complex activist complex coming at you. And then really critically, he talked about in Rogan and these companies all went through this, in this last especially five years, you had the government coming at you. And that's the really stinky end of the pool where the government was, in my view, illegally exerting just in flagrant violation of the First Amendment and federal laws on speech and coercion and conspiracy, forcing these companies to engage in activities. Again, in some cases they may have wanted to do, but in other cases they clearly didn't want to do and felt like they had to do. And the level of pressure, like I say, I've known every CEO Twitter, they've all had the exact same experience, which when they were in the job, it was just daily beatings. It's just getting punched in the face every single day constantly. And Mark is very good at getting physically punched in the face and then -

Lex Fridman

Getting better and better.

Marc Andreessen

And he is. And he's very good at taking a punch, and he has taken many, many punches. So I would encourage people to have a level of sympathy for these are not kings, these are people who operate with I would say extraordinary levels of external pressure. I think if I had been in his job for the last decade, I would be a little puddle on the floor. And so it says, I think a lot about him that he has risen to this occasion the way that he has. And by the way, I should also say the cynicism of course is immediately out and it's a legitimate thing for people to say, but it's like, "Oh, you're only doing this because of Trump or whatever." And it's just like, no, he has been thinking about and working on these things and trying to figure them out for a very long time. And so I think what you saw are legitimate, deeply held beliefs, not some sort of just-in-the-moment thing that could change at any time.

Lex Fridman

So what do you think it's like to be him and other leaders of companies, to be you and withstand internal pressure and external pressure? What's that life? Is it deeply lonely?

Marc Andreessen

That's a great question. So leaders are lonely to start with. And this is one of those things where almost nobody has sympathy. Nobody feels sorry for a CEO. It's not a thing. And again, legitimately so CEOs get paid a lot, the whole thing, there's a lot of great things about it. So it's not like they should be out there asking for a lot of sympathy, but it is the case that they are human beings and it is the case that it is a lonely job. And the reason it's a lonely job is because your words carry tremendous weight and you are dealing with extremely complicated issues, and you're under a tremendous amount of emotional, personal, emotional stress. And you often end up not being able to sleep well, and you end up not being able to keep up an exercise routine and all those things. And you come under family stress because you're working all the time. Or my partner Ben, he was CEO of our last company before we started the venture firm. He said the problem he had with his family life was even when he was home at night, he wasn't home because he was in his head trying to solve all the business problems. And so he was supposed to be having dinner with his kids and he was physically there, but he wasn't mentally there so you get that a lot. But the key thing is you can't talk to people. You can. I mean, you can talk to your spouse and your kids, but they don't understand that they're not working in your company. They don't understand, have the context to really help you. If you talk to your executives, they all have agendas and they can't resist. It's just human nature. And so you can't necessarily rely on what they say. It's very hard in most companies to talk to your board because they can fire you. Now, Mark has the situation because he has control, it actually turns out he can talk to his board. And Mark talks to us about many things that most CEOs won't talk to their boards about literally because we can't fire him. But a general, including all the CEOs of Twitter, none of them had

control and so they could all get fired. You can't talk to the board members. They're going to fire, you can't talk to the shareholders because they'll just dump your stock. Okay. So every once in a while, what you find is basically the best case scenario they have is they can talk to other CEOs, and there's these little organizations where they kind of pair up and do that and so they maybe get a little bit out of that. But even that's fraught with peril because can you really talk about confidential information with another CEO, insider trading risk. And so it's just a very lonely isolating thing to start with. And then on top of that, you apply pressure, and that's where it gets painful. And then maybe I'll just spend a moment on this internal external pressure thing. My general experience with companies is that they can withstand most forms of external pressure as long as they retain internal coherence. So as long as the internal team is really bonded together and supporting each other, most forms of external pressure you can withstand. And by that I mean investors dump your stock, you lose your biggest customers, whatever negative article, negative headline, you can withstand all that. And basically, in fact, many of those forms of pressure can be bonding experiences for the team where they come out stronger. What you 100% cannot withstand is the internal crack. And what I always look for in high pressure corporate situations now is the moment when the internal team cracks because I know the minute that happens, we're in a different regime. It's like the solid has turned into a liquid, we're in a different regime, and the whole thing can unravel in the next week because then people turn, I mean, this is what's happening in Los Angeles right now. The mayor and the fire chief turned on each other, and that's it. That government is dysfunctional. It is never going to get put back together again. It is over. It is not going to work ever again. And that's what happens to inside companies. And so somebody like Mark is under profound internal pressure and external pressure at the same time. Now he's been very good at maintaining the coherence of his executive team, but he has had over the years, a lot of activist employees as a lot of these companies have had and so that's been continuous pressure. And then the final thing I'd say is I said that companies can withstand most forms of external pressure, but not all [inaudible 01:31:21] though not all one is government pressure. Is it when your government comes for you? Yeah. Any CEO who thinks that they're bigger than their government, has that notion beaten out of them in short order.

Lex Fridman

Can you just linger on that because it is maybe educating and deeply disturbing? You've spoken about it before, but we're speaking about again this government pressure. So you think they've crossed the line into essentially criminal levels of pressure?

Marc Andreessen

Flagrant criminality, felonies, like obvious felonies. And I can actually cite the laws, but yes, absolute criminality.

Lex Fridman

Can you explain how those possible to happen and maybe on a hopeful note, how we can avoid that happening again?

Marc Andreessen

So just start with is a lot of this now is in the public record, which is good because it needs to be in the public record. And so there's three forms of things that are in the public record that people can look at. So one is the Twitter files, which Elon put out with the set of journalists when he took over. And I will just tell you, the Twitter files are a hundred percent representative of what I've seen at every other one of these companies. And so you can just see what happened in Twitter and you can just assume that that happened in these other companies for the most part, certainly in terms of the kind of pressure that they got. So that's number one. That stuff, you can just read it and you should if you haven't. The second is Mark referenced this in the Rogan podcast. There's a congressman Jim Jordan who has a congressional committee called the Weaponization Committee. And they, in the last, whatever three years, have done a full-scale investigation of this. And Facebook produced a lot of documents into that investigation and many of those have now been made public and you can download those reports. And there's 2000 pages worth of material on that. And that's essentially the Facebook version of the Twitter files just arrived at with a different mechanism. And then third is Mark himself talking about this on Rogan, so I'll just defer to his comments there. But yeah, basically what those three forms of information show you is basically the government over time and then culminating in 2020, 2021 in the last four years, just decided that the First Amendment didn't apply to them. And they just decided that federal laws around free speech and around conspiracies to take away the rights of citizens just don't apply. And they just decided that they can just arbitrarily pressure, just like literally arbitrarily call up companies and threaten and bully and yell and scream and threaten repercussions and force them to censor. And there's this whole thing of like, well, the First Amendment only applies to, the government, it doesn't apply to companies. It's like, well, there's actually a little bit of nuance to that. First of all, it definitely applies to the government. 100%, the First Amendment applies to the government. By the way, so does the Fourth Amendment and the Fifth Amendment, including the right to due process, also applies to the government. There was no due process at all to any of the censorship regime that was put in place. There was no due process put in place, by the way, for de-banking either. Those are just as serious violations as the free speech violations. And so this is just flagrant, flagrant, unconstitutional behavior. And then there are specific federal statutes, 18 241 and 18 242, and one of them applies to federal employees, government employees, and the other one applies to private actors around what's called deprivation of rights and conspiracy to deprive rights. And it is not legal according to the United States Criminal Code for government employees or in a conspiracy private entities to take away constitutional rights. And interestingly, some of those constitutional rights are enumerated, for example, in the First Amendment, freedom of speech. And then some of those rights actually do not need to be enumerated. If the government takes away rights

that you have, they don't need to be specifically enumerated rights in the Constitution in order to still be a felony. The Constitution very specifically does not say you only have the rights that it gives you. It says you have all the rights that have not been previously defined as being taken away from you. And so de-banking qualifies as a right, right to access to the financial system, is every bit something that's subject to these laws as free speech. And so yeah, this has happened. And then I'll just add one final thing, which is we've talked about two parties so far. We talked about the government employees and then we've talked about the companies. The government employees for sure have misbehaved. The companies, there's a very interesting question there as to whether they are victims or perpetrators or both. They will defend, they will argue, and I believe they have a good case, that they are victims, not perpetrators, right? They're the downstream subjects of pressure, not the cause of pressure, but there's a big swath of people who are in the middle and specifically the ones that are funded by the government that I think are in possibly pretty big trouble. And that's all of these third-party censorship bureaus. I mean, the one that is most obvious is the so-called Stanford Internet Observatory that got booted up there over the last several years. And they basically were funded by the federal government to be third-party censorship operations. And they're private sector actors, but acting with federal funding. And so it puts them in this very interesting spot where there could be very obvious theory under which they're basically acting as agents of the government. And so I think they're also very exposed on this and have behaved in just flagrantly illegal ways.

Lex Fridman

So fundamentally, government should not do any kind of pressure, even soft pressure on companies to censor?

Marc Andreessen

Can't. Not allowed.

Lex Fridman

It really is disturbing. It probably started soft, lightly slowly, and then it escalates as the old [inaudible 01:36:44] to power will instruct them to do. I mean, yeah, that's why there's protection because you can't put a check on power for government, right?

Marc Andreessen

There are so many ways that they can get you. There are so many ways they can come at you and get you. And the thing here to think about is a lot of times when people think about government action, they think about legislation. So when I was a kid, we got trained, how does government work? There was this famous animated short, the thing we got shown was just a cartoon of how a bill becomes a law. It's like this fancy little bill sneaked along and guess this -

Lex Fridman

I'm just the bill. Yeah.

Marc Andreessen

Exactly. It's like, all right, number one, that's not how it works at all. That doesn't actually happen. We could talk about that. But even beyond that, mostly what we're dealing with is not legislation. When we talk about government power these days, mostly it's not legislation. Mostly it's either regulation, which is basically the equivalent of legislation, but having not gone through the legislative process, which is a very big open legal issue. And one of the things that the DOGE is very focused on. Most government rules are not legislated. They're regulated and there's tons and tons of regulations that these companies are, this is another cliché you'll hear a lot, which is, "Oh, private companies can do whatever they want." It's like, "Oh no can't." There's subject to tens of thousands of regulations that they have to comply with. And the hammer that comes down when you don't comply with regulations is profound. They can completely wreck your company with no ability for you to do anything about it. So regulation is a big part of the way the power gets exercised. And then there's called just flat out administrative power, the term that you'll hear and administrative power is just literally the government telling you, calling you and telling you what to do. Here's an example of how this works. So Facebook had this whole program a few years back to do a global cryptocurrency for payments called Libra. And they built the entire system and it was this high-scale sort of new cryptocurrency, and they were going to build into every product, and they were going to be 3 billion people who could transact with Libra. And they went to the government and they went to all these different, trying to figure out how to make it so it's fully compliant with anti-money laundering and all these controls and everything. And they had the whole thing ready to go. Two senators wrote letters to the big banks saying, "We're not telling you that you can't work with Facebook on this, but if you do, you should know that every aspect of your business is going to come under greatly increased level of regulatory scrutiny," which is of course the exact equivalent of it sure is a nice corner restaurant you have here. It would be a shame if somebody tossed a Molotov cocktail through the window and burned it down tonight, right? And so what is that letter? It's not a law. It's not even a regulation, it's just. It's not a law, it's not even a regulation, it's just straight direct state power. And then it culminates in literally calls from the White House where they're just flat out telling you what to do, which is of course what a king gets to do, but not what a president gets to do. Anyway. So what these companies experienced was they experienced the full panoply of this, but the level of intensity was in that order. It was actually, legislation was the least important part. Regulation was more important, administrative power was more important, and then just flat out demands and flat out threats were ultimately the most important. How do you fix it? Well, first of all, you have to elect people who don't do it. As with all these things, ultimately the fault lies with the voters. And so you have to decide you don't want to live in that regime. I have no idea what part of this recent election mapped to the censorship regime. I do know a lot of people on the right got very angry about the censorship, but I think it probably at least helped with enthusiasm

on that side. Maybe some people on the left will now not want their Democratic nominees to be so pro censorship. So the voters definitely get a vote, number one. Number two, I think you need transparency. You need to know what happened. We know some of what happened. Peter Thiel has written in the FT just now saying, after what we've been through in the last decade we need the broad-based truth and reconciliation efforts to really get to the root of things. So maybe that's part of it. We need investigations for sure. Ultimately, we need prosecutions. Ultimately, we need people to go to jail. Because we need to set object lessons that say that you don't get to do this. And on those last two, I would say those are both up to the new administration, and I don't want to speak for them and I don't want to predict what they're going to do, but they for sure have the ability to do both of those things and we'll see where they take it.

Lex Fridman

Yeah. It's truly disturbing. I don't think anybody wants this kind of overreach of power for government, including perhaps people that are participating in it. It's like this dark momentum of power that you just get caught up in it. And that's the reason there's that kind of protection. Nobody wants that.

Marc Andreessen

I use the metaphor, the ring of power. And for people who don't catch the reference, that's Lord of the Rings. And the thing with the ring of power and Lord of the Rings, it's the ring the Gollum has in the beginning and it turns you invisible. And it turns out it unlocks all this fearsome power. It's the most powerful thing in the world, is to key to everything. And basically the moral lesson of Lord of the Rings, which was written by a guy who thought very deeply about these things is, yeah, the ring of power is inherently corrupting. The characters at one point, they're like, "Gandalf, just put on the ring and fix this." He will not put the ring on even to end the war because he knows that it will corrupt him. As it starts, the character of Gollum is the result of a normal character who ultimately becomes this incredibly corrupt and deranged version of himself. I think you said something actually quite profound there, which is the ring of power is infinitely tempting. The censorship machine is infinitely tempting. If you have it, you are going to use it. It's overwhelmingly tempting because it's so powerful, and that it will corrupt you. Yeah. I don't know whether any of these people feel any of this today. They should. I don't know if they do. But yeah. You go out five or 10 years later, you would hope that you would realize that your soul has been corroded and you probably started out thinking that you were a patriot and you were trying to defend democracy, and you ended up being extremely authoritarian and anti-democratic and anti-western.

Lex Fridman

Can I ask you a tough question here? Staying on the ring of power is quickly becoming the most powerful human on earth.

Marc Andreessen

I'm not sure about that.

Lex Fridman

You don't think he is.

Marc Andreessen

Well, he doesn't have the nukes so.

Lex Fridman

Nukes. Yeah. There's different definitions and perspectives on power, right?

Marc Andreessen

Yeah.

Lex Fridman

How can he and or Donald Trump avoid the corrupting aspects of this power?

