

**All-In Podcast #170 - Tech's Vibe Shift, TikTok ban debate, Vertical AI boom, Florida  
bans lab-grown meat & more**

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**Chamath Palihapitiya**

Hey, Friedberg. You want to tell them about your new family members?

**David Friedberg**

Oh, my God.

**Jason Calacanis**

Oh, no. Did he get more dogs? Is he trying to Dave Portnoy this again? Oh, Miss Peaches!

**David Friedberg**

So, I'm like working all day Friday. I'm like wiped out. I've been in - I can't remember. Oh, yeah. I was in Santa Cruz. I made it all the way back up through the traffic. I get up to the house. I've been texting and calling [bleep] all afternoon. No response. I'm like, what the fuck is going on? Normally she'll text me like, "Just walked through the door. Opened the door to my car." Every little thing. So, for her to not be calling me back is - something's up. I walk in the house. The kids are there. They're jumping up and down. "Daddy, daddy, we got two new dogs." And I'm like, "What the fuck are you talking about? We didn't get two new dogs. What are you doing?" "Mommy's got two new dogs. And then mommy took him to the vet. She'll be back in a few minutes." I'm like, "No fucking way." And I had some friends coming over for dinner. They walk in the house. The kids are jumping up and down. Two minutes later, [bleep] walks in the house. These two fucking dogs that someone found in a parking lot in San Jose - and they couldn't find a home for these dogs and they were like, "The dogs don't have a home." [bleep] decided I'll take them into my fucking home. And I'm like, "This is why you didn't call me? You didn't text me." I walked out the room. I'm like, "It's over. It's been nice knowing you." The kids are screaming, "Daddy, you can't get rid of the dogs. They're our dogs now. These are the best dogs." So, now we have four fucking dogs.

**Jason Calacanis**

How much was the vet bill?

**David Friedberg**

And then I come down that night, huge in the dining room - like multiple diarrhea shits plopped all over the floor. I walked downstairs. The whole house was smelling of poop. My house has become like - you know - those carnival trains that used to go from city to city back in the 19th century? If one of those trains, like, fell over and spilled open, that's basically what my house has become. It just smells like poo and hay and there's clowns and children running around, and I live in -

**Jason Calacanis**

Did I ever tell you the story of Chuck Norris, the chihuahua?

**David Friedberg**

No.

**Chamath Palihapitiya**

No.

**Jason Calacanis**

No? So, I'm going to a wedding. I'm in - like Arizona. I'm driving like, on one of these giant - like - Arizona streets and a fucking chihuahua runs across this - like, 8-lane boulevard - whatever. And I'm like, "Oh my God." I'm like dodging around it and it goes into the other side of traffic and I see a car and he just - the dog ducks. He misses the car. I'm like, "Oh, thank God." My wife is fucking screaming her head off. The dog gets whacked by another fucking car and it goes rolling down the highway. I make a U-turn. I block it. The dog's knocked out on the side of the road. I run up to the dog. I pick it up. I'm like, "Oh, this dog's going to die." You know - and I - I get in the car. I said, "Let's just take it to a vet" - whatever - and I'm saying goodbye to the dog. The dog's like looking up at me. It's a bad shape. We go to a vet. I give it to the vet. We go to the wedding. My wife, who's like got this big heart, decides she's going to stay with the dog. So, I go to the wedding. I go to the - you know - opening night party. She's with - she's at the 24-hour vet sitting with this dog waiting for it to die in hospice.

**Chamath Palihapitiya**

Oh, my god.

**Jason Calacanis**

The dog doesn't die. The dog survives.

**Chamath Palihapitiya**

Sorry.

**Jason Calacanis**

Now it's Monday and I get the alert on my credit card. \$12,000.

**David Friedberg**

Yeah, yeah.

**Jason Calacanis**

\$12,000 on this dead dog. I'm like, "The dog fucking survives." I bring the dog back to the Bay Area. The dog's fine. I can't believe it. But - you know - it's got like a broken leg - all this stuff. But, you know, he's generally - he's - the dog's alive. So, I put him on social media. I'm like, "Anybody want Chuck Norris?" The dog that cannot die. This is like the toughest chihuahua you ever seen. Some of these rich people in San Francisco living on - like - a certain street - on Broadway or something like that. It turns out they're like - they're heirs to something

famous. They live in like three states. They got a private jet - all this nonsense. They say, "We'll take the dog." They're friends with a couple of our mutuals. So I'm like, "This is great. I'm going to get the 12 grand from them." Because I looked these people up. They got a private jet. I don't got a private jet. They got three houses. So, they come down to pick up the dog with their driver and everything and we're delivering the dog. And I tell Jade, "Hey, can we let them know about the \$12,000 bill? Maybe they'll pick it up or we can split it." It's like a Larry David moment. And my wife is like, "If you bring that up with them, I'm divorcing you. We have to pay the \$12,000." So, I pay the \$12,000. They proceed to then send us pictures of Chuck Norris on private jets - you know - for years - to this day - Chuck Norris living this life and I pay 12 grand to save this -

### **Chamath Palihapitiya**

Friedberg told me the story. I found it so hilarious. But I told them, you know, after we got Joker, when Jason, when you came to visit us in Forte dei Marmi. Joker had, like, giardia. So he was just shitting everywhere. And, you know, we got through it. And then 3 months ago, when you guys were at my house for poker, Sean made octopus and left some raw octopus in a garbage bag outside and Joker - and Joker ate it. And he got such terrible poisoning. We had to take him to the to the emergency animal hospital - where he stayed for like a week. That was, by the way, \$17k. But ever since he came back, he's been completely incontinent. So, I was telling Friedberg that Nat and I now just wake up half an hour early. And what we do now from 6:30 to usually 6:45, is we're cleaning up some form of feces that he's left somewhere in the house, and we have to go and find. Where did he take his shit? Let's go clean it up. And the worst one was he once pooped through one of the grates with this really bad poo and I had to go and just fetch it all out. It was just disgusting.

### **Jason Calacanis**

Oh, right in the grate. It's fantastic, right? Yeah. So, there you have it, folks. Go adopt a pet. There's your ringing endorsement - for the \$17,000 in veterinary bills and cleaning up all day long and replacing carpets. Listen, we got a big docket today. I know it's a bit early in the year, but I am going to add a new category. Well, I'm proposing a new category. I'd love to hear your feedback on it for the 2024 besties: "Most-Based CEO". Lots of options to choose from right now - which we'll get into in a minute - but there seems to be a bit of a vibe shift happening in tech during peak zerp and cancel culture 2019 to 2021 era. It seemed like CEOs were a little vigilant about what they would say. You know, the Tim Cooks - the Sundars. But something has clearly changed. Tech CEOs have gotten radically candid and fired their comms group. Two great examples this week that we were talking about. Jensen Huang, the CEO of Nvidia, had this awesome clip when speaking at Stanford's Graduate School of Business.

### **Jensen Huang**

I think one of my great advantages is that I have very low expectations. And I mean that. Most of the Stanford graduates have very high expectations. People with very high

expectations have very low resilience. And unfortunately, resilience matters in success. I don't know how to teach it to you, except for I hope suffering happens to you. To this day, I use the word the phrase "pain and suffering" inside our company with great glee. "Boy, this is going to cause a lot of pain and suffering." And I mean that in a happy way because you want to train - you want to refine the character of your company - you want greatness out of them. And greatness is not intelligence. It's greatness comes from character and character is informed out of smart people. It's formed out of people who suffered.

### **Jason Calacanis**

And then next up: Palantir CEO, Alex Karp called out the coked-up short sellers on CNBC.

### **Alex Karp**

I love burning the short sellers like almost nothing makes a human happier than taking the lines of cocaine and away from these short sellers who, like, are going short on a truly great American company. Not just ours, but it just love pulling down great American companies so that they can pay for their coke. And I - the best thing that could happen to them is we will provide - we will lead their coke dealers to their homes after they can't pay their bills. And that's like one of my - yeah, well, you know, go ahead, do your thing. We'll do our thing.

### **Jason Calacanis**

There you have it, folks. Of course. We - we had Elon's great - "Good for you" (Go fuck yourself) - at some New York Times conference - always candid. And even Zuckerberg, he's been getting a little based. He did a whole video about how the Apple Vision Pro was shit when compared to Meta's Quest 2. He's getting a little frisky on the social media. Friedberg, is the vibe shift real?

### **David Friedberg**

It seems like a lot of people are less worried about cancel culture as they were three years ago, so I don't know if it's just in Silicon Valley, broadly in media and broadly culturally, there seems to be a move away from cancel culture mentality and people are speaking their mind more - which is - yeah - I think obviously positive and refreshing.

### **Jason Calacanis**

Sacks, you're a big fan of freedom of speech. Your thoughts on this vibe shift? Is - is this related to cancel culture kind of ending and journalists just not being able to cancel people because they misspoke or were a little spicy in their takes?

### **David Sacks**

Well, I like the fact that these CEOs are all being colorful in their remarks and candid and interesting, and that's always a good thing. And in each of these cases, I kind of like what they had to say. But I think that you might, or we collectively might be reading a little bit too much into this. I mean - at the end of the day, what sacred cows are they really challenging?