Marc Andreessen

I think the danger is there with power. It's flat out there. I would say with Elon, we'll see. I would say with Elon, and I would say by the way, overwhelmingly, I would say so far so good. I'm extremely, extremely thrilled by what he's done on almost every front for the last 30 years. But including all this stuff recently. I think he's been a real hero on a lot of topics where we needed to see heroism. But look, I would say, I guess the case that he has this level of power is some combination of the money and the proximity to the president. And obviously both of those are instruments of power. The counter argument to that is I do think a lot of how Elon is causing change in the world right now ... There's the companies he's running directly where I think he's doing very well, and we're investors in multiple of them and doing very well. But I think a lot of the stuff that gets people mad at him is like, it's the social and political stuff, and it's his statements, and then it's the downstream effects of his statements. So for example, for the last couple of weeks, it's been him weighing in on this rape gang scandal, this organized child rape thing in the UK. It's a preface cascade. It's one of these things where people knew there was a problem, they weren't willing to talk about it, it got suppressed. And then Elon brought it up, and then all of a sudden there's now in the UK this massive explosion of basically open conversation about it for the first time. It's like this catalyzing, all of a sudden everybody's woken up and being like, "Oh my God, this is really bad." And there will be now pretty clearly big changes as a result. And Elon, he played the role of the boy who said, the emperor has no clothes. But here's the thing, here's my point. He said it about something that was true. And so had he said it about something that was false, he would get no credit for it. He wouldn't deserve any credit for it. But he said something that was true. And by the way, everybody over there instantly, they were like, "Oh, yeah, he's right." They're just arguing the details now. So number one, it's like, okay, he says

true things. And so it's like, okay, how far ... Put it this way. How worried are we about somebody becoming corrupt by virtue of their power being that they get to speak the truth? And I guess I would say, especially in the last decade of what we've been through where everybody's been lying all the time about everything, I'd say, I think we should run this experiment as hard as we can to get people to tell the truth. And so I don't feel that bad about that. And then the money side, this rapidly gets into the money in politics question. And the money in politics question is this very interesting question because it seems like there's a clear cut case that the more money in politics, the worse things are and the more corrupted the system is. That was a very popular topic of public conversation up until 2016 when Hillary outspent Trump three to one and lost. You'll notice that money in politics has almost vanished as a topic in the last eight years. And once again, Kamala raised and spent 1.5 billion on top of what Biden had spent. So they were at, I don't know, something like three billion total and Trump, I think spent again, a third or a fourth of that. So the money in politics topic has vanished from the popular conversation in the last eight years. It has come back a little bit now that Elon is spending. But again, it's like, okay, he's spending, but the data would seem to indicate, at least in the last eight years, that money doesn't win the political battles. The voters actually have a voice and they actually exercise it, and they don't just listen to ads. And so again, there, I would say, yeah, clearly there's some power there, but I don't know if it's some weapon that he can just turn on and use in a definitive way.

Lex Fridman

I don't know if there's parallels there, but I could also say just on a human level, he has a good heart and I interact with a lot of powerful people, and that's not always the case. So that's a good thing there. If we can draw parallels to the Hobbit or whatever. Who gets to put on the ring?

Marc Andreessen

Frodo.

Lex Fridman

Frodo. Yeah.

Marc Andreessen

Yeah. Maybe one of the lessons of Lord of the Rings is even Frodo would've been, even Frodo would've been corrupted. But nevertheless, you had somebody who could do what it took at the time. The thing that I find just so amazing about the Elon phenomenon and all the critiques is the one thing that everybody in our societies universally agrees on because of our post-Christian egalitarian, so we live in this post secularized Christian context in the west now, and we consider Christianity backwards, but we still believe essentially all the same things. We just dress them up in fake science. So the one thing that we're all told, we're all taught from early is that the best people in the world are the people who care about all of humanity. All of our figures are people who care about all of ... Jesus cared about all of

humanity. Gandhi cared about all of humanity. Martin Luther King cared about all of humanity. The person who cares the most about everybody. And with Elon, you have a guy who literally ... He talks about this constantly, and he talks about exactly the same in private. He is literally, he is operating on behalf of all of humanity to try to get us ... He goes through to get us through multi-planetary civilization so that we can survive a strike at any one planet so that we can extend the light of human consciousness into the world and into the universe and have it persist in the good of the whole thing. And literally the critique is, yeah, we want you to care about all of humanity, but not like that.

Lex Fridman

Yeah. All the critics. All the surface turmoil, the critics will be forgotten.

Marc Andreessen

Yeah. I think that's clear.

Lex Fridman

You said that we always end up being ruled by the elites of some kind. Can you explain this law, this idea?

Marc Andreessen

So this comes from a Italian political philosopher from about a hundred years ago named Robert ... I'm going to mangle ... I'll let you pronounce the Italian. Michels or Michels. I learned about it through a famous book on politics. Probably the best book on politics written in the 20th century called The Machiavellians by this guy James Burnham, who has had a big impact on me. But in The Machiavellians, he resurrects what he calls this Italian realist school of political philosophy from the '10s and '20s. To be clear, this was not like a Mussolini thing. These were people who were trying to understand the actual mechanics of how politics actually works. So to get to the actual mechanical substance of how the political machine operates. And this guy, Michels had this concept he ended up with called the Iron Law of Oligarchy. And so what the Iron Law of Oligarchy ... Take a step back to say what he meant by oligarchy because it has multiple meanings. So basically, in classic political theory, there's basically three forms of government at core. There's democracy, which is rule of many, there's oligarchy, which is rule of the few, and there's monarchy, which is rule of the one. And you can just use that as a general framework of any government going to be under is going to be one of those. Just mechanical observation. Without even saying which one's good or bad, just a structural observation. And so the question that Michels asked was, is there such a thing as democracy? Is there actually such a thing as democracy? Is there ever actually direct government? And what he did was he mounted this incredible historical exploration of whether democracies had ever existed in the world. And the answer basically is almost never. And we could talk about that. But the other thing he did was he sought out the most democratic private organization in the world that he could find at that point, which he concluded was some basically communist German autoworkers

union that was wholly devoted to the workers of the world uniting back when that was the hot thing. And he went in there and he is like, okay, this is the organization out of all organizations on planet Earth that must be operating as a direct democracy. And he went in there and he's like, "Oh, nope." There's a leadership class. There's like six guys at the top and they control everything and they lead the rest of the membership along by the nose, which is of course the story of every union. The story of every union is always the story of there's a Jimmy Hoffa in there running the thing. We just saw that with the dock worker's union. There's a guy and he's in charge. And by the way, the number two is his son. That's not an accident. So the Iron Law of Oligarchy basically says democracy is fake. There's always a ruling class. There's always a ruling elite structurally. And he said, "The reason for that is because the masses can't organize." What's the fundamental problem? Whether the mass is 25,000 people in a union or 250 million people in a country, the masses can't organize, the majority cannot organize, only a minority can organize. And to be effective in politics, you must organize. And therefore, every political structure in human history has been some form of a small organized elite ruling a large and dispersed majority. Every single one. The Greeks and the Florentines had brief experiments in direct democracy, and they were total disasters. In Florence ... I forget the name of it. It was called The Workers' Revolt or something like that. There was a two-year period where they basically experimented with direct democracy during the Renaissance, and it was a complete disaster and they never tried it again. In the state of California, we have our own experiment on this, which is the proposition system, which is an overlay on top of the legislature. Anybody who looks at it for two seconds concludes it's been a complete disaster. It's just a catastrophe, and it's caused enormous damage to the state. And so basically the presumption that we are in a democracy is just by definition, fake. Now, good news for the US. It turns out the founders understood this. And so of course they didn't give us a direct democracy. They gave us a representative democracy. And so they built the oligarchy into the system in the form of Congress and the executive branch and the judicial branch. So anyway, so as a consequence, democracy is always everywhere fake. There is always a ruling elite. And basically the lesson of the Machiavellians is you can deny that if you want, but you're fooling yourself. The way to actually think about how to make a system work and maintain any shred of freedom is to actually understand that that is actually what's happening.

Lex Fridman

And lucky for us, the founders saw this and figured out a way to, given that there's going to be a ruling elite, how to create a balance of power among that elite so it doesn't get out of hand.

Marc Andreessen

And it was very clever. Some of this was based on earlier experiments. By the way, these were very, very smart people. And so they knew tremendous amounts of Greek and Roman history. They knew the Renaissance history. The Federalist Papers, they argued this a great length. You can read it all. They ran one of the best seminars in world history trying to figure

this out. And they went through all this. So they thought through it very carefully, but just, I'll give you an example, which continues to be a hot topic. So one way they did it just through the three branches of government, executive, legislative, and judicial. Balance the powers. But the other way they did it was they echoing what had been done earlier I think in the UK Parliament, they created the two different bodies of the legislature. And so the House and the Senate. And as you know, the house is a portion on the basis of population, and the Senate is not. The small states have just as many senators as the big states. And then they made the deliberate decision to have the house get reelected every two years to make it very responsive to the will of the people. And they made the decision to have the Senate get reelected every six years so that it had more buffer from the passions of the moment. But what's interesting is they didn't choose one or the other. They did them both. And then to get legislation passed, you have to get through both of them. And so they built in a second layer of checks and balances. And then there's a thousand observations we could make about how well the system is working today and how much does it live up to the ideal, and how much are we actually complying with the constitution? And there's lots of open questions there, but this system has survived for coming on 250 years with a country that has been spectacularly successful. But I don't think, at least ... I don't think any of us would trade the system for any other one. And so it's one of the great all time achievements.

Lex Fridman

Yeah. It's incredible. And we should say they were all pretty young relative to our current set of leaders.

Marc Andreessen

They were. Many in their 20s at the time. And super geniuses. This is one of those things where it's just like, all right, something happened where there was a group of people where nobody ever tested their IQs, but these are Einstein's of politics. An amazing thing. But anyway, I go through all that, which is they were very keen students of the actual mechanical practice of democracy, not fixated on what was desirable. They were incredibly focused on what would actually work, which is I think the way to think about these things.

Lex Fridman

There were engineers of sort, not the fuzzy humanity students of sort.

Marc Andreessen

They were shape rotators, not word cells.

Lex Fridman

I remember that. Wow, that meme came and went. I think you were central to them. You're central to a lot of memes.

Marc Andreessen

I was.

Lex Fridman

You're the meme dealer and the meme popularizer.

Marc Andreessen

That meme I gets some credit for and then the current thing is the other one I get some credit for. I don't know that I invented either one, but I popularized them.

Lex Fridman

Take credit and run with it. If we can just linger on the Machiavellians. It's a study of power and power dynamics, like you mentioned, looking at the actual reality of the machinery of power. From everything you've seen now in government, but also in companies, what are some interesting things you can continue to say about the dynamics of power, the jostling for power that happens inside these institutions?

Marc Andreessen

Yeah. A lot of it, we already talked about this a bit with the universities, which is you can apply a Machiavellian style lens to ... It's why I posed the question to you that I did, which is okay, who runs the university, the trustees, the administration, the students or the faculty? And the true answer is some combination of the three, of the four plus the donors. By the way, plus the government, plus the press, et cetera. And so there's a mechanical interpretation of that. Companies operate under the exact same set of questions. Who runs a company? The CEO, but the CEO EO runs the company basically up to the day that either the shareholders or the management team revolt. If the shareholders revolt, it's very hard for the CEO O to stay in the seat. If the management team revolts, it's very hard for the CEO to stay in the seat. By the way, if the employees revolt, it's also hard to stay in the seat. By the way, if the New York Times comes at you, it's also very hard to stay in the seat. If the Senate comes at you, it's very hard to stay in the seat. So a reductionist version of this that is a good shorthand is who can get who fired? So who has more power? The newspaper columnist who makes \$200,000 a year, or the CEO who makes \$200 million a year/ and it's like, well, I know for sure that the columnist can get the CEO fired. I've seen that happen before I have yet to see a CEO get a columnist fired.

Lex Fridman

Did anyone ever get from the Bill Ackman assault on journalism? So Bill really showed the bullshit that happens in journalism.

Marc Andreessen

No. Because what happens is they wear it with the ... And I would say to their credit, they wear it as a badge of honor, and then to their shame, they wear it as a badge of honor, which

is if they're doing the right thing, then they are justifiably priding themselves for standing up under pressure. But it also means that they can't respond to legitimate criticism and they're obviously terrible at that now. As I recall, he went straight to the CEO of Axel Springer that owns Insider. I happen to know the CEO O, and I think he's quite a good CEO. Well, there's a good example. Does the CEO Axel Springer run his own company? So there's a fascinating thing playing out right now. Not to dwell on these fires. But you see the pressure reveals things, right? And so if you've been watching what's happening with the LA Times recently. So this guy, biotech entrepreneur buys the LA Times, whatever, eight years ago. It is just like the most radical social revolutionary thing you can possibly imagine. It endorses every crazy left-wing radical you can imagine. It endorses Karen Bass, it endorses Gavin Newsom. It's just a litany of all the people who are currently burning the city to the ground. It's just like endorsed every single bad person every step of the way. He's owned it the entire time. He for the first time, I think, put his foot down right before the November election and said, we're not ... He said, "We're going to get out of this thing where we just always endorse the Democrat." I think he said, "We're not endorsing for the presidency." And the paper flipped out. It's like our billionaire backer who's ... And I don't know what he spends, but he must be burning 50 or a hundred million dollars a year out of his pocket to keep this thing running. He paid 500 million for it, which is amazing. Back when people still thought these things were businesses. And then he's probably burned another 500 million over the last decade keeping it running. And he burns probably another 50, a hundred million a year to do this. And the journalists at the LA Times hate him with the fury of a thousand suns. They just absolutely freaking despise him, and they have been attacking him. The ones that can get jobs elsewhere quit and do it, and the rest just stay and say the worst, most horrible things about him. And they want to constantly run these stories attack him. And so he has had this reaction that a lot of people in LA are having right now to this fire and to this just incredibly vivid collapse of leadership. And all these people that his paper head endorsed are just disasters. He's on this tour. Basically he's decided to be the boy who says the emperor has no clothes, but he's doing it to his own newspaper. Very smart guy. He is on a press tour and he is basically saying, yes, we did all that and we endorsed all these people and it was a huge mistake and we're going to completely change. And his paper is in a complete internal revolt. But I go through it, which is okay, now we have a very interesting question, which is who runs the LA Times? Because for the last eight years, it hasn't been him. It's been the reporters. Now for the first time, the owner is showing up saying, "Oh no, I'm actually in charge," and the reporters are saying, "No, you're not." It is freaking on. And so again, the Machiavellian's mindset on this is like, okay, how is power actually exercised here? Can a guy who's even super rich and super powerful who even owns his own newspaper, can he stand up to a full scale assault, not only by his own reporters, but by every other journalism outlet who also now thinks he's the Antichrist?

Lex Fridman

And he is trying to exercise power by speaking out publicly and so that's the game of power there.

Marc Andreessen

And firing people.

Lex Fridman

Firing people. Yeah.

Marc Andreessen

He has removed people and he has set new rules. He's now at long last actually exercising prerogatives of an owner of a business, which is decide on the policies and staffing of the business. There are certain other owners of these publications that are doing similar things right now. He's the one I don't know so he's the one I can talk about. But there are others that are going through the same thing right now. And I think it's a really interesting open question in a fight between the employees and the employer it's not crystal clear that the employer wins that one.

Lex Fridman

And just to stay on journalism for a second, we mentioned Bill Ackman. I just want to say put him in the category we mentioned before of a really courageous person. I don't think I've ever seen anybody so fearless in going after, in following what he believes in publicly. That's courage. Several things he's done publicly has been really inspiring. Just being courageous.

Marc Andreessen

What do you think is the most impressive example?

Lex Fridman

Where he went after journalists whose whole incentive is to ... It's like kicking the beehive or whatever. You know what's going to follow and to do that. That's why it's difficult to challenge journalistic organizations because they're going to ... There's just so many mechanisms they use, including writing articles and get cited by Wikipedia and then drive the narrative and then they can get you fired, all this stuff. Bill Ackman, like a bad MFer just tweets these essays and just goes after them legally and also in the public eye. I don't know. That was truly inspiring. There's not many people like that in public and hopefully that inspires not just me, but many others to be courageous themselves.

Marc Andreessen

Did you know of him before he started doing this in public?

Lex Fridman

I knew of Neri, his wife, who's a brilliant researcher and scientist. And so I admire her. Looked up to her and think she's amazing.

Marc Andreessen

Well, the reason I ask if you knew about Bill is because a lot of people had not heard of him before, especially before October 7th and before some of the campaigns he's been running since in public with Harvard and so forth. But he was very well known in the investment world before that. He was a so-called activist investor for ... Very successful and widely respected for probably 30 years before now. And I bring that up because it turns out they weren't for the most part battles that happened in full public view. They weren't national stories. But in the business and world, the activist investor is a very ... It's like in the movie Taken. It's a very specific set of skills on how to really take control of situations and how to wreck the people who you're going up against. There's been controversy over the years on this topic, and there's too much detail to go into. But the defense of activist investing, which I think is valid, is these are the guys who basically go in and take stakes in companies that are being poorly managed or under-optimized. And then generally what that means is, at least the theory is that means the existing management is become entrenched and lazy, mediocre, whatever. Not you're responding to the needs of the shareholders. Often not responding to the customers. And the activists basically go in with a minority position and then they rally support among other investors who are not activists. And then they basically show up and they force change. But they are the aggressive version of this. I've been involved in companies that have been on the receiving end of these where it is amazing how much somebody like that can exert pressure on situations even when they don't have formal control. It would be another chess piece on the mechanical board of how power gets exercised. And basically what happens is the effective analysts, a large amount of time they end up taking over control of companies even though they never own more than 5% of the stock. So anyway, So it turns out with Bill's ... It's such a fascinating case. He has that complete skill set. And he has now decided to bring it to bear in areas that are not just companies. And two interesting things for that. One is some of these places and some of these battles are still ongoing, but number one, a lot of people who run universities or newspapers are not used to being up against somebody like this. And by the way, also now with infinitely deep pockets and lots of experience in courtrooms and all the things that go with that. But the other is through example he is teaching a lot of the rest of us the activists playbook in real time. And so the Liam Neeson skill set is getting more broadly diffused just by being able to watch and learn from him. So I think he's having a ... I would put him up there with Elon in terms of somebody who's really affecting how all this is playing out.

Lex Fridman

But even set aside just courage and-

Marc Andreessen

Yes. Including by the way, courage to go outside of his own zone. I'll give you an example. My venture capital firm, we have LPs. There are things that I feel like I can't do or say because I feel like I would be bringing embarrassment or other consequences to our LPs. He has investors also where he worries about that. So a couple of things. One, it's his willingness to

go out a bit and risk his relationship with his own investors. But I will tell you the other thing, which is his investors ... I know this for a fact. His investors have been remarkably supportive of him doing that. Because as it turns out, a lot of them actually agree with him. It's the same thing he does in his activism campaigns. He is able to be the tip of the spear on something that actually a lot more people agree with.

Lex Fridman

Yeah. It turns out if you have truth behind you, it helps.

Marc Andreessen

And just again, how I started is a lot of people are just fed up.

Lex Fridman

You've been spending a bunch of time in Mar-a-Lago, in Palm Beach helping the new administration in many ways, including interviewing people who might join. So what's your general sense about the talent, about the people who are coming into the new administration?

Marc Andreessen

So I should start by saying I'm not a member of the new administration. I'm not in the room when a lot of these people are being selected.

Lex Fridman

I believe you said unpaid intern.

Marc Andreessen

I am an unpaid intern. So I'm a volunteer when helpful, but I'm not making the decisions, nor am I in a position to speak for the administration. I don't want to say anything that would cause people to think I'm doing that. It's a very unusual situation where you had an incumbent president and then you had a four-year gap where he is out of office, and then you have him coming back. And as you'll recall, there was a fair amount of controversy over the end of the first term. The specific concern was the first Trump administration, they will all say this is they didn't come in with a team. They didn't come into the team. And most of the institutional base of the Republican Party were Bush Republicans. And many of them had become never Trumpers. And so they had a hard time putting the team together. And then by the way, they had a hard time getting people confirmed. And so if you talk to the people who were there in the first term, it took them two to three years to even get the government in place. And then they basically only had the government in place for basically like 18 months and then COVID hit. And then the aftermath and everything and all the drama and headlines and everything. And so the concern, including from some very smart people in the last two years has been, boy, if Trump gets a second term, is he going to be able to get a team that is as good as the team he had last time or a team that is actually not as good?

Because maybe people got burned out. Maybe they're more cynical now. Maybe they're not willing to go through the drama. By the way, a lot of people in the first term came under their own withering legal assaults, and some of them went to prison. A lot of stuff happened. Lots of investigations, lots of legal fees, lots of bad press, lots of debanking by the way. A lot of the officials in the first Trump term got debanked, including the president's wife and son.

Lex Fridman

Yeah. I heard you tell that story. That's insane. That's just insane.

Marc Andreessen

In the wake of the first term, yes. We now take out spouses and children with our ring of power. And so there's this legitimate question as to okay, what will the team for the second term look like? At least what I've seen and what you're seeing with the appointments is it looks much, much better. First of all, it just looks better than the first term and not because the people in the first term were not necessarily good, but you just have this influx of incredibly capable people that have shown up that want to be part of this and you just didn't have that the first time. And so they're just drawing on a much deeper, richer talent pool than they had the first time. And they're drawing on people who know what the game is. They're drawing on people now who know what is going to happen, and they're still willing to do it. And so they're going to get, I think, some of the best people from the first term, but they're bringing in a lot of people who they couldn't get the first time around. And then second is there's a bunch of people, including people in the first term where they're just 10 years older. And so they went through the first term and they just learned how everything works. Or there are young people who just had a different point of view and now they're 10 years older and they're ready to go serve in government. So there's a generational shift happening. And actually one of the interesting things about the team that's forming up is it's remarkably young. Some of the cabinet members and then many of the second and third level people are in their 30s and 40s, which is a big change from the gerontocracy that we've been under for the last 30 years. I think the caliber has been outstanding. And we could sit here and list tons and tons of people, but the people who are running. It's everything from the people who are running all the different departments at HHS. The number two at the Pentagon is Steve Feinberg, who's just an incredible legend of private equity, incredible capable guy. Actually two of my partners are going in who I both think are amazing. Many, many parts of the government the people are really impressive.

Lex Fridman

Well, I think one of the concerns is actually that given the human being of Donald Trump, that there would be more tendency towards, let's say favoritism versus meritocracy. That there's circles of sycophancy that form. And if you're be able to be loyal and never oppose and just basically suck up to the president, that you'll get a position. So that's one of the

concerns. And I think you're in a good position to speak to the degree that's happening versus hiring based on merit and just getting great teams.

Marc Andreessen

Yeah. So look, start by saying any leader at that level, by the way, any CEO, there's always some risk of that. That's like a natural reality warps around powerful leaders. And so there's always some risk to that. Of course, the good powerful leaders are very aware of that. And Trump, at this point in his life, I think is highly aware of that, at least in my interactions with him. He definitely seems very aware of that. So that's one thing. I would just say, I think the way to look at that ... And look, like I said, I don't want to predict what's going to happen once this whole thing starts unfolding. I would just say again, the caliber of the people who are showing up and getting the jobs, and then the fact that these are some of the most accomplished people in the business world and in the medical field. Jay Bhattacharya coming in to run NIH. I was part of the interview team for a lot of the HHS folks.

Lex Fridman

Nice. Jay's amazing. Oh, I was so happy to see that.

Marc Andreessen

So I literally got ... This is the story. I got to the transition office for one of the days of the HHS interviews, and I was on one of the interview interviewing teams. I didn't know who the candidates were, and they gave us the sheet in the beginning, and I go down the sheet and I saw Jay's name. I almost physically fell on my chair. And I was just like ... I happen to know Jay. I happen to know Jay, and I respect him enormously. And then he proved himself under this ... Talk about a guy who proved himself under extraordinary pressure over the last five years.

Lex Fridman

And then go radical under the pressure. He maintained balance and thoughtfulness and depth. Incredibly-

Marc Andreessen

Very serious, very analytical, very applied. Yes. A hundred percent. Tested under pressure came out. The more people look back at what he said and did. None of us perfect, but overwhelmingly insightful throughout that whole period. We would all be much better off today had he been in charge of the response. And so just an incredibly capable guy. And look, and then he learned from all that. He learned a lot in the last five years. And so the idea that somebody that could be head of NIH as compared to the people we've had is just breathtakingly. It's just a gigantic upgrade. And then Marty McAree coming. It is just a gigantic upgrade. And then Marty Makary coming in to run FDA, exact same thing. The guy coming to run a CDC, exact same thing. I've been spending time with Dr. Oz. So again, I'm not on these teams, I'm not in the room, but I've been spending enough time trying to help that

his level of insight into the healthcare system, it's astounding. And it comes from being a guy who's been in the middle of the whole thing and been talking to people about this stuff, and working on it and serving as a doctor himself and in medical systems for his entire life. He's like a walking encyclopedia on these things. And very dynamic, very charismatic, very smart, organized, effective. So to have somebody like that in there. And so anyway, I have 30 of these stories now across all these different positions. And then to be quite honest, you do the compare and contrast to the last four years, and these people are not in the same ballpark, they're just wildly better. And so pound for pound this maybe the best team in the White House since, I don't even know, maybe the 90s, maybe the 30s, maybe the 50s. Maybe Eisenhower had a team like this or something, but there's a lot of really good people in there now.

Lex Fridman

Yeah, the potential for change is certainly extremely high. Can you speak to DOGE? What's the most wildly successful next two years for DOGE, can you imagine? Maybe also can you think about the trajectory that's the most likely and what kind of challenges would it be facing?

Marc Andreessen

Yeah, so start by saying, again, disclaimer, I have to say, I'm not on DOGE, I'm not a member of DOGE.

Lex Fridman

We should say there's about 10 lawyers in the room, they're staring. No, I'm just kidding.

Marc Andreessen

Both the angels and the devils on my shoulder are literally [inaudible 02:13:51]. So I'm not speaking for DOGE, I'm not in charge of DOGE. Those guys are doing it, I'm not doing it. But again, I'm volunteering to help as much as I can and I'm 100% supportive. Yeah, so look, I think the way to think, the basic outlines are in public, which is it's a time limited basically commission. It's not a formal government agency. It's a time limited, 18 month. In terms of implementation, it will advise the executive branch. And so the implementation will happen through the White House. And the president has total latitude on what he wants to implement. And then basically what I think about it is three streams, target sets, and they're related but different. So money, people, and regulations. And so the headline number they put as the \$2 trillion number, and there's already disputes over that and whatever, and there's a whole question there. But then there's the people thing. And the people thing is interesting, because you get into these very fascinating questions. And I've been doing this, I won't do this for you as a pop quiz, but I do this for people in government as a pop quiz and I can stump them every time. Which is, A, how many federal agencies are there? And the answer is somewhere between 450 and 520, and nobody's quite sure. And then the other is how many people work for the federal government? And the answer is something on the

order, I forget, but like 4 million full-time employees and maybe up to 20 million contractors, and nobody's quite sure. And so there's a large people component to this. And then by the way, there's a related component to that, which is how many of them are actually in the office? And the answer is not many, most of the federal buildings are still empty. And then there's questions of are people working from home or are we actually working from home? So there's the people dimension, and of course the money and the people are connected. And then there's the third, which is the regulation thing. And I described earlier how basically our system of government is much more now based on regulations than legislation. Most of the rules that we all live under are not from a bill that went through Congress, they're from an agency that created a regulation. That turns out to be very, very important. So one is Elon had already described the DOGE wants to do broad-based regulatory relief, and Trump has talked about this, and basically get the government off of people's backs and liberate the American people to be able to do things again. So that's part of it. But there's also something else that's happened, which is very interesting, which was there were a set of Supreme Court decisions about two years ago that went directly after the idea that the executive branch can create regulatory agencies, and issue regulations and enforce those regulations without corresponding congressional legislation. And most of the federal government that exists today, including most of the departments and most of the rules and most of the money and most of the people, most of it is not enforcing laws that Congress passed. Most of it is regulation. And the Supreme Court basically said, "Large parts, large to maybe all of that regulation that did not directly result from a bill that went through Congress, the way that the cartoon said that it should, may not actually be legal. Now, the previous White House, of course, was super in favor of big government. They did nothing based on this, they didn't pull anything back in. But the new regime, if they choose to, could say, "Look, the thing that we're doing here is not challenging the laws, we're actually complying with the Supreme Court decision that basically says we have to unwind a lot of this and we have to unwind the regulations which are no longer legal, constitutional. We have to unwind the spend and we have to unwind the people. And that's how you get from basically you connect the thread from the regulation part back to the money part back to the people part. They have work going on all three of these threads. They have, I would say, incredibly creative ideas on how to deal with this. I know lots of former government people who 100% of them are super cynical on this topic, and they're like, "This is impossible, this could never possibly work." And I'm like, "Well, I can't tell you what the secret plans are, but blow my mind." And all three of those, they have ideas that are really quite amazing, as you'd expect from the people involved. And so over the course of the next few months, that'll start to become visible. And then the final thing I would say is this is going to be very different than attempts, there have been other programs like this in the past. The Clinton-Gore administration had one and then there were others before that, Reagan had one. The difference is this time, their social media, It's interesting, one of the reasons people in Washington are so cynical is because they know all the bull shit. They know all the bad spending and all the bad rules. Look, we're adding a trillion dollars to the national debt every 100 days right now. And that's compounding, and it's now passing the size of the

defense department budget and it's compounding, and pretty soon it's going to be adding a trillion dollars every 90 days, and then it's going to be adding a trillion dollars every 80 days, and then it's going to be a trillion dollars every 70 days. And then if this doesn't get fixed, at some point we enter a hyperinflationary spiral and we become Argentina or Brazil, and [inaudible 02:18:44]. And so everybody in D.C. knows that something has to be done, and then everybody in D.C. knows for a fact that it's impossible to do anything. They know all the problems and they also know the sheer impossibility of fixing it. But I think what they're not taking into account, what the critics are not taking into account is these guys can do this in the full light of day. And they can do it on social media, they can completely bypass the press, they can completely bypass the cynicism. They can expose any element of unconstitutional or silly government spending. They can run victory laps every single day on what they're doing. They can bring the people into the process. And again, if you think about it, this goes back to our Machiavellian structure, which is if you think about, again, you've got democracy, oligarchy, monarchy, rule of the many, rule of the few, rule of the one. You could think about what's happening here as a little bit of a sandwich, which is we don't have a monarch, but we have a president, rule of the one with some power. And then we have the people who can't organize, but they can be informed and they can be aware, and they can express themselves through voting and polling. So there's a sandwich happening right now is the way to think about it, which is you've got basically rule of one combining with rule of many. And rule of many is they do get to vote, the people do get to vote basically, and then essentially Congress and this permanent bureaucratic class in Washington as the oligarchy in the middle. And so the White House plus the people I think have the power to do all kinds of things here, and I think that would be the way I would wash it.