What real dangerous truths. Are they speaking? What real risks are they taking? I just don't put any of the things that they're saying are doing in the same category as, say, what Elon has been doing in terms of taking on the powers that be - in terms of rolling back censorship and promoting free speech on X. I mean - Elon, I think has taken some real risks in doing that. And you see that he's paying the price with all these government investigations and the voiding of his compensation package that I think is just in a slightly different category of true risk taking by speaking truth to power or allowing the masses to speak truth to power compared to what these other guys are doing. And I'm not disparaging any of them, but, you know, look at them one by one, I mean - Alex Karp made a colorful joke at the expense of short traders. I agree, but it's not really a risky remark. Jensen Huang is giving some tough love to Stanford students. He's giving them, I think, a good lesson of stop being so entitled, go get some real life experience. Be resilient. Okay. Great message. I saw the Zuckerberg clip. Liked it as well. He's basically speaking from a place of passion about his own product and comparing it to Apple. Okay, great. That's what he's supposed to do. I don't see any of those CEOs take. Again, if you want to compare it to Elon taking a really dangerous political stance. In fact, remember when Zuckerberg got dragged to Capitol Hill and gave that testimony and they demanded that he give that apology? He did it. I mean - he -

**Jason Calacanis**

Genuflected.

**Chamath Palihapitiya**

I thought that word was banned on this pod.

**Jason Calacanis**

I only one applied to me. Okay. Yeah. Anybody else could be genuflecting. I mean - I thought he was just showing some humanity, which is, you know, kind of paradoxical.

**David Sacks**

Look, I get it in that moment, but I'm just saying that, like, if you want to put it in the same category as Elon, the thing to do would have been to punch back. And I think in that moment, it was who it was. Josh Hawley, the thing to do would have been to say, no, it's you who are exploiting the misery and suffering of all of these people by trying to score political points. So anyway,

**Jason Calacanis**

I don't want to pick on based.

**David Sacks**

Yeah, yeah, that would have been super based. So, all I'm saying is that it's one thing for these founders and CEOs to be colorful and candid or whatever, that's all great, but have they really taken political courage?

**Jason Calacanis**

Your thoughts, Chamath, on based CEOs?

**Chamath Palihapitiya**

Well, I think, Jason, the takeaway, I think you're almost on the right point, but not quite. I don't think this is based or not based. I think the point is everybody is exhausted with the multiple layers of word scramble gymnastics that people have had to play and they're like, enough. I think the more interesting way to look at this is that there was a few year period where a lot of companies were under a lot of pressure. And folks felt that they couldn't say what was on their mind to really fix the problems that they saw. Now you have, you know, both of the companies and the CEOs you pointed out are firing on all cylinders as far as anybody can tell from the outside. And there's a certain level of political capital that comes with that, and they're choosing to spend it. And I think that's the interesting takeaway, which is as these companies become successful again, as tech reemerges again from this multiyear malaise, are folks going to find their voice or not? And I think that's the big point, which is that it seems, at least, that we can see this next generation of winning companies seems to have CEOs that will. Take a different path. They'll be maybe closer to Elon than closer to a politician.

**Jason Calacanis**

Yeah, it's. I loved Huang's comments. Just about his secret weapon is he has incredibly low expectations. If you had.

**Chamath Palihapitiya**

Said if you had said that comment a few years ago, the whole pain and suffering thing somebody would have said, I felt triggered. It touched my childhood trauma. You know, I had x, y and z happen to me. And it's not that those people don't have valid claims, but they would have aired it in a way that tried to get him canceled effectively.

**Jason Calacanis**

Yeah, he would be out of touch. He would be talking down to people. He'd be a billionaire telling people like to suck it up. What is he, by the way -

**Chamath Palihapitiya**

In fairness, I bet you there are people that felt that way even today when listening to his clip. The thing that is different, though, was the rest of us who also have had pain and suffering in our lives, retweeted it and was just like, this is 100% awesome.

**Jason Calacanis**

Yeah. I mean - finally, candid advice. Elon used to always say, "Happiness equals..." - this was his happiness formula - "Happiness equals expectation - reality minus expectations." And so, if your expectations are really high and reality doesn't hit it, you're going to be sad. And if you keep your expectations low and reality - you know - okay or good - yeah, you could be happy in life. But Friedberg, I just love of those quotes. Maybe some thoughts about suffering and how hard it is? You're back in the CEO seat. How's that been going for you? Generally speaking, how hard is it compared to being a capital allocator? I'm curious. I was going to talk to you about that offline anyway.

**David Friedberg**

I probably have an unhealthy affinity for suffering. I think that if you come from certain backgrounds you're sort of trained that that's the place that your unconscious tends to want to be. And I think that, that also some people call it chips on shoulders. Some people call it motivation. I mean - look at your friend Ellen. How much suffering he puts himself through. I think it's a requisite to greatness is you have to really find ways to sacrifice. Now, if I've said this a lot. There's a reason a lot of people that have had success in their career don't end up being great entrepreneurs, because as soon as you're faced with failure for the first time, it doesn't pattern match to what's happened to you. Historically, I go to a good school, I get good grades, I go to Stanford, I get a degree. Everything about every step you do, you're told if you do x, you will get y, and then you do x and you get y and you repeat. And at some point you're considered successful in your education and your career and so on. If you then decide that entrepreneurship is the path for you, you realize that entrepreneurship is that there is no if x, then y there is if x, maybe y, maybe z, maybe 100 other things that'll smack you in the face. And that experience is shockingly different for people that have historically followed a path of success, of what's defined as success culturally, socially. And I think that that's really what he's speaking to. If you've grown up where all of your expectations have not been met, or many of the expectations have not been met, you realize that persistence, grit, perseverance, relentlessness these are the necessary traits to be successful in entrepreneurship. And I think that I find myself much happier in that condition than in any other condition. And it's why I'm actually very happy in the work I'm doing right now.

**Jason Calacanis**

Yeah, I think that resonates a lot with me and all the entrepreneurs that I back. They all have that chip, and you got to be careful not to get caught up in the trappings and really focus on solving problems. If you think about what a CEO does all day, you hire the smartest team you know, you give them. The biggest challenge is as much autonomy as you can, and then they return back to you with all the problems. The smartest people you could find to join your team can't fix. So then your life becomes essentially, you know, what's left over? That is the most brutal to solve. And you know, there's only a certain percentage of people who can do that day in and day out, just relentlessly be faced -



**David Friedberg**

How do you reconcile that statement, Jason, with the proposition that people should become entrepreneurs? Generally? I think that this really this really challenges me. Whenever people say, I'm thinking about starting a company, my first response is no, don't. Like you have to be told over and over again to not start a company to test if they actually have the resilience and grit necessary. Just to take the first step of starting the company, I have notion that everyone should be encouraged to start a company, and entrepreneurship is a is a career choice, I think is a false notion. I think that most people are not psychologically equipped for being successful in entrepreneurship.

**Jason Calacanis**

Yeah, you're 100% right. And I've gotten in my later years as we run like Foundry University. And these programs, when people are applying, and we only accept 10% into the programs and then only invest in 10% of those. So net, like less than 1% get funded. You know, I'll ask them. They're like, oh, can you give us money so I can get a co-founder? And I'm like, you know what? You failed the first test of being an entrepreneur. You know, the first test of being an entrepreneur is can you convince 2 or 3 people to go on this crazy journey with you? Because it's important and without money and, you know, people expect, oh, you're going to just give them the money because they have an interesting idea. And then I asked him, what's your skill? What do you do at the startup? Do you sell the product? Do you build the product? And a lot of people do not have the wherewithal to add a skill that the world needs being a developer, a UX designer, a sales person, whatever it is, right? They don't have any skill, and then they also have no ability to convince somebody else with skills to start a company. If you if you can't have marketable, important skills yourself that you taught yourself on your own through sheer force of motivation and will and opening up YouTube, which really isn't that hard people, like anybody, can learn to code, to be a UX designer, to be a sales person. All this is on some online course, some book, some YouTube video, some podcast. So just learn some marketable skills that a startup needs. And if you can't do that, you shouldn't be a founder.

**Chamath Palihapitiya**

I think the point is that everybody's capable of being a founder, and anybody can and should start a company is just that. Very few can finish a company. And that is the resilience part, where there's just so many ups and downs and you have to be able to roll and survive and you have to just problem solve constantly. And yeah, there are very few people that are cut out for it.

**David Friedberg**

You have to be comfortable with failure. You have to be comfortable with expectations not being met. That's the important point that he's making. I can't tell you how important it was. Early in my career, I had several cold calling jobs where I cold called college kids. I cold called alumni. I cold called CEOs. I had three different cold calling jobs and getting rejection

after rejection, failing in my life. I didn't get into any schools except for Berkeley because Berkeley didn't take teacher recommendations - teachers - I did not do well in school. And then playing poker taught me a lot because playing poker, you lose hands, you lose hands, you lose hands, you lose hands. You have to just make sure that you're making the right decisions. And over time, the money will come to you. The positive EV will be there. But failure and persisting through failure, I think, was one of the most important traits I had to develop before I was even ready to start a company, because all that's happening every day is failure.