Lex Fridman

The transparency. Elon, just by who he is is incentivized to be transparent, and show the bull shit in the system and to celebrate the victories. So it's going to be so exciting. It honestly just makes government more exciting, which is a win for everybody.

Marc Andreessen

These people are spending our money. These people have enormous contempt for the taxpayer. Okay, here's the thing you hear in Washington, here's one of the things. So the first thing you hear is, "This is impossible, they'll be able to do nothing." And then, yeah, I walk them through this and it starts to dawn on them that this is a new kind of thing. And then they're like, "Well, it doesn't matter, because all the money is in entitlements and the debt and the military." And so yeah, you've got this silly, fake whatever, NPR funding or whatever, and just it's a rounding error and it doesn't matter. And you look it up in the budget and it's like, whatever, \$500 million or \$5 billion, or it's the charging stations that don't exist. It's the \$40 billion of charging stations and they build eight charging stations, or it's the broadband internet plan that delivered broadband to nobody and cost you \$30 billion, so these boondoggles. And what everybody in Washington says is that \$30 billion is a rounding error

on the federal budget, it doesn't matter. Who cares if they make it go away? And of course, any taxpayer is like, "What the fuck?"

Lex Fridman

What do you mean?

Marc Andreessen

It's \$30 billion. And the press is in on this too, and then the experts are like, "Well, it doesn't matter because it's rounding error." No, it's \$30 billion. And if you're this cavalier about \$30 billion, imagine how cavalier you are about the three trillion. Then there's the, okay, \$30 billion. Is \$30 billion a lot of the federal budget in percentage? No, it's not, but \$30 billion divided by, do the math, \$30 billion divided by let's say 300 million taxpayers. What's that math expert?

Lex Fridman

\$100.

Marc Andreessen

\$100 per taxpayer per year. Okay, so \$100 to an ordinary person working hard every day to make money and provide for their kids. \$100 is a meal out, it's a trip to the amusement park. It's the ability to buy additional educational materials. It's the ability to have a babysitter to be able to have a romantic relationship with your wife. There's 100 things that that person can do with \$100 that they're not doing because it's going to some bull shit program that is being basically where the money's being looted out in the form of just ridiculous ridiculousness and graft. And so the idea that that \$30 billion program is not something that is a very important thing to go after, the level of contempt for the taxpayer is just off the charts. And then that's just one of those programs, there's 100 of those programs. And they're all just like that, it's not like any of this stuff is running well. The one thing we know is that none of this stuff is running well, we know that for sure. And we know these people aren't showing up to work, and we know that all this crazy stuff is happening. Do you remember Elon's story of what got the Amish to turn out to vote in Pennsylvania? Oh, okay. So Pennsylvania is like a wonderful state, great history. It has these cities like Philadelphia that have descended other cities into just complete chaos, violent madness, and death. And the federal government has just let it happen, these incredibly violent places. And so the Biden administration decided that the big pressing law enforcement thing that they needed to do in Pennsylvania was that they needed to start raiding Amish farms to prevent them from selling raw milk with armed raids. And it turns out it really pissed off the Amish. It turns out they weren't willing to drive to the polling places because they don't have cars, but if you came and got them, they would go and they would vote. And that's one of the reasons why Trump won. Anyway, so the law enforcement agencies are off working on crazy things. The system's not working. And so you add up, just pick \$130 billion programs, all right, now you're okay. Math major, 100 times 100.

Lex Fridman

10,000.

Marc Andreessen

\$10,000, okay. \$10,000 per tax payer per year.

Lex Fridman

But it's also not just about money, obviously money is a hugely important thing, but it's the cavalier attitude that then in the ripple effect of that, it makes it so nobody wants to work in government and be productive. It makes it so that it breeds corruption, it breeds laziness. It breeds secrecy because you don't want to be transparent about having done nothing all year, all this kind of stuff. And you now want to reverse that so that it will be exciting for the future to work in government, because the amazing thing if you're the steelman government is you can do shit at scale. You have money and you can directly impact people's lives in a positive sense at scale. It's super exciting. As long as there's no bureaucracy that slows you down, or not huge amounts of bureaucracy that slows you down significantly.

Marc Andreessen

Yeah. So here's the trick, this blew my mind. Because once you open the hellmouth of looking into the federal budget, you learn all kinds of things. So there is a term of art in government called impoundment. So if you're like me, you've learned this the hard way when your car has been impounded. The government meaning of impoundment, the federal budget meaning is a different meaning. Impoundment is as follows. The constitution requires Congress to authorize money to be spent by the executive branch. So the executive branch goes to Congress, says, "We need money X." Congress does their thing. They come back and they say, "You can have money Y." The money's appropriated from Congress, the executive branch spends it on the military or whatever they spend it on, or on roads to nowhere or charging stations to nowhere or whatever. And what's in the constitution is the Congress appropriates the money. Over the last 60 years, there has been an additional interpretation of appropriations applied by the courts and by the system, which is the executive branch not only needs Congress to appropriate X amount of money, the executive branch is not allowed to underspend.

Lex Fridman

Yeah, I'm aware of this. I'm aware of this.

Marc Andreessen

And so there's this thing that happens in Washington at the end of every fiscal year, which is September 30th, and it's the great budget flush. And any remaining money that's in the system that they don't know how to productively spend, they deliberately spend it unproductively, to the tune of hundreds and hundreds of billions of dollars. A president that

doesn't want to spend the money can't not spend it. Like, okay, A, that's not what's in the constitution. And there's actually quite a good Wikipedia page that goes through the great debate on this that's played out in the legal world over the last 60 years. And basically, if you look at this with anything resembling I think an open mind, you're like, "All right, this is not what the founders meant." And then number two, again, we go back to this thing of contempt. Can you imagine showing up and running the government like that and thinking that you're doing the right thing, and not going home at night and thinking that you've sold your soul? I actually think you headed it a really good point, which is it's even unfair to the people who have to execute this because it makes them bad people, and they didn't start out wanting to be bad people. And so there is stuff like this.

Lex Fridman

Yeah, everywhere.

Marc Andreessen

Everywhere. And so we'll see how far these guys get. I am extremely encouraged, what I've seen so far.

Lex Fridman

It seems like a lot of people will try to slow them down, but yeah, I hope they get far. Another difficult topic, immigration. What's your take on the, let's say, heated H-1B visa debate that's going on online and legal immigration in general?

Marc Andreessen

I should start by saying I am not involved in any aspect of government policy on this. I'm not planning to be, this is not an issue that I'm working on or that I'm going to work on. This is not part of the agenda of what the firm is doing, my firm is doing. So I'm not in the new administration or the government, I'm not planning to be, so purely just personal opinion. So I would say I would describe this as I have a complex or nuanced, hopefully nuanced view on this issue that's maybe a little bit different than what a lot of my peers have. And I thought about this, I didn't say anything about it all the way through the big debate over Christmas, but I thought about it a lot and read everything. I think what I realized is that I just have a very different perspective on some of these things, and the reason is because of the combination of where I came from and then where I ended up. Let's start with this, where I ended up, in Silicon Valley, and I have made the pro high-skilled immigration argument many, many times, the H-1B argument many times. In past lives, I've been in D.C. many times arguing with prior administrations about this, always on the side of trying to get more H-1B's and trying to get more high-skilled immigration. And I think that argument is very strong and very solid, and has paid off for the US in many, many ways. And we can go through it, but I think it's the argument everybody already knows, it's like the stock. You take any Silicon Valley person, you press the button and they tell you why we need to brain drain the world to get more H-1B's. So everybody gets that argument.

Lex Fridman

So it's basically, just to summarize, it's a mechanism by which you can get super smart people from the rest of the world, import them in, keep them here to increase the productivity of the US companies.

Marc Andreessen

And then it's not just good for them and it's not just good for Silicon Valley or the tech industry, it's good for the country because they then create new companies and create new technologies and create new industries that then create many more jobs for Americans, native born Americans, than would've previously existed. And so it's a positive, some flywheel thing where everybody wins. Everybody wins, there are no trade-offs, it's all absolutely glorious in all directions. There cannot possibly be a moral argument against it under any circumstances. Anybody who argues against it is obviously doing so from a position of racism, is probably a fascist and a Nazi. That's the thing, and like I said, I've made that argument many times. I'm very comfortable with that argument. And then I'd also say, look, I would say number one, I believe a lot of it, I'll talk about the parts I don't believe, but I believe a lot of it. And then the other part is, look, I benefit every day. I always describe it as I work in the United Nations, my own firm and our founders and our companies and the industry and my friends are just this amazing panoply, cornucopia of people from all over the world. And I've worked, I don't know, at this point with people from, it's got to be, I don't know, 80 countries or something, and hopefully over time it'll be the rest as well. And it's been amazing, and they've done many of the most important things in my industry and it's been really remarkable. So that's all good. And then there's just the practical version of the argument, which is we are the main place these people get educated anyway. The best and the brightest tend to come here to get educated. And so this is the old Mitt Romney, staple a green card to maybe not every university degree, but every technical degree. Maybe the sociologists we could quibble about, but the roboticists for sure, for sure. For sure, we can all agree that-

Lex Fridman

At least I won you over on something today.

Marc Andreessen

Well, no, I'm exaggerating for effect.

Lex Fridman

And I lost you, I had you for half a second.

Marc Andreessen

I haven't gotten to the other side of the argument yet.

Lex Fridman

Okay, thank you.

Marc Andreessen

So surely we can all agree that we need to staple a green card.

Lex Fridman

The rollercoaster is going up.

Marc Andreessen

The rollercoaster is ratcheting slowly up. So yeah, so surely we can all agree that the roboticists should all get green cards. And again, there's a lot of merit to that, obviously. Look, we want the US to be the world leader in robotics. What's step one to being the world leader in robotics is have all the great robotics people. Unlike the underpants, it's like a very straightforward formula. All right, that's all well and good, all right, but it gets a little bit more complicated because there is an argument that's right underneath that that you also hear from these same people. And I have made this argument myself many times, which is we need to do this because we don't have enough people in the US who can do it otherwise. We have all these unfilled jobs, we've got all these companies that wouldn't exist. We don't have enough good founders, we don't have enough engineers, we don't have enough scientists. Or then the next version of the argument below that is our education system is not good enough to generate those people, which is a weird argument by the way. Because our education system is good enough for foreigners to be able to come here preferentially in a very large number of cases, but somehow not good enough to educate our own native foreign people. So there's little cracks in the matrix that you can stick your fingernail into and wonder about and we'll come back to that one. But at least, yes, our education system has its flaws. And then underneath that is the argument that Vivek made, which is we have cultural rot in the country and native-born people in the country don't work hard enough, and spend too much time watching TV and TikTok and don't spend enough time studying differential equations. And again, it's like, all right, yeah, there's a fair amount to that. There's a lot of American culture that is, there's a lot of frivolity, we have well-documented social issues on many fronts, many things that cut against having a culture of just straightforward, high achievement and effort and striving. But anyway, those are the basic arguments. But then I have this other side of my personality and thought process, which is, well, I grew up in a small farming town of rural Wisconsin, the rural Midwest, and it's interesting, there's not a lot of people who make it from rural Wisconsin to high tech. And so it's like, all right, why is that exactly? And I know this, I'm an aberration. I was the only one from anybody I ever knew who ever did this. I know what an aberration I am and I know exactly how that aberration happened, and it's a very unusual set of steps, including many that were just luck. But there is in no sense a talent flow from rural Wisconsin into high tech, like not at all. There is also in no sense a talent flow from the rest of the Midwest into high tech. There is no talent flow from the south into high tech. There is no flow from the

Sunbelt into high tech. There's no flow from the deep south into high tech. Literally, it's like the blanks. There's this whole section of the country where the people just for some reason don't end up in tech. Now, that's a little bit strange, because these are the people who put a man on the moon. These are the people who built the World War II War Machine. These are the people, at least their ancestors are the people who built the second industrial revolution, and built the railroads and built the telephone network and built logistics and transportation in the auto industry. The auto industry was built in Cleveland and Detroit. And so at least these people's parents and grandparents and great grandparents somehow had the wherewithal to build all of these amazing things, invent all these things. And then there's many, many, many, many stories in the history of American invention and innovation and capitalism, where you had people who grew up in the middle of nowhere, Philo Farnsworth who invented the television, and just tons and tons of others, endless stories like this. Now you have a puzzle and the conundrum, which is like, okay, what is happening on the blank spot of the map? And then of course, you also can't help noticing that the blank spot on the map, the Midwest, the South, you've also just defined Trump country, the Trump voter base. And it's like, oh, well, that's interesting. How did that happen? And so either you really, really, really have to believe the very, very strong version of the Vivek thesis or something, where you have to believe that that basically culture, the whole civilization in the middle of the country and the south of the country is so deeply flawed, either inherently flawed or culturally flawed, such that for whatever reason, they're not able to do the things that their parents and grandparents were able to do, and that their peers are able to do. Or something else is happening. Would you care to guess on what else is happening?

Lex Fridman

You mean what, affirmative action?

Marc Andreessen

Affirmative action. Think about this, this is very entertaining. What are the three things that we know about affirmative action? It is absolutely 100% necessary, however, it cannot explain the success of any one individual, nor does it have any victims at all.