### **Jason Calacanis**

But I had my first magazine I didn't understand. I had just printed photocopies of it and I had like 2,000 copies of this magazine - Silicon Valley Reporter - and I didn't know how to get them in people's hands. So, I just got a luggage cart - like a literal luggage cart. I put them in the luggage cart, and I walked around lower Manhattan, and I just dropped them off at internet companies, and I dropped them off at cafes. And then I went to all the Village Voice boxes, and I just slotted them in, in between the Village Voice and miraculously, people found it, and then they would subscribe. And, you know, whatever it took was the approach. Alright, everybody. Let's get to our second topic - of many topics - but did OpenAI just get caught with their hand in the cookie jar? Or the training data cookie jar? OpenAI CTO, was interviewed by the Wall Street Journal this week. During the interview - you probably saw this if you're on X - it trended - she was asked, "What data did OpenAI use to train Sora?" If you don't know what Sora is, we talked about it here. It's that incredible - you know - video create - you know - type in a text prompt, get a video back model. And let's watch this clip and then discuss it.

### **WSJ Interviewer**

What data was used to train Sora?

### **Mira Murati**

We used publicly available data and licensed data.

### **WSJ Interviewer**

So, videos on YouTube?

### **Mira Murati**

I'm actually not sure about that.

### **WSJ Interviewer**

Okay. Videos from Facebook? Instagram?

**Mira Murati**

You know, if they were publicly available - available - yeah, publicly available to use - there might be the data. But I'm not sure. I'm not confident about it.

**Jason Calacanis**

Let me start with you, Chamath. What are your thoughts here? And just - her not being super prepared there to answer a question. Or is this a cookie jar situation? What do you think?

**Chamath Palihapitiya**

I mean - you got to think the CTO of an organization that whose job it is to build models based on training data knows where the training data is from.

**David Sacks**

My interpretation of that answer is that she is hesitating because she doesn't want to make a statement against interest.

**Chamath Palihapitiya**

I want to show you guys something. I had a friend of mine - somebody we all know who's deep in the heart of this AI stuff. He was - he came to my office and he showed me this one really interesting thing - which is when you launch ChatGPT and if you go into the microphone but you say nothing - so, just wait a few seconds - turn on the microphone - wait a few seconds and turn it off. I'll just do it right now just to show you. It comes back and it says, "Thank you for watching" - which is typically what it shows you when you auto watch a bunch of YouTube videos. Now, why is that interesting? Well, if you say nothing, right, the model has clearly then is guessing that whenever you see - you hear silence - that probabilistically, the next best thing to translate that into is "Thank you for watching" - which would mean that the training happened on a bunch of content where thank you for watching was the next obvious thing so that when there's silence - and the most obvious place where that happens is in YouTube. I don't know. I thought that was an interesting little thing that he pointed out to me. I don't know if anybody's actually explored this, but. If it is true and Google decides they have an issue with it, that's not good for these folks.

**Jason Calacanis**

Friedberg, your thoughts?

**David Friedberg**

I think it's fine. I don't know why this is a controversial thing.

**Jason Calacanis**

Well, I mean - it's obvious she's kind of lying on camera. She definitely knows where the training data came from, and it feels like CYA.

**David Friedberg**

I mean - I mean - what - YouTube is public. So, what's wrong with watching YouTube to teach a model stuff?

**Jason Calacanis**

Well, you'd have to get a license to make a derivative work. As we've seen, OpenAI has been doing that. They're in a lawsuit right now with the New York Times, and they failed to negotiate their license. So, I think the assumption -

**David Friedberg**

Is they're making a derivative work?

**Jason Calacanis**

They've licensed other people's data, right?

**David Friedberg**

Yeah - to get access to it that's not publicly available. You can go to YouTube downloader and download all this data. You know what's crazy? I heard from someone at Google that under the terms of service, Google's not allowed to train on YouTube data. Remember, I made this point a couple of weeks ago about how important YouTube data is. I think there'd be this really ironic handicap that Google's done to itself, where anyone else can access and download and watch YouTube data to train models, but Google cannot. I don't know if there's any clarity on that, but it's a pretty crazy fact pattern. But yeah, YouTube's on the internet, and I feel like anything that's on the open internet should be watchable by these models. I don't consider training models to be generation of derivative work. That's my position.

**Jason Calacanis**

And that's a position that OpenAI has taken. The other side of that position because they're going around licensing data. Sacks, any other thoughts here about this kerfuffle?

**David Sacks**

Well, look. I kind of agree with both you and Friedberg in terms of the part that I agree with Friedberg. I think that this issue is kind of more of the same of what we've been talking about for a while, which is clearly OpenAI trained its model on publicly available data that was available on the on the internet. I agree with Friedberg that fair use doctrine should be applied to that. I know that you have a different point of view on that, JCal. I don't know if we need to rehash that. I understand that you don't think fair use should apply in any event. I think it's pretty clear that OpenAI trained Sora using, you know, available data on the internet, and that probably included YouTube. The part where I agree with you, JCal, is that I don't know if I would say that she's lying, per se, but I think she's probably concerned that if she comes right out and answers the question as directly as she could, that it could be a problem for them in all these lawsuits that they're now facing. You know, again, I think that -

I would take the side in those lawsuits that fair use should be allowed, but I think that probably she is being careful here because they are facing so many lawsuits about this training data.

**Jason Calacanis**

It's going to be pretty clear. Chamath, I think what the courts will decide here, which is whose opportunity is it to make a Sora in the world? If Disney owns a massive collection of IP, and somebody should be able to use that IP to make derivative works, should it be Sora or should it be Disney itself? And so I think the journalists know full well what they're doing, and now the journalists have their hooks into this for a very real reason. The journalists are also content creators. So now we're going to have this, you know, two sides forming. Journalists -

**Chamath Palihapitiya**

I worry that these folks are not technical enough to make this decision. And, you know, when it goes into a court, how is a judge really going to understand the nuances of this, to make a to make a call on this.

**Jason Calacanis**

Or the jury? It's going to be a big education process.

**Chamath Palihapitiya**

Yeah, yeah. Or the jury. Yeah.

**Jason Calacanis**

Speaking of AI, vertical AI startups are starting to make some noise. We all know about large language models. We've talked about them here. If you listen to this program - you know about OpenAI, Google's Gemini - previously known as Bard - Anthropic, Claude - all this stuff. They're general-purpose. They've been trained on the open internet - as we were just discussing. So, they can answer questions about almost anything. And yeah, sometimes it's correct, sometimes they're incorrect, but it's showing promise. There is another school of thought here that's emerging in startups, vertical AI. These companies are kind of taking a job title, a role in society, and they are building vertical apps. Harvey is AI for lawyers. Abridge is doing an AI note taker for doctors saves them hours a day according to them. TexGPT is an AI tax assistant and Sierra's AI for customer support. That's Bret Taylor's new startup. This week, a startup called cognition debuted a tool called Devin. They're calling it an AI software engineer. The demos went viral on X. You probably seen them all over the place and in the news. If you watch it, you can see Devin fixing bugs in real time, fine tuning an AI model, building apps end to end, and people are speculating. Devin was built on GPT four from OpenAI. That's not confirmed. But according to the CEO, Devin was built by tweaking reasoning and long term planning into an existing LLM. Here's how it ranks against other major models on coding benchmarks. They're building all these benchmarks

to test each language model, and as you can see, it's according to this chart and according to their data, doing much better than just a generic language model, which kind of makes sense. Chamataki did you see these demos this week? I think I saw you on the group chat talking about it. And what was your take on these role-based vertical startups?

**Chamath Palihapitiya**

Oh, I think this is so powerful. I mean - it's incredible because we're measuring this progress in like what, week over week?

**Jason Calacanis**

It feels like - yeah.

**Chamath Palihapitiya**

I think the point that you should take away is that the most of these very difficult, impenetrable job types for the average person. If you said to them, hey, become a developer, that's like a complicated journey, right? It's just going to be now, like. A command line interface where you just kind of describe in English what you want to do. And all of this stuff will just happen behind the scenes, and it'll be totally automated. So that'll grow the number of people that. Can use these tools at the same time. It'll make the developers, I think, even more valued, because you're going to need people in the guts of these models and in the code that it generates, because it's not always going to work perfectly. There's always going to be some kind of hallucination. Some stuff is not going to compile. Now, the demos that they did, though, were incredible. They were able to find errors. They were able to remediate errors in code. I mean - I just I think it's really, really special.

**Jason Calacanis**

You've been on copilots for the past year talking about that. This is slightly different. We're moving from, "Hey, here's a copilot - somebody helping a developer" to "Hey, here's a developer working and now they have a supervisor." So, what do you think of these sort of role-based agents and how quickly we went from year one copiloting to "Okay, now they're the pilot and we're sitting in the copilot seat watching them fly the plane."