Lex Fridman

That could explain maybe disproportionate, but surely it doesn't explain why you're probably the only person in Silicon Valley from Wisconsin.

Marc Andreessen

What educational institution in the last 60 years has wanted farm boys from Wisconsin?

Lex Fridman

But what institution rejected farm boys from Wisconsin?

Marc Andreessen

All of them.

Lex Fridman

All of them.

Marc Andreessen

Of course. Okay, so we know this, we know this. The reason we know this is because of the Harvard and UNC Supreme Court cases. This was three years ago, these were big court cases. Because the idea of affirmative action has been litigated for many, many, many years and through many court cases, and the Supreme Court repeatedly in the past had upheld that it was a completely legitimate thing to do. And there's basically two categories of affirmative action that really matter. One is the admissions into educational institutions and then the other is jobs, getting hired. Those are the two biggest areas. The education one is super potent, has been a super potent political issue for a very long time for all... People have written and talked about this for many decades, I don't need to go through it. There's many arguments for why it's important, there's many arguments as to how it could backfire. It's been this thing. But the Supreme Court upheld it for a very long time. The most recent ruling, I'm not a lawyer, I don't have the exact reference in my head, but there was a case in 2003 that said that Sandra Day O'Connor famously wrote that although it had been 30 years of affirmative action and although it was not working remotely as it had been intended, she said that, well, basically we need to try it for another 25 years. But she said basically as a message to future Supreme Court justices, if it hasn't resolved basically the issues it's intended to resolve within 25 years, then we should probably call it off. By the way, we're coming up on the 25 years, it's a couple of years away. The Supreme Court just had these cases, it's a Harvard case and I think a University of North Carolina case. And what's interesting about those cases is the lawyers in those cases put a tremendous amount of evidence into the record of how the admissions decisions actually happen at Harvard and happen at UNC. And it is like every bit as cartoonishly garish and racist as you could possibly imagine, because it's a ring of power. And if you're an admissions officer at a private university or an administrator, you have unlimited power to do what you want, and you can justify any of it under any of these rules or systems. And up until these cases, it had been a black box where you didn't have to explain yourself and show your work. And what the Harvard and UNC cases did is they basically required showing the work. And there was all kinds of phenomenal detail, number one is there were text messages in there that will just curl your hair, of students being spoken of and just crude racial stereotypes that would just make you want to jump out the window. It's horrible stuff. But also, there was statistical information. And of course, the big statistical kicker to the whole thing is that at top institutions, it's common for different ethnic groups to have different cutoffs for SAT that are as wide as 400 points. So different groups. So specifically Asians need to perform at 400 SAT points higher than other ethnicities in order to actually get admitted into these. White people are a part of this, but Asians are a very big part of this. And actually the

Harvard case is actually brought by an activist on behalf of actually the Asian students who are being turned away. And it's the cliché now in the valley and in the medical community, which is like, if you want a super genius you hire an Asian from Harvard, because they are guaranteed to be freaking Einstein. Because if they weren't, they were never getting admitted. Almost all the qualified Asians get turned away. So they've been running this, it's a very, very explicit, very, very clear program. This, of course, has been a third rail of things that people are not supposed to discuss under any circumstances. The thing that has really changed the tenor on this is I think two things. Number one, those Supreme Court cases, the Supreme Court ruled that they can no longer do that. I will tell you, I don't believe there's a single education institution in America that is conforming with the Supreme Court ruling, I think they're all flagrantly ignoring it. And we could talk about that.

Lex Fridman

Mostly because of momentum probably, or what?

Marc Andreessen

They are trying to make the world a better place. They're trying to solve all these social problems, They are trying to have diverse student populations. They are trying to live up to the expectations of their donors. They're trying to make their faculty happy. They are trying to have their friends and family think that they're good people. They're trying to have the press write nice things about them. It's nearly impossible for them. And to be clear, nobody has been fired from an admissions office for 25 years and prior, what the Supreme Court now is ruled to be illegality. And so they're all the same people under the exact same pressures. And so the numbers are moving a little bit, but I don't know anybody in the system who thinks that they are complying with Supreme Court. Like who's in charge, in the rank ordering of who rules who, the university's rule the Supreme Court way more than the Supreme Court rules the universities. Well, another example of that is I think that every sitting member of the Supreme Court right now went to either Harvard or Yale, the level of incestuousness here is... Anyway, so there's that. And so this has been running for a very long time. So one is the Harvard and UNC cases gave up the game, number one, or at least showed what the mechanism was. And then number two, the other thing is obviously the aftermath of October 7th, and what we discovered was happening with Jewish applicants and what was happening at all the top institutions for Jewish applicants was they were being managed down, either being actively managed down as a percentage of the base. And let's say I've heard reports of extremely explicit basically plans to manage the Jewish admissions down to their representative percentage of the US population, which is 2%. And there's a whole backstory here, which is 100 years ago, Jews were not admitted into a lot of these institutions, and then there was a big campaign to get them in. Once they could get in, they immediately became 30% of these institutions because there are so many smart, talented Jews. So it went from 0% to 30%, and then the most recent generation of leadership has been trying to get it done to 2%. And a lot of Jewish people, at least a lot of Jewish people I know, they kind of knew this was happening but they discovered it the hard

way after October 7th. So basically the Supreme Court case meant that you could address this in terms of the Asian victims. The October 7th meant that you could address it in terms of the Jewish victims. And for sure, both of those groups are being systematically excluded. And then of course, there's the thing that you basically can't talk about, which is all the white people are being excluded. And then it turns out it's also happening to black people, and this is the thing that blew my freaking mind when I found out about it. So I just assumed that this was great news for American Blacks, because obviously if Whites, Asians, and Jews are being excluded, then the whole point of this in the beginning was to get the Black population up, and so this must be great for American Blacks. So then I discovered this New York Times article from 2004 called Blacks are Being Admitted into Top Schools at Greater Numbers, but which ones? And by the way, this is in the New York Times, this is not in, whatever, The National Review, this is New York Times, 2004. And the two authorities that were quoted in the story are Henry Louis Gates, who's the dean of the African-American Studies community in the United States, super brilliant guy. And then Lani Guinier, she was a potential Supreme Court appointee under, I think she was a close friend of Hillary Clinton. And there was for a long time, she was on the short list for Supreme Court. So one of the top jurists, lawyers in the country, but both Black, legendarily successful in the academic and legal worlds and Black. And they are quoted as the authorities in this story, and the story that they tell, it's actually amazing. And by the way, it's happening today in education institutions and it's happening in companies, and you can see it all over the place, and the government. Which is at least at that time, the number was half of the Black admits into a place like Harvard were not American-born Blacks, they were foreign-born Blacks, specifically Northern African, generally Nigerian or West Indian. And by the way, many Nigerians and Northern Africans have come to the US and have been very successful. Nigerian-Americans as a group way outperform, they're just a super smart cohort of people. And then West Indian Blacks in the US are incredibly successful. Most recently, by the way, Kamala Harris, as well as Colin Powell, just two examples of that. And so basically what Henry Louis Gates and Lani Guinier said in the story is Harvard is basically struggling to either, whatever it was, identify, recruit, make successful, whatever it was, American-born native Blacks, and so therefore they were using high-skill immigration as an escape hatch to go get Blacks from other countries. And then this was 2004 when you could discuss such things, obviously that is a topic that nobody has discussed since, it has sailed on. All of the DEI programs of the last 20 years have had this exact characteristic. There's large numbers of Black people in America who are fully aware of this and are like, "It's obviously not us that are getting these slots, we're literally competing with people who are being imported." And if you believe in the basis of affirmative action, you were trying to make up for historical injustice of American Black slavery. So the idea that you import somebody from Nigeria that never experienced that is tremendously insulting to Black Americans. Anyway, so you can see where I'm heading with this. We have been in a 60-year social engineering experiment to exclude native-born people from the educational slots and jobs that high-skill immigration has been funneling foreigners into. And so it turns out it's not a victim-free thing, there's 100%, there's victims. Because why? There's only so many, for sure

there's only so many education slots, and then for sure, there's only so many of these jobs. Google only hires so many, whatever, level seven engineers. And so that's the other side of it, and so you're a farm boy in Wisconsin.

Lex Fridman

So, that's the other side of it. And so, you're a farm boy in Wisconsin, or a Black American whose ancestors arrived here on a slave ship, 300 years ago, in Louisiana, or a Cambodian immigrant in the Bronx, and you are a kid, or a Jewish immigrant, or from a very successful Jewish family, and for three generations, you and your parents and grandparents went to Harvard, and what all of those groups know is the system that has been created is not for them. It's designed specifically to exclude them, and then what happens is all of these tech people show up in public and say, yeah, let's bring in more foreigners. So, anyway, so the short version of it is, you can't anymore, I don't think, just have the "high-skilled immigration," conversation for either education or for employment without also having the DEI conversation. And then DEI is just another word for affirmative action, so it's the affirmative action conversation. And you need to actually deal with this at substance and to see what's actually happening to people, you needed to join these topics. And I think it is much harder to make the moral claim for high-skilled immigration given the extent to which DEI took over both the education process and the hiring process.

Marc Andreessen

So, first of all, that was brilliantly laid out, the nuance of it. So, just to understand, it's not so much a criticism of H-1B, high-skilled immigration, it's that there needs to be more people saying, yay, we need more American-born hires.

Lex Fridman

So, I spent the entire Christmas holiday reading every message on this and not saying anything, and what I was... Which you know me well enough to know that's a serious level of-

Marc Andreessen

Yeah, that was very Zen.

Lex Fridman

Yes, thank you, thank you. No, it wasn't, there was tremendous rage on the other side of it, but I suppressed it. So, I was waiting for the dog that didn't bark, and the dog that didn't bark was I did not... And tell me if you saw one. I did not see a single example of somebody pounding the table for more high-skilled immigration, who was also pounding the table to go get more smart kids who are already here into these educational institutions and into these jobs. I didn't see a single one.

Marc Andreessen

That's true, I think I agree with that. There really was a divide.

Lex Fridman

But it was literally, it was like the proponents of high-skilled immigrant... And again, this was me for a very long time. I kind of took myself by surprise on this because I had the much, say, simpler version of this story for a very long... Like I said, I've been in Washington many times under past presidents, lobbying for this. By the way, never made any progress, which we could talk about, it never actually worked. But I've been on the other side of this one. But I was literally sitting there being like, all right, which of these super geniuses, many of whom by the way are very successful, high-skilled immigrants or children of high-skilled immigrants, which of these super geniuses are going to say, actually we have this incredible talent source here in the country? Which again, to be clear, I'm not talking about white people, I'm talking about native-born Americans, whites, Asians, Jews, Blacks, for sure. For sure, for sure, those four groups,

Marc Andreessen

But also white people.

Lex Fridman

Yeah, and also white people.

Marc Andreessen

People that are making the case for American-born hires are usually not also supporting H-1B. It's an extreme divide, and those people, they're making that case are often not making it in a way that's... Making it in quite a radical way, let's put it this way.

Lex Fridman

Yeah, yeah. But you have this interesting thing, you have a split between the sides that I've noticed, which is one side has all of the experts. And I'm using air quote for people listening to audio, I'm making quotes in the air with my fingers as vigorously as I can. One side has all the certified experts, the other side just has a bunch of people who are like, they know that something is wrong and they don't quite know how to explain it. And what was so unusual about the Harvard UNC cases, by the way, in front of the Supreme Court is they actually had sophisticated lawyers for the first time in a long time actually put all this evidence together and actually put it in the public record. They actually had experts, which is just really rare. Generally what you get is you get... Because if you don't have experts, what do you have? You know something is wrong, but you have primarily an emotional response. You feel it, but can you put it into the words and tables and charts that a certified expert can? No, you can't, that's not who you are. That doesn't mean that you're wrong, and it also doesn't mean that you have less of a moral stance. And so, it's just like, all right... Now, by the way, look, I think there are ways to square the circle, I think there's a way to have our cake and eat it too, I think there'd be many ways to resolve this. I think, again, I think the way to do it is to look at these issues combined, look at DEI combined with high-skilled immigration. It so happens that DEI is under much more scrutiny today than it has been for probably 20 years,

affirmative action is. The Supreme Court did just rule that it is not legal for universities to do that, they are still doing it, but they should stop. And then, there are more and more, you've seen more companies now also ditching their DEI programs, in part... That's happening for a bunch of reasons, but it's happening in part because a lot of corporate lawyers will tell you that the Supreme Court rulings in education either already apply to businesses, or it just is a clear foreshadowing the Supreme Court will rule on new cases that will ban in businesses. And so, there is a moment here to be able to look at this on both sides. Let me add one more nuance to it though, that makes it even more complicated. So, the cliché is we're going to brain drain the world, you've heard that? We're going to take all the smart people from all over the world, we're going to bring them here, we're going to educate them, and then we're going to keep them, and then they're going to raise their families here, create businesses here, create jobs here, right?

Marc Andreessen

In the cliché, that's a super positive thing.

Lex Fridman

Yeah. Okay, so what happens to the rest of the world?

Marc Andreessen

They lose?

Lex Fridman

Well, how fungible are people? How many highly ambitious, highly conscientious, highly energetic, high achieving, high IQ, super geniuses are there in the world? And if there's a lot, that's great, but if there just aren't that many, and they all come here, and they aren't where they would be otherwise, what happens to all those other places? So, it's almost impossible for us here to have that conversation, in part because we become incredibly uncomfortable as a society talking about the fact that people aren't just simply all the same, which is a whole thing we could talk about, but also we are purely the beneficiary of this effect. We are brain draining the world, not the other way around. There's only four... So, if you look at the flow of high-skilled immigration over time, there's only four permanent sinks of high-skilled immigration places people go. It's the US, Canada, the UK, and Australia.

Marc Andreessen

Oh, Australia.