**David Sacks**

Yeah, well, look, first of all, everyone's working on autonomous coding or working towards that. This is like one of the core most obvious use cases of LLMs because code is text, and it can also be run through a compiler to debug it. So you can also get to in theory you can get to high levels of accuracy. Yet - although, in the example that you gave Jason, this new product was only at 13%. So, there's still a long way to go, but the potential is clearly there. So a lot of companies are working on some variation of this idea. Devin is, I guess you could call it an agent first approach. And I think that's very cool for generating new software projects. But where I think this gets much trickier and is much more difficult, is when you're working in existing codebases. And just to talk my own book for a second, we're an investor

in a company called Sourcegraph. They have a product called Cody. And their whole approach is context-first, as opposed to agent-first. It's all about getting the copilot to work inside of existing codebases. So, different companies are coming at this from different approaches. Github Copilot - I think - is kind of more like Cody - where it's all about making an existing codebase more useful, whereas Devin again is starting with I think. Net new codebases, but that's going to demo really well. And so that's what you're seeing is like these really cool demos. In any event, the larger picture here is that we are going to get better and better at coding autonomously. I guess you could say, and I don't know if it gets ever gets to 100% where you don't need coders anymore, but it's going to make coders much more productive over time. You're going to get this huge multiplier effect on the ability to write code, and that's really exciting for a bunch of obvious reasons.

### **Jason Calacanis**

Friedberg, we've been tracking this evolution from - you know - Gmail, guess the next word, guess the next phrase, guess the next sentence - to copilots. Now we have these role-based, agent-based solutions that startups are pursuing. What's next? If we follow this thread, what would the next evolution here be?

### **David Friedberg**

Well, the big push has been for this notion of AGI to replace a human. And I think what we're seeing is software that replaces a specific human doing a specific thing like being a lawyer - being an accountant - being an art director. If you think about the internet - when the internet - which was like networking software and the capabilities that arose from the connection of all these computers - during the internet era. The innovation was everyone tried to create a business model - which was: How do you take an existing vertical business and put it on the internet? I think what we're seeing in this era is everyone's taking a vertical human and creating a vertical version of a human in the AI era. And so, I think like the success will probably accrue to one company that replaces one set of core human services - like being a lawyer - being an accountant - you know, being an artist - in whatever way. And that that ends up being the specific vertical tool that people will use to automate and scale up their ability to do that task in an automated way, because I think that there's like a great deal of capability that emerges, and the fine tuning and the unique data that certain people may have to make that one tool better than the rest. And therefore everyone will end up using this one lawyer service or this one accounting service, or what have you. So, I definitely think that's kind of what we're seeing.

### **Jason Calacanis**

Yeah, I think it's pretty obvious where this is going. You got copilots assisting a developer or a lawyer. Then the next - or writer. Then they got the next phase. Okay, you've got a peer. So, you're doing peer-programming or somebody kind of working alongside you. You're checking their work. Hey, maybe they're even checking your work - seeing if you have bugs. Where this is going to be next year is there's going to be a conductor. There's going to be somebody

who has a role or a piece of software has a role where you say, "Hey, you're a CEO of a company. You're a founder - a product manager. Here's your lawyer. Here's your accountant. Here's your developers. Here's your designer. And now you will coordinate those five people." Now imagine how that changes startups when you as an individual have a conductor working with you. And it says, you know what, I don't know if I agree with this legal advice that's coming in in relation to the tax advice, and maybe we should not even add this feature to the program. Let's talk to the product manager, the agent product manager about taking that feature out. So we don't have these downstream legal issues. And we don't even have to file taxes in this area. It's going to get really interesting next year when they have a conductor.

### **David Friedberg**

The other way it may go, Jason, is you have a lawyer that has 50 associates working for them through the AI. So, you don't replace the lawyer. You don't replace the software engineer. The software engineer levels up and now the software engineer has 50 engineers available - 50 agents running - doing tasks for them. You do still - you do still need humans with domain expertise and creativity to think through architecture, to think through process, and to make sure that the AI agents are doing their job. So, I think what it creates is extraordinary leverage for people and organizations, which is why generally economic productivity goes up. People don't lose jobs. They level up.

### **Chamath Palihapitiya**

In this phase, the OpEx of companies will probably be cut in half at the limit. I think Jason is actually absolutely right. I think you find that there will be millions of companies with one person and then a whole layer of software, and conductors, and agents, and bots. That's the future. Yeah, so you won't have these engineering people. That person should be running their own company. And so, you'll just have millions and millions and millions and maybe billions of companies. And I think that that's really exciting. Not all of them will work. Many of them will fail and a few of them will be ginormous. And it'll be up to the person who can navigate and be a conductor, as you said, you know. And that's going to be a really interesting.

### **Jason Calacanis**

You think about the solo entrepreneur movement of the last couple of years. There were all these kind of like independent hackers building one item like Phil Kaplan did with DistroKid. He just had like 2 or 3 people working on that got very big. You know, I was telling you guys about that slopes app I showed you. I reached out to the founder of that. I was like, hey, tell me about the business. Like, it's enough of a business to support one person or two people. Like, there will be a lot of these apps or services, one conductor. And, you know, it makes what, half million a year, 3 million a year - whatever. It's enough to support one, two, three people working on it. But previously, you know, you'd be going to the venture community. You're like, oh, what did it take a modern app company, Sacks, to kind of build an Android



and an iOS app? Just - you know - 5, 10 years ago, if we were funding 110 years ago, what would the footprint look like for - you know - a consumer app company? If -

### **David Sacks**

You're going to go all the way back to like the late 90s during the .com era, I remember that with PayPal, just to launch, really what was an MVP? We had, I'd say a dozen developers, and it was pretty expensive, and we had to set up our own colo. There was all this infrastructure that all got abstracted away with AWS. Then you moved to the mobile era and the app stores provide. There's just a lot more developer tools, a lot more APIs. Yeah, well, as well as distribution, but it's just it's far easier to code these apps. So definitely things have gotten easier and easier. That's the trend. If that's the point you're trying to make, it's certainly never been easier to get started in creating something if you're a solo developer. Yeah. That being said, I think that depending on what you're trying to do, it's still usually the case that if you're trying to do something interesting and profound, you're going to need a small team of developers and a couple million bucks to get you started.

### **Jason Calacanis**

Yeah, it used to be rule of thumb, I think 12 people for an app company. Yeah, 2 or 3 working on each platform. A couple of designers, a couple testing. And design UX. You get to 10 to 12 people to run a modern one. Alright, everybody. Next issue: The House just passed a bill that would either ban TikTok or force a sale. We talked about this bill being proposed last week, and things had moved really slowly on the TikTok ban. Now they're moving really fast. On Wednesday, the House passed the bill with a bipartisan vote of 352 to 65, making this one of the few subjects that members of Congress can agree on. Biden has also signaled his intent to sign the bill into law should it pass the Senate. Passing the Senate, that could be an obstacle. Democratic Majority Leader Chuck Schumer has signaled a lack of interest in the subject, and said he'll review the bill with committee chairs before deciding on the path forward. Arguments for and against the bill have centered around a few main points. Reciprocity. We talked about that here. You can't use Instagram X or any of our domestic social networks in China, and if they won't allow us in their country, why should we give them unrestricted access to ours? Stifling debate progressives fear this isn't really about national security. Their position is mainstream politicians are hoping to shut down political discourse, particularly among the youth, who are mostly on TikTok, particularly pro-Palestinian and anti-Israel discourse, which seems to flourish on TikTok versus other platforms. Coincidentally, Joe Biden launched a TikTok account last month and his comments were instantly flooded with pro-Palestinian remarks, some calling him Genocide Joe. Third argument overreach some Sacks, I think you've pointed out that the language in this law is a bit vague. It needs to be tightened up. Maybe the president could go after companies supposedly aligned with foreign interests who aren't our esteemed patriot and friend. Keith Raboy argued with you, sax on this on X. And then there are guys like Trump and Vivek, who I believe are flip-flopping based on securing bags. Vivek called TikTok "digital fentanyl" and Trump issued an executive order calling for ByteDance to divest TikTok

in 2020. Now, they're both opposing the ban. And interestingly, both Trump and Vivek have ties to the Republican mega-donor, Jeffrey Yass, who is a major shareholder in ByteDance with a reported 15 to \$30 billion stake. He gave Vivek \$5 million bucks. Who knows what Trump's gotten, but they said they're back in love. Sacks, you had this big back-and-forth with Keith Rabois on X. Are you in support of the divestiture or not? I haven't been able to track exactly where you're at this.

### **David Sacks**

Well, I think my take on this and I'm going to have to revise and extend my remarks from last week, because I didn't know as much about the bill. I hadn't actually read the language yet. And now I have. And my take on this is that the bill poses a significant risk of being Patriot Act 2.0. So, in other words. You know, a threat to the security of the United States is basically hyped up. Some part of it may be real, some of it may be threat inflation. And then we give the intelligence community and the government new powers, which can then be abused. And that's exactly what happened with the Patriot Act. They ended up spying on Americans. Now what is the potential abuse here? This is the thing that I've debated with Keith, and there's also other people who I respect a lot. And Keith, by the way, is a very talented lawyer, in addition to other things, being a successful founder and -

### **Jason Calacanis**

Investor.