Lex Fridman

It's four of the five, five eyes. It's the major Anglosphere countries. And so, for those countries, this seems like a no-lose proposition, it's all the other countries that, basically, what we four countries have been doing is draining all the smart people out. It's actually much easier for people in Europe to talk about this I've discovered, because the Eurozone

is, whatever, 28 countries, and within the Eurozone, the high-skilled people over time have been migrating to originally the UK, but also specifically I think it's the Netherlands, Germany, and France. But specifically, they've been migrating out of the peripheral Eurozone countries. And the one where this really hit the fan was in Greece. So, Greece falls into chaos, disaster, and then you're running the government in Greece and you're trying to figure out how to put an economic development plan together, all of your smart young kids have left, what are you going to do? By the way, this is a potential... I know you care a lot about Ukraine, this is a potential crisis for Ukraine. In part because of this, because we enthusiastically recruit Ukrainians, of course, and so we've been brain draining Ukraine for a long time, but also, of course, war does tend to cause people to migrate out. And so, when it comes time for Ukraine to rebuild as a peaceful country, is it going to have the talent base even that it had five years ago, is a very big and important question. By the way, Russia, we have brain drained a lot of really smart people out of Russia, a lot of them are here, over the last 30 years. And so, there's this thing, it's actually really funny if you think about it, the one thing that we know to be the height of absolute evil that the West ever did was colonization and resource extraction. So, we know the height of absolute evil was when the Portuguese and the English and everybody else went and had these colonies, and then went in and we took all the oil, and we took all the diamonds, or we took all the whatever, lithium or whatever it is. Well, for some reason we realized that that's a deeply evil thing to do when it's a physical resource, when it's a non-conscious physical matter, for some reason we think it's completely morally acceptable to do it with human capital. In fact, we think it's glorious and beautiful and wonderful and the great flowering of peace and harmony and moral justice of our time to do it, and we don't think for one second what we're doing to the countries that we're pulling all these people out of. And this is one of these things, I don't know, maybe we're just going to live in this delusional state forever, and we'll just keep doing it, and it'll keep benefiting us, and we just won't care what happens, but I think there may come... This is one of these submarines 10 feet under the water line, I think it's just a matter of time until people suddenly realize, oh my God, what are we doing? We need the rest of the world to succeed too, we need these other countries to flourish. We don't want to be the only successful country in the middle of just complete chaos and disaster, and we just extract and we extract and we extract, and we don't think twice about it.

Marc Andreessen

This is so deeply profound, actually. So, what is the cost of "winning" if these countries are drained in terms of human capital, on the level of geopolitics, what does that lead to? Even if we talk about wars and conflict and all of this, we actually want them to be strong, in the way we understand strong, not just in every way, so that cooperation and competition can build a better world for all of humanity. It's interesting, this is one of those truths where you just speak and it resonates, and I didn't even think about it.

Lex Fridman

Yeah, exactly.

Marc Andreessen

So, you were sitting during the holiday season, just boiling over. So, all that said, there's still to use some good to the H-1B?

Lex Fridman

Okay, so then you get this other... Okay, so then there's-

Marc Andreessen

Come all the way around.

Lex Fridman

... there's another nuance. So there's another nuance, there's another nuance, which is mostly in the valley we don't use H-1Bs anymore, mostly we use O1s. So, there's a separate class of these, and the O1 is like this... It turns out the O1 is the super genius visa. So, the O1 is basically our founder... When we have somebody from anywhere in the world, and they've invented a breakthrough new technology, and they want to come to the US to start a company, they come in through an O1 Visa. And that actually, it's a fairly high bar, it's a high acceptance rate, but it's a pretty high bar, and they do a lot of work, and you have to put real work into it, really prove your case. Mostly what's happened with the H-1B Visa program is that it has gone to basically two categories of employers. One is basically a small set of big tech companies that hire in volume, which is exactly the companies that you would think, and then the other is it goes to these, what they call the mills, the consulting mills. And so, there's these set of companies with names, I don't want to pick on companies, but names like Cognizant, that hire, basically have their business model is bringing in primarily Indians in large numbers, and they often have offices next to company-owned housing, and they'll have organizations that are literally thousands of Indians living and working in the US, and they do basically call it mid-tier IT consulting. So, these folks, they're making good wages, but they're making 60 or 80 a or 100,000 a year, not the 300,000 that you'd make in the Valley. And so, in practice, the startups, basically little tech as we call it, or the startup world, mainly doesn't use H-1Bs at this point, and mainly can't, because the system is kind of rigged in a way that we really can't. And then, again, you get to the underlying morality here, which is, it's like, well, Amazon, Amazon's... I love Amazon. But they're a big powerful company, they've got more money than God, they've got resources, they've got long-term planning horizon, they do big profound things over decades at a time, they could, or any of these other companies, could launch massively effective programs to go recruit the best and brightest from all throughout the country. And you'll notice they don't do that, they bring in 10,000, 20,000 H1Bs a year. And so, you've got a question there, and then these mills, there's lots of questions around them, and whether that's even an ethical way... I don't want to say they're unethical, but there's questions around exactly what the trade-offs are there. And this like is a Pandora's box that really nobody really wanted to be opened. To play devil's advocate in all this, in terms of national immigration issues, none of this is a top end issue, just because the numbers are small, and so I don't think, the administration has said this is

not a priority of theirs for right now. But I guess what I would say is, there is actually a lot of complexity and nuance here. Like I said, I have a lot of friends and colleagues who came over on H-1Bs or O-1s, green cards, many are now citizens, and every single one of them was... Not every single one. A lot of them were enthusiastic to defend the honor of immigrants throughout this whole period. And they said to me, it's like, well, Marc, how can we more clearly express the importance of high school immigration to the US? And I was like, I think you can do it by advocating for also developing our native-born talent. Do you want to inflame the issue or do you want to diffuse the issue? I think the answer is to diffuse the issue. Let me give you one more positive scenario, and then I'll also beat up on the university some more. Do you know about the National Merit Scholarship System, have you heard about this?

Marc Andreessen

Not really, can you explain?

Lex Fridman

So, there's a system that was created during the Cold War called the National Merit Scholars, and it is a, basically, it was created, I forget, in the 50s or 60s when... It was people in government actually wanted to identify the best and the brightest, as heretical an idea as that sounds today. And so, it's basically a national talent search for, basically, IQ. Its goal is to identify basically the top 0.5% of the IQ in the country. By the way, completely regardless of other characteristics. So, there's no race, gender, or any other aspect to it, it's just going for straight intelligence. It uses, first, the PSAT, which is the preparatory SAT that you take, and then the SAT. So, it uses those scores, that is the scoring, it's a straight PSAT/SAT scoring system. They use the SAT as a proxy for IQ, which it is. They run this every year, they identify, they get down to 1% of the population of the kids, of 18 year olds in an given year, who score highest on the PSAT, and then they further qualify down to the 0.5% that also replicate on the SAT. And then it's like, the scholarship amount is like \$2,500. So, it was a lot of money 50 years ago, not as much today. But it's a national system being run, literally, to find the best and the brightest. How many of our great and powerful universities use this as a scouting system? Our universities all have sports teams, they all have national scouting, they have full-time scouts who go out and they go to every high school and they try to find all the great basketball players and bring them into the NCAA, into all these leagues. How many of our great and powerful and enlightened universities use the National Merit System to go do a talent search for the smartest kids and just bring them in?

Marc Andreessen

Let me guess, very few. Zero.

Lex Fridman

Zero. As you say it, that's brilliant, there should be that same level of scouting for talent internally.

Marc Andreessen

Go get the smartest ones. I'll give you one more kicker on this topic, if I haven't beaten it to death. The SAT has changed. So, the SAT used to be a highly accurate proxy for IQ that caused a bunch of problems, people really don't like the whole idea of IQ. And so, the SAT has been actively managed over the last 50 years by the college board that runs it, and it has been, essentially, like everything else, it's been dumbed down, in two ways. Number one, it's been dumbed down where an 800 from 40 years ago does not mean what an 800 means today. And 40 years ago, it was almost impossible to get an 800. Today, there's so many 800s that you could stock the entire Ivy League with 800s, and so it's been deliberately dumbed down. And then, two is, they have tried to pull out a lot of what's called the g-loading. And so they, they've tried to detach it from being an IQ proxy because IQ is such an inflammatory concept. And the consequence of that is, and this is sort of perverse, they've made it more coachable, right? So, the SAT 40 years ago, coaching didn't really work, and more recently it has really started to work. And one of the things you see is that the Asian spike, you see this giant leap upward in Asian performance over the last decade, and I think, looking at the data, I think a lot of that is because it's more coachable now, and the Asians do the most coaching. So, there's a bunch of issues with this. And so, the coaching thing is really difficult because the coaching thing is a subsidy then to the kids whose parents can afford coaching, and I don't know about you, but where I grew up, there was no SAT coaching. So, there's an issue there. I didn't even know what the SAT was until the day I took it, much less that there was coaching, much less that it could work, so much less we could afford it. So, number one, there's issues there. But the other issue there is think about what's happened by the dumbing down, 800 no longer captures all the smart, 800 is too crude of a test. It's like the AI benchmarking problem. It's the same problem they have AI benchmarking right now, 800 is too low of a threshold. There are too many kids scoring 800. Because what you want is you want, whatever, if it's going to be 100,000 kids, I don't know what it is, if it's going to be 50,000 kids a year scoring 800, you also then want kids to be able to score 900 and 1000, and 1100, and 1200, and you want to ultimately get to, you'd like to ultimately identify the top 100 kids, and make sure that you get them in MIT. And the resolution of the test has been reduced so that it actually is not useful for doing that. And again, I would say this is part of the generalized corruption that's taken place throughout this entire system, where we have been heading in the reverse direction from wanting to actually go get the best and brightest and actually put them in the places where they should be. And then, just the final comment would be, the great thing about standardized testing and the National Merit System is it's, like I said, it's completely race blind, it's gender blind, it's blind on every other characteristic, it's only done on test scores. And you can make an argument about whether that's good or bad, but it is, for sure, it's the closest thing that we had to get to merit. It was the thing that they did when they thought they needed merit to win the Cold War. And of course, we could choose to do that anytime we want. And I just say, I find it incredibly striking, and an enormous moral indictment of the current system that there are no universities that do this today. So, back to the immigration thing, just real quick, it's like, okay, we aren't even trying to go get the smart kids out of

[inaudible 03:03:39], and even if they think that they can get into these places, they get turned down. And the same thing for the smart Asians, and the same thing for the smart Jews, and the same thing for the smart Black people. And I don't know how that's moral, I don't get it at all.

Lex Fridman

As you said about the 800, so I took the SAT and the ACT many times, and I've always gotten perfect on math, 800. And I'm not special, it doesn't identify genius, I think you want to search for genius. And you want to create measures that find genius of all different kinds, speaking of diversity. And I guess we should reiterate and say over and over and over, defend immigrants, yes, but say we should hire more and more native-born.

Marc Andreessen

Well, you asked me in the beginning what's the most optimistic forecast that we could have? And the most optimistic forecast would be, my God, what if we did both?

Lex Fridman

So, that's the reasonable, the rational, the smart thing to say here. In fact, we don't have to have a war.

Marc Andreessen

Well, it would defuse, it would defuse the entire issue.

Lex Fridman

Yeah.

Marc Andreessen

If everybody in the center and the South of the country, and every Jewish family, Asian family, Black family knew they were getting a fair shake, it would defuse the issue. How about defusing the issue? What a crazy radical... Sorry, I don't mean to really get out over my skis here, but...

Lex Fridman

I think your profile on X states, it's time to build. It feels like 2025 is a good year to build. So, I wanted to ask your advice, and maybe for advice for anybody who's trying to build, who is trying to build something useful in the world. Maybe launch a startup, or maybe just launch apps, services, whatever, ship software products. So, maybe, by way of advice, how do you actually get to shipping?

Marc Andreessen

So, a big part of the answer I think is we're in the middle of a legit revolution, and I know you've been talking about this on your show. But AI coding, this is the biggest earthquake to

hit software in certainly my life, maybe since the invention of software. And we're involved in various of these companies, but these tools, from a variety of companies, are absolutely revolutionary, and they're getting better by leaps and bounds every day. And you know all this. But the thing with coding, there's open questions of whether AI can get better at, I don't know, understanding philosophy, or whatever, creative writing or whatever, but for sure we can make it much better at coding, because you can validate the results of coding. And so, there's all these methods of synthetic data and self-training and reinforcement learning that, for sure, you can do with coding. And so, everybody I know who works in the field says AI coding is going to get to be phenomenally good. And it's already great. And anybody who wants to see this, just go on YouTube and look at AI coding demos, little kids making apps in 10 minutes, working with an AI coding system. And so, I think it's the golden age... I think this is an area where it's clearly the golden age. The tool set is extraordinary. In a day as a coder, for sure, in a day you can retrain yourself, start using these things, get a huge boost in productivity, as a non-coder, you can learn much more quickly than you could before.

Lex Fridman

That's actually a tricky one in terms of learning as a non-coder to build stuff, I feel like you still need to learn how to code. It becomes a superpower, it helps you be much more productive. You could legitimately be a one person company and get quite far.

Marc Andreessen

I agree with that, up to a point. So, I think, for sure, for quite a long time, the people who are good at coding are going to be the best at actually having AIs code things, because they're going to understand what, very basic, they're going to understand what's happening. And they're going to be able to evaluate the work, and they're going to be able to literally manage AIs better, even if they're not literally handwriting the code, they're just going to have a much better sense of what's going on. So, I definitely think, 100% my nine-year-old is doing all kinds of coding classes, and he'll keep doing that for, certainly through 18, we'll see after that. And so, for sure that's the case. But look, having said that, one of the things you can do with an AI is say, teach me how to code. And there's a whole bunch of, I'll name names, Khan Academy... There's a whole bunch of work that they're doing at Khan Academy for free, and then we have this company, Replit, which was originally specifically built for kids for coding, that has AI built in, that's just absolutely extraordinary now. And then, there's a variety of other systems like this. Yeah, the AI is going to be able to teach to code... AI, by the way, is, as you know, is spectacularly good at explaining code. And so, the tools have these features now where you can talk to the code base, and so you can literally ask the code base questions about itself. And you can also just do the simple form, which is you can copy and paste code into a ChatGPT and just ask it to explain it, what's going on, rewrite it, improve it, make recommendations. And so, there's dozens of ways to do this. By the way, you can also, even more broadly than code, like, okay, you want to make a video game, okay, now you can do AI, art generation, sound generation, dialogue generation, voice generation, all of a

sudden you don't need designers, you don't need voice actors. Yeah, there's just unlimited...And then a big part of coding is so-called glue, it's interfacing into other systems. So, it's interfacing into Stripe, to take payments, or something like that, and AI is fantastic at writing glue code. So, really, really good at making sure that you can plug everything together, really good at helping you figure out how to deploy. It'll even write a business plan for you. So, it's just this, it's like everything happening with AI right now, it's like this latent superpower, and there's this incredible spectrum of people who have really figured out massive performance increases, productivity increases with it already, there's other people who aren't even aware it's happening. And there's some gearing to whether you're a coder or not, but I think there are lots of non-coders that are off to the races, and I think there are lots of professional coders who are still like, eh... The blacksmiths were not necessarily in favor of the car business. So, there's the old William Gibson quote, "The future is here, it's just not evenly distributed yet," and this is maybe the most potent version of that that I've ever seen.

Lex Fridman

Yeah, there's the old meme with the bell curve, the people on both extremes say, "AI coding is the future." It's very common, the programmers to say, if you're any good of a programmer, you're not going to be using it, that's just not true. I consider myself a reasonably good programmer and my productivity has been just skyrocketed, and the joy of programming skyrocketed, every aspect of programming is more efficient, more productive, more fun, all of that kind of stuff.

Marc Andreessen

I would also say code has, of anything in industrial society, code has the highest elasticity, which is to say the easier it is to make it, the more of it gets made. I think effectively there's unlimited demand for code. In other words, there's always some other idea for a thing that you can do, a feature that you can add, or a thing that you can optimize. And so, overwhelmingly, the amount of code that exists in the world is a fraction of even the ideas we have today, and then we come up with new ideas all the time. And so, I think that... I was, in the late 80s, early 90s, when automated coding systems started to come out, expert systems, a big deal in those days, and there was a famous book called *The Decline and Fall of the American Programmer*, that predicted that these new coding systems were going to mean we wouldn't have programmers in the future, and of course, the number of programming jobs exploded by a factor of 100. My guess is we'll have more coding jobs probably by an order of magnitude 10 years from now. That will be different, they'll be different jobs, they'll involve orchestrating AI, but we will be creating so much more software that the whole industry will just explode in size.

Lex Fridman

Are you seeing the size of companies decrease in terms of startups? What's the landscapes of little tech?

Marc Andreessen

All we're seeing right now is the AI hiring boom of all time.

Lex Fridman

Oh, for the big tech?

Marc Andreessen

And little tech.

Lex Fridman

And little tech.

Marc Andreessen

Everybody's trying to hire as many engineers as they can to build AI systems, it's 100%... There's a handful of company... There's a little bit, in customer service, we have some companies and others, I think it's Klarna that's publicizing a lot of this, in Europe, where... There are jobs that can be optimized, and jobs that can be automated. But for engineering jobs, it's just an explosion of hiring, that at least, so far, there's no trace of any sort of diminishing effect. Now, having said that, I am looking forward to the day, I am waiting for the first company to walk in saying, yes... The more radical form of it. So, basically, the companies that we see are basically one of two kinds, we see the companies that are basically... Sometimes we use weak form, strong form. So, the weak form companies, I sometimes use the term, it's call it the sixth bullet point, AI is the sixth bullet point on whatever they're doing.

Lex Fridman

Sure.

Marc Andreessen

Right? And it's on the slide. So, they've got the whatever, da, da, da, da, da... And then AI is the sixth thing. And the reason AI is the sixth thing is because they had already previously written the slide before the AI revolution started, and so they just added the six bullet point in the slide. Which is how you're getting all these products that have the AI button up in the corner, the little sparkly button. And all of a sudden Gmail is offering to summarize your email, which I'm like, I don't need that, I need you to answer my email, not summarize it. What the hell? Okay, so we see those, and that's fine, that's like, I don't know, putting sugar on the cake or something. But then, we see the strong form, which is the companies that are building from scratch for AI, and they're building it... I actually just met with a company that is building literally an AI email system, as an example, so just-

Lex Fridman

Oh, nice, I can't wait.

Marc Andreessen

Yeah, they're going to completely... So, very obvious idea, very smart team, it's going to be great. And then, Notion, just another, not one of our companies, but just came out with a product. So now companies are going to basically come through, sweep through, and they're going to do basically AI first versions of basically everything. And those are, companies built... AI is the first bullet point, it's the strong form of the argument.

Lex Fridman

Cursor is an example of that, they basically said, okay, we're going to rebuild the thing with AI as the first citizen.

Marc Andreessen

What [inaudible 03:14:02] from scratch that we could build on this? And again, this is part of the Full Employment Act for startups and VCs is, if a technology transformation is sufficiently powerful, then you actually need to start the product development process over from scratch because you need to reconceptualize the product, and then usually what that means is you need a new company because most incumbents just won't do that. So, yeah, that's underway across many categories. What I'm waiting for is the company where it's like, no, our org chart is redesigned as a result of AI. So, I'm waiting for the company where it's like, no, we're going to have... And the cliché, here's a thought experiment, the cliché would be we're going to have the human executive team, and then we're going to have the AIs be the workers. So, we'll have a VP of engineering supervising 100 instances of coding agents. Okay, maybe... By the way, or maybe the VP of engineering should be the AI, maybe supervising human coders who are supervising AIs. Because one of the things that AI should be pretty good at is managing because it's process-driven, it's the kind of thing that AI is actually pretty good at, right? Performance evaluation, coaching. And so, should it be an AI executive team? And then, of course, the ultimate question, which is AI CEO. And then, maybe the most futuristic version of it would be an actual AI agent that actually goes fully autonomous. Yeah, what if you really set one of these things loose and let it basically build itself a business? And so, I will say, we're not yet seeing those, and I think there's a little bit of the systems aren't quite ready for that yet, and then I think it's a little bit of, you really do need, at that point, a founder who's really willing to break all the rules, and really willing to take the swing, and those people exist, and so I'm sure we'll see that.

Lex Fridman

And some of it is, as you know with all the startups, this is the execution. The idea that you have a AI first email client seems like an obvious idea, but actually creating one, executing it, and then taking on Gmail is really difficult. Gmail, it's fascinating to see Google can't do it, because why? Because momentum, because it's hard to re-engineer the entirety of the system, because feels like Google is perfectly positioned to do it. Same with you have Perplexity, which I love, Google could technically take on Perplexity and do it much better,

but they haven't, not yet. So, it's fascinating why that is for large companies, that is an advantage for little tech, they could be agile.

Marc Andreessen

Yeah, that's right.

Lex Fridman

They can move fast.

Marc Andreessen

Yeah. Little companies can break glass in a way big companies can't.

Lex Fridman

Right.

Marc Andreessen

This is sort of the big breakthrough that Clay Christensen had in the Innovator's Dilemma, which is sometimes when big companies don't do things, it's because they're screwing up. And that certainly happens. But a lot of times they don't do things because it would break too much glass. Specifically, it would interfere with their existing customers and their existing businesses, and they just simply won't do that. And by the way, responsibly, they shouldn't do that. And so, they just get, this is Clay Christensen's big thing, is they often don't adapt because they're well-run, not because they're poorly run. But they're optimizing machines, they're optimizing against the existing business. And as you just said, this is a permanent state of affairs for large organizations. Every once in a while, one breaks the pattern and actually does it, but for the most part, this is a very predictable form of human behavior, and this fundamentally is why startups exist.

Lex Fridman

It feels like 2025 is when the race for dominance in AI will see some winners. It's a big year. So, who do you think wins the race? OpenAI, Meta, Google, xAI... Who do you think wins the AI race?

Marc Andreessen

I would say, I'm not going to predict, I'm going to say there's questions all over the place. And we have this category of question we call the trillion-dollar question, which is literally, depending on how it's answered, people make or lose a trillion dollars, and I think there's, I don't know, five or six trillion questions right now, that are hanging out there, which is an unusually large number. And I'll just hit a few of them and we can talk about them. So, one is big models versus small models, another is open models versus closed models, another... .. Small models. Another is open models versus closed models. Another is whether you can use synthetic data or not. Another is chain of thought. How far can you push that? And

reinforcement learning. And then another one is political trillion dollar questions, policy questions, which the US and the EU have both been flunking dramatically and the US hopefully is about to really succeed at. Yeah. And then there's probably another half dozen big important questions after that. And so these are all just like, say, this is an industry that's in flux in a way that I even more dramatic, I think, than the ones I've seen before. And look, the most obvious example of the flux is sitting here less than three years ago, sitting here in December of '22, we would've said that Open Ai is just running away with everything. And sitting here today, it's like there's at least six world-class God model companies and teams that are, by the way, generating remarkably similar results. That's actually been one of the most shocking things to me is it turns out that once you know that it's possible to build one incredibly smart Turing Test-passing large language model, which was a complete shock and surprise to the world, it turns out within a year you can have five more. There's also a money component thing to it, which is to get the money to scale one of these things into the billions of dollars. There's basically right now only two sources of money that will do that for you. One is the hyperscalers giving you the money which you turn around and round trip back to them, or foreign sovereigns, other country sovereign wealth funds, which can be difficult in some cases, for companies to access. So there's maybe another trillion-dollar question is the financing question. Here's one. So Sam Altman has been public about the fact that he wants to transition OpenAI from being a non-profit to being a for-profit. The way that that is legally done is that ... And there is a way to do it, there is a way in US law to do it. The IRS and other legal entities, government entities, scrutinizes this very carefully because the US takes foundation non-profit law very seriously because of the tax exemption. And so historically, the way that you do it is you start a for-profit and then you raise money with the for-profit to buy the assets of the non-profit at fair market value. And the last financing round at OpenAI was 150 some billion dollars. And so logically, if the flip is going to happen, the for-profit has to go raise 150 billion out of the chute to buy the assets. Raising 150 billion is a challenge. So is that even possible? If that is possible, then OpenAI maybe is off to the races as a for-profit company. If not, I don't know. And then obviously the Elon lawsuit. So just because they're the market leader today, there's big important questions there. Microsoft has this kind of love-hate relationship with them. Where does that go? Apple's lagging badly behind, but they're very good at catching up. Amazon is primarily hyperscalar, but they now have their own models.

Lex Fridman

And then there's the other questions like you laid out brilliantly, briefly and brilliantly, open versus closed, big versus little models, synthetic data. That's a huge, huge question. And then test on compute with a chain of thought. They're all of that. And it's just fascinating. And these are, I think it's fair to say, trillion-dollar questions.

Marc Andreessen

Yeah, these are big. Look here's a trillion-dollar question, which is kind of embedded in that, which is just hallucinations. So if you are trying to use these tools creatively, you're thrilled

because they can draw new images and they can make new music and they can do all this incredible stuff. They're creative. The flip side of that is if you need them to be correct, they can't be creative. And that's the term hallucination. And these things do hallucinate. And there have been court cases already where lawyers have submitted legal briefs that contain made-up court citations, case citations. The judge is like, "Wait a minute, this doesn't exist." And the very next question is, "Did you write this yourself?" And the lawyer goes, "Er..."

Lex Fridman

I mean, that's why with Elon, with Grok, looking for truth. I mean, that's an open technical question. How close can you get to truth with LLMs?

Marc Andreessen

Yeah, that's right. And my sense, this is a very contentious topic at the industry, my sense is to the extent that there is a domain in which there is a definitive and checkable and provable answer, and you might say, math satisfies that, coding satisfies that, and maybe some other fields, then you should be able to generate synthetic data. You should be able to do chain of thought reasoning. You should be able to do reinforcement learning and you should be able to ultimately eliminate hallucinations. But by the way, that's a trillion-dollar question right there as to whether that's true. But then there's questions like, okay, is that going to work in the more general domain? So for example, one possibility is these things are going to get truly superhuman at math and coding. But at discussing philosophy, they're basically as smart as they're ever going to be. And they're going to be kind of say mid-wit grad student level. And the theory there would just be they're already out of training data. They literally, you talk to these people, literally the big models, the big models are within a factor of 2X of consuming all the human-generated training data, to the point that some of these big companies are literally hiring people like doctors and lawyers to sit and write new training data by hand. And so does this mean that you have to, if you want your model to get better philosophy, you have to go hire a thousand philosophers and have them write new content, and is anybody going to do that? And so maybe these things are topping out in certain ways and they're going to leap way ahead in other ways. Anyway, so we just don't ... Actually, maybe my main conclusion is anybody telling you these big sweeping conclusions, this whole, all of these abstract generalized super intelligence AGI stuff, maybe it's the engineer in me, but no, that's too abstract. It's got to actually work. And then by the way, it has to actually have to be able to pay for it. I mean, this is a problem right now with the big models, the big models that are really good at coding and math. They're actually very expensive to run. They're quite slow. Another trillion-dollar question, future chips, which I know you've talked a lot about. Another trillion-dollar question, yeah, I mean all the global issues. Oh, another trillion-dollar question, censorship. And, as they say, all the human feedback training process. Exactly what are you training these things to do? What are they allowed to talk about? How long do they give you these ... How often do they give these incredibly preaching moral lectures? Here's a trillion-dollar question. How many other countries want their country to run its education system, healthcare system, new system,

political system, on the basis of an AI that's been trained according to the most extreme left-wing California politics? Because what they have on offer right now. And I think the answer to that is not very many. So there's massive open questions there about, and by the way, what morality of these things are going to get trained on as a ...

Lex Fridman

And now [inaudible 03:24:50], we're cracking wide open with what's been happening over the past few months. Censorship on every level of these companies, and just the very idea what truth means and what it means to expand the Overton window of LLMs or the Overton window of human discourse.

Marc Andreessen

So what I experienced, going back to how we started, what I experienced was, all right, social media censorship regime from hell, debanking at large scale, and then the war on the crypto industry, trying to kill it. And then basically declared intent to do the same thing to AI and to put AI under the same kind of censorship and control regime as social media and the banks. And I think this election tipped, in America, I think this election tipped us from a timeline in which things were going to get really bad on that front to a timeline in which I think things are going to be quite good. But look, those same questions also apply outside the US and the EU is doing their thing. They're being extremely draconian and they're trying to lock in a political censorship regime on AI right now that's so harsh that even American AI companies are not even willing to launch new products in the EU right now. That's not going to last. But what happens there and what are the trade-offs? What levels of censorship are American companies going to have to sign up for if they want to operate in the EU? Or is the EU still capable of generating its own AI companies or have we brain drained them so that they can't? So big questions.

Lex Fridman

Quick question. So you're very active on X. A very unique character: flamboyant, exciting, bold. You post a lot. I think there's a meme, I don't remember it exactly, but that Elon posted something like inside Elon, there are two wolves. One is please be kind or more positive. And the other one is, I think doing the, I take a big step back and fuck yourself in the face guy. How many wolves are inside your mind when you're tweeting?

Marc Andreessen

To be clear, a reference from the comedy classic Tropic Thunder.

Lex Fridman

Tropic Thunder, yeah. Legendary movie.

Marc Andreessen

Yes. Any Zoomers listening to this who haven't seen that movie, go watch it immediately.

Lex Fridman

Yeah, there's nothing offensive about it.

Marc Andreessen

Nothing offensive about it at all. So Tom Cruise's greatest performance. So yeah, no, look, I should start by saying I'm not supposed to be tweeting at all.

Lex Fridman

Yeah.

Marc Andreessen

Yes, yes, yes. But you know.

Lex Fridman

So how do you approach that? How do you approach what to tweet?

Marc Andreessen

I mean, I don't. I don't well enough. It's mostly an exercise in frustration. Look, there's a glory to it and there's an issue with it, and the glory of it is instantaneous global communication. X in particular is the town square on all these social issues, political issues, everything else, current events. But I mean, look, there's no question of the format. The format of at least the original tweet is prone to be inflammatory. I'm the guy who at one point, the entire nation of India hated me because I once tweeted something. It turned out that it's still politically sensitive in the entire continent. I stayed up all night that night as I became front page headline and leading television news in each time zone in India for a single tweet. So the single tweet out of context is a very dangerous thing. Obviously X now has the middle ground where they now have the longer form essays. And so probably the most productive thing I can do is longer form things.