### **David Sacks**

And investor. And then - you know - I saw that Saagar Enjeti, whose show I was just on, thinks that the bill is just fine. So look, there are people - very legit people - who disagree with me about this. But I went last night, and I read this bill like four times to try and like parse the language. And I've just come away concluding there's no - the way I see it, there's no way to argue that this language isn't vague and could invite abuse, and you really have to dig into it. But let me just kind of walk you through, I think, a key part of it. So, first of all, this bill doesn't just ban or force the divestiture of TikTok. It goes after what it calls foreign adversary controlled applications. Now, what is a foreign adversary? There are four countries that are defined as foreign adversaries. It's basically Russia, China, Iran and North Korea. I'm not super worried about that list of foreign adversaries growing, because that does take a bunch of procedural hoops to go through it. What I am concerned about is when the bill talks about what makes a company controlled by a foreign adversary, and if you go to that language which is in the definition. So, you know, what frequently happens with these bills is a lot of the meat is actually in the definitions. You have to look at this very carefully. It says here the terms controlled by foreign adversary means with respect to a covered company that such company or entity is. And then there's three categories. The first category is a foreign person, which could also mean a foreign corporation that's domiciled in or is headquartered or has its principal place of business or is organized under the law of foreign adversary country.

**David Sacks**

So that would be like ByteDance, okay? ByteDance is a Chinese company, okay? Then it says - or it can be an entity where 20% of the ownership group is in that foreign person category. So that would be like - let's say you had a US company, but 20% of the company was owned by - I don't know - Chinese VCs or by ByteDance, okay? That would also be controlled by a foreign adversary. Then you get to the provision that I think is the most problematic, which is it's a person subject to the direction or control of a foreign person or entity. The novel language here is where it says subject to the direction of, okay, it's not just saying under the control of, it's saying subject to the direction of. In my view, that's very vague. And it creative prosecutor, a creative attorney general could try to say, well, wait a second, if Elon has a major Tesla factory in Shanghai, is he subject to the direction of the Chinese Communist Party because they could influence him. They could leverage him. If Donald Trump is accused on virtually a daily basis of being a Russian asset, is he subject to the direction of Vladimir Putin? David Frum just tweeted very recently that he said not only Trump, but the entire Republican Party that works for Trump is under the direction of -

**Jason Calacanis**

Yeah, that's like a Partisan hack though. That's not like actual factual in a court, right? So, this would have to be proven factual in the court?

**David Sacks**

Okay.

**Jason Calacanis**

Do you think or no?

**David Sacks**

Well, the AG could open an investigation based on the theory that, for example, Trump owns True Social and Trump is under the direction of a foreign adversary - i.e. Putin - because the mainstream media continues to normalize this idea and spread this idea on virtually a daily basis. So the point is that, look, first the AG would open an investigation. You think about the sledgehammer type of remedy here that an Elon or a Trump or a you take Rumble, for example, which is also accused of being a Russian agent. They could be forced to divest the company or to have it be banned. So it gives huge, I think, new powers to the executive branch to pursue political opponents and political enemies. Whether they actually win in a court of law down the road is kind of secondary, because they can vex and harass their political enemies using this power. So my point is that at a minimum, I think this language needs to get cleaned up. I think it is way too vague, and you still have the issue of whether it's a good idea or not to force the banning or divestiture of TikTok, but this bill goes way beyond it. Again, it creates this novel category of foreign adversary controlled applications, which also, like I said, includes websites. And that means not just foreign companies, but

domestic companies as well that are said to be under the direction of a foreign actor. So again, I don't know how anyone can look at this language and not say it's too vague.

**Jason Calacanis**

Yeah, it's easy to tighten it up. And if it was tightened up, you'd be in favor of the TikTok ban. I typekit Sacks or divestiture, I should say. I keep saying ban. You would still want the Chinese government to not have control of this or ByteDance. Yeah.

**David Sacks**

I still have very mixed feelings about the idea of just the TikTok ban, because look, you're talking about an app that 100 million Americans use for something like 90 minutes a day. So, people obviously get a lot of value out of this. I've yet to see the hard proof that this app is under the control of the CCP. I mean - I know that allegation is made. I can understand why -

**Jason Calacanis**

They spied on journalists already. Yeah.

**David Sacks**

But it's very unclear to me that they have the goods on that. And I do think that depriving Americans of the right to use this app that they clearly enjoy and love, based on a threat that has yet to be proven, that makes me I'm deeply ambivalent about that.

**Jason Calacanis**

Math, if we were to look at, say, media channels, newspapers, there has been rules about foreign ownership of those. Do you believe TikTok kind of falls into that? As Zach said, Americans are enjoying this in a massive way, 100 million plus 90 minutes a day. The statistics are crazy. That actually, I think argues for, you know, not having a foreign adversary own this or have access to it. We wouldn't allow them to own CNN, Fox, New York Times, Washington Post, etc. we have rules against that already. So are you in favor of this TikTok divestiture? Yes or no?

**Chamath Palihapitiya**

Yeah.

**Jason Calacanis**

Okay, there you have it. Friedberg -

**David Sacks**

Hahaha. Well, hold on. I'd like to hear - I'd like to hear him expand on that.

**Chamath Palihapitiya**

I'll tell you - before I tell you why, I'll tell you a quick story. 2 or 3 months ago - after Joker was sick - we started to make his own dog food, right? So, to have like a super bland diet and we had this service that was sending us food - and we got rid of it - and we would just make it ourselves and part of the meal was like some raw apples and carrots that I - that I would cut up. And I would always complain to Nat. I'm like, "I hate peeling these apples..." - or whatever - "...slicing them and taking the core out" - just - just said that. For the next month and a half, all I got was apple-coring utensils on TikTok. And she was like, "Oh - you know - we should get rid of XYZ food service." And she would just get plastered with these ads. And it was just a reminder to me that these apps are constantly listening. Now that's a benign example, but my phone is on my desk when I'm talking about some really important stuff. Again important related to me - both personal and professional - where there's lots of money on the line. There's moments where for certain parts of my business - like with crypto - we have like 19 layers of people that have to - you have passwords upon passwords upon passwords to do stuff. The phone is always there. It was just a reminder to me. So, I deleted TikTok. It's gone - which sucks because I would relax with that app at night. Like - you know - I would have 15-20 minutes where I would decompress.

**Jason Calacanis**

It's fun.

**Chamath Palihapitiya**

It's super fun. It's a great app. I have to be honest with you, I love it. But as a consumer. That was a decision I made. As a business person what I'll say is - it is inconceivable to me that our voice signatures aren't being mapped and there isn't a massive - sort of - file and repository that is understanding what we are all saying. And it's then further inconceivable to me that there isn't a service that's then identifying that this is probably David Sacks, and this is Chamath, and this is Friedberg. And we're not really all that important, but let's take a better example. This is Elon Musk. This is the president of the United States. This is - or the waiter that works for the president who has his phone in his pocket while he's sitting inside the - you know - the residences of the White House. So, I think it's happening. I think they're not the only one, though. I think there's American companies that are doing it too. And so, I think that we need to start somewhere. Until we can have our apps in a market, they shouldn't have their apps here. And I think that should be the end of it.

**Jason Calacanis**

Completely reasonable I think.

**David Friedberg**

I'm going to disagree. I think a couple points. I don't believe in the notion of like - reciprocity for reciprocity sake. China blocks access to US content. Does that mean the US government should block access to international content? I think the answer is no because this country

is different than China. We have afforded ourselves freedoms and liberties that don't exist in other countries - freedom of choice, freedom of speech, freedom of the press, and so on. So, I don't think that the government should be restricting access to content because another country restricts access to our content. I think that we should make decisions based on what's right for the citizens - what's right for the country - what's right for national security.

**Chamath Palihapitiya**

What about spying apps?

**David Friedberg**

So, that's a - that's my next point. So, I do think that if there is a case to be made that there is spying or data acquisition that's going on through these apps.

**Chamath Palihapitiya**

We're not talking about rice noodles over here, you know? We're talking about spying.

**David Friedberg**

And so, I think if that's true, then I would imagine that there are multiple paths to alleviate that - like move all the servers to the US and separate the entity - force a sale. You know - like - I don't think that it's necessarily appropriate to say that there aren't other courses or other options available to try and prohibit what should generally be prohibited - which is spying on American citizens and capturing data that people - you know - haven't opted in to being captured. I do believe that citizens and people should have the right to decide if they want to have their data used to be able to access an app. I actually am not a big believer that we should be paternalistic in the government sense and saying - having the government come in and say, "Here's an app and we have determined that it is not good for you because this data is being used in a manipulative way against you." I think that citizens should be afforded transparency and make a decision about whether or not they want to participate.

**Chamath Palihapitiya**

I don't - I don't think - I don't think citizens have the sophistication to understand what foreign adversaries - again, we only have four, so they were named there for a reason - are doing with our data. And I don't think that they should have to be forced to choose. I think that, you know, this is not dissimilar to how the FDA says, "You're not qualified to decide whether this drug is good. We will tell you." And people are okay with that because you are saying, "This is part of the government infrastructure that's full of experts who know the totality of a subject." And so, the problem is - in order for anybody to make a reasonable decision, you'd have to share so much as to just completely blow up a bunch of national security - which is not going to happen.

**David Friedberg**

Well, look. I think we can have audit rights and we can have rights that protect our citizens. I think that that's appropriate. I'll also say my final point on this. I think that whether it's intentional or not, this sort of action leads to inevitable cronyism and regulatory capture. Who does this benefit? If TikTok gets banned in the US, it's going to benefit Meta. It's going to benefit Instagram. It's going to benefit a few other - you know - social networks. It's going to benefit Elon at Twitter. There's a few folks that are going to benefit pretty significantly if TikTok is banned because all those users are going to migrate. I will also say - by the way - that many thousands of people make their living on TikTok. Like it or not, it's a big income stream for a lot of people in the US and a really important part of their livelihood.

**Jason Calacanis**

And just to be clear here, this is not about banning TikTok. This is about divestiture. Then if it's not divested, then it gets banned. So if you just think from first principles here, why wouldn't they divest it? The reason is this is an incredibly powerful tool. Under no circumstances would the Chinese government ever allow us to have this kind of reach into their populace. And if you want to judge a person, you can just look at their behavior. Citizens in China live either in a complete police state where everything they do is tracked. Every transaction, facial recognition, every step they take, every purchase they make is tracked, or you're in a literal concentration camp. That's how the people of China live today. We are their adversary. They have noted that we're their adversary. Under what circumstances would you think they would treat us any differently than they treat their own citizens? It is absolutely insane that anybody would take the side of the CCP on this. You are asking them to divest. You're not asking them to shut it down. That is a partizan sort of angle on this. And there's a lot of partizanship going on the edges on this. But what we have to realize is there a they would never allow us to do this to their citizens, and how they treat their citizens is obvious.

**Chamath Palihapitiya**

As an example, we've tried, you know, we tried to export sugar via McDonald's and Coke, and actually they have domestic brands that they were able to support and prop up. So they have more control of that too. So even, even our downstream attempts to actually send products that theoretically over long periods of time aren't necessarily beneficial, they're smart enough to actually blunt. Yeah.

**Jason Calacanis**

And they don't let their kids play video games or use TikTok so well.

**Chamath Palihapitiya**

Even video games they saw, video games were bad. It's not like they're like, oh, Activision, come on in. The doors are open. They're like, you can use it an hour. No, I think it's like three hours a week. And certain kids and on the weekends and certain kids are totally banned.

They have an ability to make strategic decisions that benefit their population. And I think that we have never attempted to I'm not saying that this law is going to be great, but you'd have to be extremely naive to assume that there is nothing bad going on here with this app. It doesn't mean that there's nothing bad going on with all the other apps. I am assuming that all these apps have foreign actors that have infiltrated them. I think that's the right posture to have. I don't have Instagram on my phone. I don't have Facebook on my phone. I don't have TikTok anymore on my phone. The only thing that's left is X. And at some point. If those apps can prove that there's a chain of custody. So, for example, you know, one thing that I thought of you could do is you could put some kind of like Itar regulations around this so that only US citizens could work on these apps. Any app that is ambiently observing you. I think the overwhelming majority of people there's it's very benign implications. But the whole point is that if you have 300 million people that are being observed, you're going to get also the 1,000 or 10,000 that are super important, and you're going to catch stuff that you're not allowed to know. And that's not -

### **Jason Calacanis**

Already doing this. Pull up the article Nick. TikTok has already admitted to and been caught with their hand in the cookie jar spying on journalists. We know that they're doing this already, and we know their track record for spying on their own people. This is the no brainer of no brainer decisions. Just divest. And if they won't divest, it tells you everything you need to know. This is super valuable to them, and that algorithm is so valuable that they know they can program the US citizenry.

### **Chamath Palihapitiya**

I think the other problem is, I'm not sure that the people with the technical sophistication will have the time to then actually go and audit the codebase to really know that there aren't any Easter eggs in here and there aren't real backdoors and they won't. So this is my point. I think divestiture should not be allowed. I actually just think, unfortunately, this app should just be shut down and the people will migrate to Instagram and the people will migrate to YouTube and new products and or new products. And the thing there is that at least these are American controlled. And are there data leaks happening in those apps? Probably, but it's at least not so brazenly obvious.

### **Jason Calacanis**

Sacks, your thoughts?

### **David Sacks**

I'm a little confused here. Are you guys saying that the Chinese government uses TikTok to spy on its own population, or they ban it because they think it's harmful?

### **Jason Calacanis**

No, they banned TikTok there because it's harmful.



**Chamath Palihapitiya**

No, they have complete control over TikTok. Yes.

**Jason Calacanis**

And they control that in their country. They use camera, Sacks. And you know this full well on every single corner with facial recognition. And every one of their phones is tracked. You know this full well, Sacks. They are spying.

**David Sacks**

TikTok or not.

**Jason Calacanis**

No. They have banned TikTok. They have a different version called a different version. And in that version there are limits.

**Chamath Palihapitiya**

Dwyane's algorithms are very different. They push educational content. There's - so, basically like on the on the ByteDance board, what happened with this whole thing is the CEO and the founder had to step down effectively, right? They brought in effectively new management. And in that the CCP is a board a board director and has what's called the golden vote. So they effectively decide. And so what you saw were the algorithms morph over time from pure entertainment to things that pushed a lot of educational content. They also then impose, broadly speaking, limits on content that they didn't like. They would only allow in other apps experiences where they also have a board seat now and a golden vote. As Jason said, games can only be played in certain apps for certain amounts of time, so they've made their own decisions about what's good for their own population. The flavor of the app that's here, my biggest point is that, again, you have to pick the lesser evil. I think it's pretty reasonable to assume that all these apps are infiltrated. But this one is more brazen because it is really the only one that's completely and obviously foreign control. And I don't think that if you tried to divest it. You will get any assurance that that code is reliable, and so you'd have to build the whole thing from scratch all over again.

**David Sacks**

For what it's worth, the company has said that they're willing to move all of their hosting in the US to Oracle data centers in the US.

**Chamath Palihapitiya**

David, you and I know what that means. Like, could you imagine a migration like that? Who is going to look at every single endpoint, every single line of code? That is a joke that's meant to allay people who are non-technical, right?

**David Sacks**

Yeah, yeah, I kind of agree with that.

**Jason Calacanis**

Alright, seems like we're - I don't know if we're 2v2 here, but -

**David Sacks**

Look, are you ban or not?

**Jason Calacanis**

Sacks with the language is corrected. Are you ban, or divest, or what?

**David Sacks**

I'm ambivalent about it because I'm open to the idea of banning a foreign app in this way. But the reason why I'm a little bit ambivalent about it is because a, I think that what they're doing has to be proven as opposed to just a bunch of hand-waving over it. And when you start talking about what's happening to the Uyghurs in concentration camps and spying - that has nothing to do with this particular app. And in fact, you've revealed this app doesn't even function in China. I think there's just a lot of hand-waving going on. Not a lot - a lot of hard proof and I don't think that one little story in the New York Times - I would consider hard proof.

**David Friedberg**

I agree with Sacks.

**David Sacks**

Yeah. So that's number one - is I'm open to this idea, but I want to see hard proof. Number two is -

**Chamath Palihapitiya**

I don't think you're going to get it. I think the NSA and the CIA will read in the Intelligence Committee, and there's a subcommittee that's probably been read in, but I can guarantee you the American public will not get written on what.

**Jason Calacanis**

Manchin said on CNBC today, by the way, that, you know, he has based on his information, he believes strongly that they should divest, whether it's to his group or another group.

**David Sacks**

But these guys have lied so many times about so many things. I mean - I just think that the public has a right to know. Look, if 100 million Americans are going to be deprived of using

an app they love, why can't we get a little bit more information? Well, exactly what I think they're saying app has done wrong.

**Chamath Palihapitiya**

They're saying it. They're saying it's in control. It's being controlled by a foreign adversary. They are saying it. The bill says it. What is debatable? They're telling you.

**David Sacks**

That means all that means is that the app is owned by ByteDance, which is -

**Chamath Palihapitiya**

Here's what's unique about this.

**David Sacks**

which is incorporated in China.

**Chamath Palihapitiya**

Here's what here's what's unique about this Bill. It got out of committee 50 to 0. It was overwhelmingly approved by both sides of the House. And it looks like in the Senate there may be some refinements that happen, but it's going to get largely, overwhelmingly approved there as well.

**David Sacks**

It's like the Patriot Act.

**Chamath Palihapitiya**

Hold on. It's a very unique moment in time where you see in today's political landscape. Such uniformity. And again, I'm not going to go and defend these folks. But except to say that where there's smoke, there's probably fire. And I think that in this specific narrow case, again, we're not talking about foodstuffs or lumber, right? We're talking about a technological application that is observing a lot of people on a continuous 24/7 basis. I suspect this this law would not have gotten out of committee 50 to 0 had they not been read in by the NSA and the CIA, and that will never see the light of day, because we will never be disclosed that information.