Lex Fridman

You're not going to do it though are you?

Marc Andreessen

I do. I do. From time-to-time. I do.

Lex Fridman

Sometimes.

Marc Andreessen

I should do more of them. Yeah. Look, obviously X is doing great. And then like I said, Substack now has become the center for a lot of them. I think the best deeply thought through, certainly intellectual content, tons of current events stuff there as well. And then,

yeah, then there's a bunch of new systems that are very exciting. So I think one of the things we can look forward to in the next four years is number one, just a massive reinvigoration of social media as a consequence of the changes that are happening right now. I'm very excited to see what's going to happen with that. And then it's happened on X, but it's now going to happen on other platforms. And then the other is crypto's going to come right back to life. And actually that's very exciting. Actually, that's worth noting is that's another trillion-dollar question on AI, which is in a world of pervasive AI, and especially in a world of AI agents, and imagine a world of billions or trillions of AI agents running around, they need an economy. And crypto, in our view, happens to be the ideal economic system for that, because it's a programmable money. It's a very easy way to plug in and do that. And there's this transaction processing system that can do that. And so I think the crypto AI intersection is potentially a very, very big deal. And so that was going to be impossible under the prior regime, and I think under the new regime, hopefully, it'll be something we can do.

Lex Fridman

Almost for fun. Let me ask a friend of yours, Yann LeCun, what are your top 10 favorite things about Yann LeCun? I think he's a brilliant guy. I think he's important to the world. I think you guys disagree on a lot of things, but I personally like vigorous disagreement, I, as a person in the stands, like to watch the gladiators go at it. And-

Marc Andreessen

No, he's a super genius. I mean, look, I wouldn't say we're super close, but casual friends. I worked with him at Meta. He was the chief scientist at Meta for a long time and still works with us. And obviously is a legendary figure in the field and one of the main people responsible for what's happening. My serious observation would be it's the thing I've talked to him about for a long time, and I keep trying to read and follow everything he does, is he's probably, he is the, I think, see if you agree with this, he is the smartest and most credible critic of LLMs as the path for AI. And he's not, there's certain, I would say, troll-like characters who are just cropping everything but Yann has very deeply thought through, basically, theories as to why LLMs are an evolutionary dead end. And I actually, I try to do this thing where I try to model, try to have a mental model of the two different sides of a serious argument. And so I've tried to internalize that argument as much as I can. Which is difficult because we're investing it behind LLMs as aggressively as we can. And so if he's right, that could be a big problem, but we should also know that. And then I sort of use his ideas to challenge all the bullish people to really test their level of knowledge. So I like to grill people. I got my CS degree 35 years ago, so I'm not deep in the technology, but to the extent I can understand Yann's points, I can use them to really surface a lot of the questions for the people who are more bullish. And that's been, I think, very, very productive. So it is very striking that you have somebody who is that central in the space, who is actually a full-on skeptic. And again, this could go different ways. He could end up being very wrong. He could

end up being totally right, or it could be that he will provoke the evolution of these systems to be much better than they would've been.

Lex Fridman

He could be both right and wrong. First of all, I do agree with that. He's one of the most legit and rigorous and deep critics of the LLM path to AGI know. His basic notion is that there AI needs to have some physical understanding of the physical world, and that's very difficult to achieve with LLMs. And that is a really good way to challenge the limitations of LLMs and so on. He's also been a vocal and a huge proponent of open source, which is a whole nother, which you have been as well.

Marc Andreessen

Which is very useful.

Lex Fridman

And that's been just fascinating to watch.

Marc Andreessen

And anti-doomer.

Lex Fridman

Anti-doomer?

Marc Andreessen

He's very anti-doomer.

Lex Fridman

He embodies ... he also has many wolves inside.

Marc Andreessen

Yes, he does. Yes, does. Yes he does. So it's been really, really fun to watch. The other two. Okay, here's my other wolf coming out. The other two of the three godfathers of AI are radicals. Full-on far left, I would say either Marxists or borderline Marxists. And they're, I think, quite extreme in their social political views. And I think that feeds into their doomerism, and I think they are lobbying for draconian government. I think what would be ruinously destructive government legislation and regulation. And so it's actually super helpful, super, super helpful to have you on as a counterpoint to those two.

Lex Fridman

Another fun question, our mutual friend Andrew Huberman. First maybe, what do you love most about Andrew? And second, what score on a scale of one to 10 do you think he would give you on your approach to health?

Marc Andreessen

Oh, three.

Lex Fridman

Physical three. You think you'd score that high, huh? Okay.

Marc Andreessen

Exactly.

Lex Fridman

That's good.

Marc Andreessen

Exactly. Well, so he convinced me to stop drinking alcohol, which was a big-

Lex Fridman

Successfully?

Marc Andreessen

Well, other than my family, it was my favorite thing in the world. And so it was a major, major reduction. Having a glass of scotch at night, it was the thing I would do to relax. And so he has profoundly negatively impacted my emotional health. I blame him for making me much less happy as a person, but much, much, much healthier, physically healthier. So that I credit him with that. I'm glad I did that. But then his sleep stuff like, yeah, I'm not doing any of that.

Lex Fridman

Yeah.

Marc Andreessen

I have no interest in his sleep shit. No. This whole light, natural light, no, we're not doing.

Lex Fridman

You're too hardcore for this?

Marc Andreessen

I don't see any natural ... I don't see any natural light in here.

Lex Fridman

It's all covered. It's all horrible.

Marc Andreessen

And I'm very happy. I would be very happy living and working here because I'm totally happy without natural light.

Lex Fridman

In darkness.

Marc Andreessen

Yes.

Lex Fridman

It must be a metaphor for something.

Marc Andreessen

Yes, it's a test. Look, it's a test of manhood as to whether you can have a blue screen in your face for three hours and then go right to sleep. I don't understand why you shouldn't want to take shortcuts.

Lex Fridman

I now understand what they mean by toxic masculinity. All right. So let's see. You're exceptionally successful by most measures, but what to you is the definition of success?

Marc Andreessen

I would probably say it is a combination of two things. I think it is contribution. So have you done something that mattered ultimately and specifically mattered to people? And then the other thing is, I think, happiness is either overrated or almost a complete myth. And in fact, interesting, Thomas Jefferson did not mean happiness the way that we understand it. When he said "Pursuit of happiness" in the Declaration of Independence, he meant it more of the Greek meaning, which is closer to satisfaction or fulfillment. So I think about happiness as the first ice cream cone makes you super happy. The first mile of the walk in the park during sunset makes super happy. The first kiss makes you super happy. The thousandth ice cream cone, not so much. The thousandth mile of the walk through the park. The thousandth kiss can still be good, but maybe just not right in a row. And so happiness is this very fleeting concept, and the people who anchor on happiness seem to go off the rails pretty often. So the deep sense of having been, I don't know how to put it, useful.

Lex Fridman

So that's a good place to arrive at in life.

Marc Andreessen

Yeah, I think so. Yeah. I mean, who was it who said, the source of all the ills in the world is man's inability to sit in a room by himself doing nothing. But if you're sitting in a room by

yourself and you're like, all right, four in the morning, it's like, all right, have I lived up to my expectation of myself? If you have, the people I know who feel that way are pretty centered and generally seem very, I don't know how to put it, pleased, proud, calm, at peace. The people who are sensation seekers ... Some of the sensations, ... By the way, there's certain entrepreneurs, for example, who are into every form of extreme sport and they get huge satisfaction out to that, or they're sensation seeking in useful and productive ways. Larry Ellison was always like that. Zuckerberg is like that. And then there's a lot of entrepreneurs who end up, drugs, like sexual escapades that seem like they'll be fun at first and then backfire.

Lex Fridman

Yeah. But at the end of the day, if you're able to be at peace by yourself in a room at 4:00 AM and I would even say happy, but I know, I understand Thomas Jefferson didn't mean it the way, maybe I mean it, but I can be happy by myself at 4:00 AM with a blue screen.

Marc Andreessen

That's good. Exactly.

Lex Fridman

Staring at a cursor.

Marc Andreessen

Exactly.

Lex Fridman

As a small tangent, a quick shout out to an amazing interview you did with Bari Weiss and just to her in general, Bari Weiss of the Free Press. She has a podcast called, Honestly, with Bari Weiss. She's great. People should go listen. You were asked if you believe in God. One of the joys ... See, we talked about happiness. One of the things that makes me happy is making you uncomfortable.

Marc Andreessen

Thank you.

Lex Fridman

So this question is designed for ... Many of the questions today were designed for that. You were asked if you believe in God, and you said after a pause, that you're not sure. So it felt like the pause, the uncertainty there was some kind of ongoing search for wisdom and meaning. Are you, in fact, searching for wisdom and meaning?

Marc Andreessen

I guess I'd put it this way. There's a lot to just understand about people that I feel like I'm only starting to understand. And that's certainly a simpler concept than God. So that's what I've spent a lot of the last 15 years trying to figure out. I feel like I spent my first whatever, 30 years figuring out machines, and then now I'm spending 30 years figuring out people, which turns out to be quite a bit more complicated. And then, I don't know, maybe God's the last 30 years or something. And then look, I mean just like Elon, it's just like, okay, the known universe is very complicated and mystifying. I mean, every time I pull up an astronomy, my kid super in astronomy, and it's like, Daddy, how many galaxies are there in the universe? And how many galaxies are there in the universe?

Lex Fridman

A hundred billion?

Marc Andreessen

Okay, how?

Lex Fridman

Yeah, yeah.

Marc Andreessen

How is that freaking possible? It's such a staggering concept that I-

Lex Fridman

I actually wanted to show you a tweet that blew my mind from Elon from a while back. Elon said, "As a friend called it, this is the ultimate skill tree. This is a wall of galaxies a billion light years across." So these are all galaxies.

Marc Andreessen

Yeah. How is it that big? How the hell? I'm like, I can read the textbook and the this and the that and the whatever, 8 billion years and the Big Bang and the whole thing. And then it's just like, all right, wow. And then it's like, all right, the Big Bang. All right, what was before the Big Bang?

Lex Fridman

Do you think we humans will ever colonize like a galaxy and maybe even go beyond?

Marc Andreessen

Sure. I mean, yeah, in the fullness of time. Yeah.

Lex Fridman

So you have that kind of optimism. You have that kind of hope that extends across thousand of [inaudible 03:40:26]?

Marc Andreessen

In the fullness of time. I mean, all the challenges with it that I do, but yeah, why not? I mean, again, in the fullness of time, it'll take a long time.

Lex Fridman

You don't think we'll destroy ourselves?

Marc Andreessen

No, I doubt it. I doubt it. And fortunately we have Elon giving us the backup plan. So I don't know. I grew up real Midwest, just conventionally Protestant Christian. It never made that much sense to me. Got trained as an engineer and a scientist. I'm like, "Oh, that definitely doesn't make sense." I'm like, "I know I'll spend my life as an empirical rationalist and I'll figure everything out." And then again, you walk up against these things, you bump up against these things and you're just like, "All right, okay. I guess there's a scientific explanation for this, but wow." Then there's like, "All right, where did that come from?" Then how far back can you go on the causality chain? Yeah. Then even just experiences that we all have on earth, it's hard to rationally explain it all. And then, so yeah, I guess I'd just say I'm kind of radically open-minded, at peace with the fact that I'll probably never know. The other thing though, that's happened, and maybe the more practical answer to the question is I think I have a much better understanding now of the role that religion plays in society that I didn't have when I was younger. And my partner, Ben has a great ... I think he quotes his father on this. He's like, "If a man does not have a real religion, he makes up a fake one, and the fake ones go very, very badly." And so there's this, it's actually really funny, there's this class of intellectual ... There's this class of intellectual that has what appears to be a very patronizing point of view, which is, "Yes, I'm an atheist, but it's very important that the people believe in something." And Marx had the negative view on that, which is religion is the opiate of the masses. But there's a lot of right-wing intellectuals who are themselves, I think, pretty atheist or agnostic, that are like, it's deeply important that the people be Christian or something like that. And on the one hand it's like, wow, that's arrogant and presumptive. But on the other hand, maybe it's right because what have we learned in the last hundred years is in the absence of a real religion, people will make up fake ones. There's this writer, there's this political philosopher who's super interesting on this named Eric Voegelin. And he wrote in the mid-part of the century, mid-late-part of the 20th century, he was born in, I think, 1900, died in '85. So he saw the complete run of communism and Nazism and himself fled, I think he fled Europe and the whole thing. His big conclusion was basically that both communism and Nazism, fascism, were basically religions, but in the deep way of religions. We call them political religions, but they were like actual religions. And they were what Nietzsche forecasted when he said, "God is dead. We've killed him, and

we won't wash the blood off our hands for a thousand years." Is we will come up with new religions that will just cause just mass murder and death. And you read his stuff now and you're like, "Yep, that happened." And then of course, as fully elite moderates, of course, we couldn't possibly be doing that for ourselves right now, but, of course, we are. And I would argue that Eric Voegelin, for sure, would argue that the last 10 years we have been in a religious frenzy, that woke has been a full scale religious frenzy and has had all of the characteristics of a religion, including everything from patron saints to holy texts, to sin. Wokeness has, I think, has had every single aspect of an actual religion other than redemption, which is maybe the most dangerous religion you could ever come up with, is the one where there's no forgiveness. And so I think if Voegelin were alive, I think he would've zeroed right in on that, would've said that. And we just sailed right off. I mentioned earlier we somehow rediscover the religions of the Indo-Europeans. We're all into identity politics and environmentalism. I don't think that's an accident. So anyway, there is something very deep going on in the human psyche, on religion, that is not dismissible and needs to be taken seriously. Even if one struggles with the specifics of it.

Lex Fridman

I think I speak for a lot of people that it has been a real joy and, for me, an honor to get to watch you seek to understand the human psyche as you described. You're in that thirty-year part of your life, and it's been an honor to talk with you today. Thank you, Marc.

Marc Andreessen

Thank you, Lex. Is that it? That's only, how long is that?

Lex Fridman

Four hours with Marc Andreessen is like 40 hours of actual content so ...

Marc Andreessen

I'll accept being one of the short ones.

Lex Fridman

For the listener. Marc looks like he's ready to go for 20 more hours, and I need a nap. Thank you, Marc.

Marc Andreessen

Thank you, Lex.

Lex Fridman

Thanks for listening to this conversation with Marc Andreessen. To support this podcast, please check out our sponsors in the description. And now let me leave you with some words from Thomas Sowell. "It takes considerable knowledge just to realize the extent of your own ignorance." Thank you for listening and I hope to see you next time.