**David Sacks**

Okay, so it -

**Chamath Palihapitiya**

Could have been 49 to 1, David. You know what I mean?

**Jason Calacanis**

Another question.

**David Sacks**

One second. Let me just - to - that if it's ideological, I could see it being 40 to 10.

**Chamath Palihapitiya**

If it's ideological, I could be seeing it 35 to 15 - 48 to 2. It was 50 to 0.

**David Sacks**

So was the Patriot Act. Look, there's an old saying in Washington that the worst ideas are bipartisan. These guys were all being stampeded into this act. They brought it up and passed it with hardly any debate. I've already shown you how the language of the bill is overly broad. It's not just a TikTok ban. It says that any app or website. Did you know that any app or website domestically that's subject, subject to the direction of a foreigner from one of these countries.

**Jason Calacanis**

Four countries, North Korea, Russia, China?

**David Sacks**

I said a foreigner from one of those countries.

**Jason Calacanis**

Yeah, I just want make sure we're clear for the audience.

**David Sacks**

All you got to do is make that argument. If you're an AG who wants to go after one of our domestic platforms, that's all you got to do to bring them under your thumb.

**Jason Calacanis**

What would be the proper route if a US platform was in fact compromised by the Chinese, North Koreans or Iran? What would be the proper path in your mind? Wouldn't that concern you?

**David Sacks**

If an app is sharing US data in a way that it shouldn't, then why wouldn't it just be prosecuted?

**Jason Calacanis**

Yeah, which is what this is saying, right? The AG's would go -

**David Sacks**

It's not, it's not, it's not even its banning TikTok. Okay. Subject to maybe divestiture happens. But there's a lot of people who think that the six months are giving for this is just not going to work. And the Chinese government may not go for the idea of allowing TikTok to be bought by an American company because they may not like the precedent that creates.

**Chamath Palihapitiya**

So again, I think you're answering your own question. I think you're making a very important and good point, which is there is so much body of business law here, and there's so many state AGS who would want to make their bones. And you see the state AGS trying to build their credibility going after Facebook for sexual exploitation and all of this stuff. To your point, David, there is such a body of lawsuits and law and precedent that TikTok could have been prosecuted under. It's very odd and rare that there's been a complete detente where this thing came on from up above and everybody just got on board, and all I'm saying is, in these very rare and unique instances where somebody's shelved their own personal political aspirations.

**David Sacks**

There's probably more. That's quite the opposite that we don't know. My alarm bells go off when D.C. acts with this kind of unanimity, because the only time they ever do that when they become a uni party is when the national security state wants some new power.

**Chamath Palihapitiya**

I agree with you. That's what I'm saying.

**David Sacks**

It's good to be vigilant. Almost unanimous. This is how we got into the Patriot Act.

**Chamath Palihapitiya**

I'm not saying it's right. I'm not saying it's.

**David Sacks**

Dumb idea that gives the federal government more power. Ends up being almost unanimous in Washington.

**Chamath Palihapitiya**

You're absolutely right. And I'm agreeing with you. They were read in at a national security level that got them to become a uni party on this topic. We are never going to get and I'm just, you know, responding to Friedberg. We are never going to get read.

**David Sacks**

In We the People because of this like phony concern about they always cite classification when they don't want the public to know something. Now, by the way, this important shouldn't be secret. No, but by the way, give us the proof. Why can't they give us the proof?

**Jason Calacanis**

I don't think it needs to be proof. It's the potential damage here that they're saying is the problem. Sacks. They could wake up this algorithm at any point in time, and they could steer people's thinking. They have already steered it. Your party has talked incessantly about how TikTok has steered cultural issues in a certain direction. Thus libs of TikTok, all this kind of stuff. There is ample evidence that these social networks and these videos do influence young people. So if young people are addicted to this, which they clearly are, and if young people are influenced by this, which they clearly are, those are just facts that are indisputable. The Chinese could wake this up at any time and steer a political issues. Left right, center cost chaos. It is the potential harm here. Sacks that is the concern. It's not just that they're doing it now, it's that they could do it in the future. And if you were to take this and you were to put, let's say this was North Korea or Iran, would you allow North Korea or Iran to own this app in the United States?

**Chamath Palihapitiya**

Of course, he wouldn't.

**David Sacks**

I think my point would be the same - which is I want to see some proof. Hold on. Let me make a couple of points. Number one, I want to see some proof that this is actually spyware. That to me has been alleged. And if it's as such a slam dunk case as you say, why is there no proof of this? So that's point number one. And by the way, if the phone is just sitting there passively listening to you and that's the spyware, Apple should really address that because apps shouldn't be able to do that, right. So that's like Apple's problem with respect to the data supposedly being leaked to the Communist Party. Again, I want to see what data are we talking about. Like what TikTok videos I like - what - what's important about that data? There are bundles of data that are available on the open market that they can buy it - about users.

**Chamath Palihapitiya**

I don't think that's what it is. These microphones are on 24/7. These apps are allowed to passively listen in the background.

**David Sacks**

Why don't we just tell Apple not to allow that?

**Chamath Palihapitiya**

I think that that could be a partial solve too. What about Android?

**David Sacks**

Phones should not be passively listening to you. You should have to like stick it in your face and talk to it if you want to activate the microphone.

**Chamath Palihapitiya**

The problem is when you download these apps, you create these settings. And you have to try to convince 100 million people that, "Hey, you shouldn't do that. Maybe you should only do it when you use the app in a specific way". And it kills the usability. And so, people get lazy and they're like, "Ah, default on."

**David Sacks**

Look. What I'm saying here is that the way the microphone should work on Apple products is that I think it does work that way.

**Jason Calacanis**

It does work that way. I don't know if that the listening is like the key issue here. Well, I mean - who knows what's possible in terms of hacking and spyware. You know, those are all, you know, unknowns.

**David Sacks**

So, one by one we're kind of knocking out all these issues. It's not passively listening. The data that is -

**Jason Calacanis**

We don't know.

**David Sacks**

It has that important with respect to steering I agree I guess that's a theoretical problem. But you could say that about any of these apps. And you're on a slippery slope to basically a First Amendment problem, because they're not letting users get the content that they actually want. Alright. I guess I'll disagree on this. And then one final point about the reciprocity argument is if you want to make this about reciprocity, then put it in a trade bill. That's where you deal with reciprocity is you say, okay. These products from China gets to play in US markets. Our products for the United States get to play in Chinese markets. You do it through a trade bill. This is not a trade bill. This gives a new power to the government to define foreign adversary controlled applications and websites.

**Jason Calacanis**

I just want to give you a chance to answer the two questions. Are you in favor of divestiture? If it was Iran who owned the app, would you feel differently?

**David Friedberg**

I don't know about divestiture until - to Sacks's point, I just - I haven't heard a clear point of view - or clear - like - piece of information about what this app uniquely does that other apps don't do that creates a threat. It's just not clear to me. So in general, I'm not a fan of like forcing companies to divest and forcing things to be shut down and taking away human consumer choice. I just don't think those are good things generally. Okay. And I'm not to this point. I'm just not compelled that there's something here based on what I've seen. And then, like if Iran owned TikTok, I don't care who owns it based on my prior statement. I - I think people should have choice to use what they want to use - provided that there is no spying. If there's spying, I want to know that they're spying and how it's happening. We need to technically fix that. If someone can passively turn on a microphone on an app and listen to people in a room. We have pretty smart scientists.

**Chamath Palihapitiya**

Yes, they can. We've proven that it's possible.

**Jason Calacanis**

And they can also -

**David Friedberg**

Then we should fix that shit.

**Jason Calacanis**

They can also know your location.

**David Sacks**

That should be fixed. I completely agree. That's a bigger problem.

**Chamath Palihapitiya**

Then you need to shut down all the iPhones. We have - there's an Israeli software company. We all know what it's called. We all can go and license a software from them, okay? They - they will help you do this. So, I'm sorry guys -

**David Friedberg**

Yeah, Apple needs to patch that.

**David Sacks**

But that's not TikTok's problem.



**David Friedberg**

Then Apple should patch that shit.

**David Sacks**

Apple needs to patch it. That's exactly right.

**David Friedberg**

Yeah, because it doesn't solve the problem.

**David Sacks**

I don't want a domestic app to be able to do that to me.

**David Friedberg**

Yeah, exactly.

**Chamath Palihapitiya**

It is happening and it hasn't been fixed. And it's not that it hasn't been fixed. The point is, when you have a large technical surface area, you guys know this there are bugs all the time, like we deal with, for example, threat vectors all the time into like Microsoft has dealt with these for 50 years, right? Every new update of windows, every little thing has all of these little backdoors and little threads that weren't cleaned up properly. So this is an ongoing whack a mole problem. And the reality is that at very small technical team has and always been able to stay a few steps ahead of Apple and many of these apps. And all I'm saying is you should just not be so naive as to assume that that this is something Apple can fix. I think that a small, talented team of hackers whoever they work for will always be able to find these backdoors in every single new release of every single operating system, and they will be a few steps ahead.

**David Sacks**

But then if you have anyway because all the data is ready out there.

**Chamath Palihapitiya**

So I think the point is so knowing that if you want to maybe minimize the surface area of how bad this data leaks to just the foreign actors that have infiltrated our American companies, you can ban TikTok, okay. If you want to just open the door to it, keep it around.

**David Sacks**

Look, like I said at the beginning, I'm ambivalent about this because if you can prove to me that there's really a national security threat and that your remedy for dealing with it is narrowly tailored, then I'm potentially on board with this. But I don't believe the threat has been proven, and I certainly don't think the remedy is narrowly tailored. In fact, it's

expansive and it's going to lead to weaponization. And I don't trust the government to define new, new categories of foreign controlled applications and websites.

**Chamath Palihapitiya**

I think you're probably right, which is the unfortunate part. But I do think that there's enough of these folks that have been read into something that we're not being told.

**David Sacks**

And I have zero faith in that.

**Chamath Palihapitiya**

Yeah. I'm not I'm not going to say that it's accurate or not, but I'm saying I suspect that some body of work from a three letter agency has made its way to enough of these people under confidentiality, where they've all agreed.

**David Sacks**

The national security state has a secret reason for wanting to expand its powers, that this doesn't fill me with any confidence. Again, Patriot Act 2.0. That's where I started with this. I don't think.

**Chamath Palihapitiya**

This is the Patriot Act, because the Patriot Act was like, I'm gonna have now a broad license to probe anything I want. This is about saying this thing that is here can no longer be here.

**David Sacks**

So that's not focused on TikTok. It's focused on, again, first, what I'm saying is foreign adversary controlled applications, which includes websites.

**Chamath Palihapitiya**

The Patriot Act was about the government being able to go proactively wherever they wanted when they weren't allowed. That is not what this bill says. This bill is more reactive and saying okay, you out of the sandbox. And all I'm saying is you're right that that could be abused. But that's very different than the Patriot Act, which was very. Aggressive.

**Jason Calacanis**

Alright, so there you have it, folks two people looks like agree with the divestiture of two people. Have a difference of opinion.

**Chamath Palihapitiya**

I don't agree with the divestiture. I think it should be shut down.

**Jason Calacanis**

Okay. Shut down? Yeah. So shut down. Divestiture. Looks like lots of opinions.

**David Friedberg**

That's good.

**Jason Calacanis**

Lots of opinions. That's good.

**David Friedberg**

Okay, I think.

**David Sacks**

We just had more debate over this than the entire US Congress did.

**Jason Calacanis**

Perhaps. I mean - I think that's why people listen to this program is because we're literally getting into the absolute finest details and asking really probing questions, Sacks.

**David Sacks**

100 million people are soon going to be asking when TikTok gets shut down. 100 million people who used it every day are going to be like, why did this happen?

**Chamath Palihapitiya**

I'm going to say something about that. One of my kids and I'm not going to say who it is we recently had them tested for ADHD. They weren't doing particularly great in school. The Response by some of the folks in the school was, oh, there's meds for that. We're like, no meds. And what we did was we took away their iPad. And we completely deprive them of all these apps and video games. I cannot describe to you the magnitude of the turnaround in this kid. Grades. Incredible where they were getting. 60% and 70% now getting 90%. Totally engaged, interesting, charming kid that had lost a little bit. And I think that there was a little bit of a daze. And I just want to say that in general, as a parent, whether the app is banned or not, who cares? My lived experience right now is that video games and these apps are horrible for kids.

**Jason Calacanis**

This is a known fact, actually. I've looked into this as well, it turns out. Students who used iPads and digital media many times a day they show the exact signs of ADHD, inattention and hyperactivity and impulsivity. So, Whether you think adhd is a real diagnosis or not, it's inducing those symptoms.

**Chamath Palihapitiya**

I'm willing to say that my child probably had a very light form of it. Maybe it was exacerbated by these video games and the iPad. And these apps. And, you know, they were getting all the TikTok content, but they were getting it on YouTube alerts. All this anyways. Went to zero. Not like you can have a little bit here or there. Zero. And the transformation in this last month and a half, two months has been incredible. I don't know if other parents are dealing with this, but what I'll tell you is these apps are not good. So this whole consumer choice thing, I think my view is a little tainted because I get agitated as a responsible parent and I'm like, just get this app out of here. And I already know that I'm addicted to it and it's not good for me. I have no idea what it's doing to my kids, and I just don't want to deal with it.

**Jason Calacanis**

If you look at the correlation between all of these symptoms showing up in kids, it's basically the introduction of the iPhone. And so people are kind of reaching consensus that the iPhone and distraction, ADHD, spiking, depression, all this stuff, anxiety and kids is correlating with too much screen time. You can do your own research, folks. Um, maybe it.

**David Sacks**

Correlates with prescription of SSRIs, maybe it.

**Jason Calacanis**

Well, no, that is part of it.

**David Sacks**

With schools going totally woke and bananas, it correlates with a lot of things.

**Jason Calacanis**

Covid definitely exacerbated.

**David Sacks**

Correlates.

**Jason Calacanis**

Covid exacerbated it. When you look at the trend lines for sure. And the SSRIs and those kind of things being. Prescribed is probably as a result of these ADHD symptoms coming from screen time, and then it's probably unnecessary.

**David Sacks**

I think people just got a lot more prescription happy. Like they're just.

**Jason Calacanis**

That over.

**David Sacks**

Prescription they're willing to put kids on drugs for. I mean - you talk about ADHD for young boys. That's kind of like just normal behavior.

**Jason Calacanis**

Yeah. No, absolutely. Like kids running around outside and having energy. If I had to pick an age, I would say 16, 17, 18 years old for social media and for phones, I would say 15 or 16, you know, with a very controlled phone. So that's just one person's opinion. Alright. Florida is on the verge of banning lab grown meat. Friedberg. Can you tee this up for us?

**David Friedberg**

Yeah, so Florida's been debating a bill in their state legislature since November, and it just passed the House and the Senate, a vote of 86 to 27, in the House - 28/20 in the Senate - to prohibit the manufacturing, sale, holding or distribution of cultivated meat. And it basically makes the sale or ownership of cultivated meat a second degree misdemeanor. This is lab grown meat. And this bill it's now on DeSantis desk for signin, you know, I'll kind of highlight a little bit of the motivation and some of the technical background in my point of view on it, if that's okay.

**Chamath Palihapitiya**

Do you see him eating the meat while you're talking about it? Did you see him eating the meat?

**Jason Calacanis**

I'm paying attention - unlike you guys.

**David Sacks**

He's got this, like Flintstone-size hamhock.

**Jason Calacanis**

Well, listen. Go ahead.

**David Friedberg**

It feels like a, like, a non-issue to folks who eat meat and don't care. But I just want to point out how much of this is generally a challenge to. Enabling choice in new innovative technology, which we've seen attempts at this in the past. But what is the reason.

**Chamath Palihapitiya**

To with.

**David Sacks**

You? What is the reason.

**Chamath Palihapitiya**

To ban lab grown meat they love.

**Jason Calacanis**

To ban? In Florida.

**David Friedberg**

The motivation is that Florida ranchers felt threatened.

**David Sacks**

But the guy who just has been advocating for banning TikTok, this whole show is now accusing Florida of being into banning. Are you.

**David Friedberg**

Your boy?

**Jason Calacanis**

Ron DeSantis loves to bash.

**David Sacks**

I'm the only person on this pod who actually - Friedberg, is two who are skeptical of, like, this knee jerk banning everything, ban everything. I would not ban this.

**Chamath Palihapitiya**

I didn't say to ban everything. Where is that coming from?

**Jason Calacanis**

We're joking. Don't.

**Chamath Palihapitiya**

Don't label me with your Jekyll brush.

**David Friedberg**

That same.

**Jason Calacanis**

Ban everything.

**David Friedberg**

I just - it's definitely becoming - I just don't trust the position to be against government intervention in free decision making and commerce by individual citizens. Florida ranchers felt that their livelihood was threatened. They have \$1 billion ranching business a year in

Florida. Good for them. They should go ahead and compete with whatever new technology is emerging. I would say try a little role reversal. Imagine if, you know, governments and states tried to ban the use of the tractor for fear of putting agricultural workers out of business or, you know, software companies that did accounting software got banned because it could put accountants out of business or electric car production, and use got banned because it could put traditional automotive manufacturers out of business. You could go down the list and you could create this position on nearly any new or emerging technology that feels threatening to an incumbent industry. And ultimately, it really only yields to regulatory capture and to a lack of choice and opportunity for new innovation and for consumers to make decisions about what they want. And the irony here is that so much of what's being consumed in the market space today, part of their rationalization is, "Oh - well, it's new technology. We don't know if it's good for you. We don't know if it's going to work." The truth is, there are federal regulatory bodies that have oversight on this sort of thing. 20 years ago, almost all the cheese that we ate in the United States was made from rennet. Rennet is an enzyme that converts the protein in milk into cheese. We got rennet from the stomach of calves. We would scrape it out and sell rennet and it would be used to make cheese. Then recombinant engineering where we could put we could get bacteria or yeast cells to make proteins. This technology unlocked the opportunity to make rennet more affordably. So rather than go and slaughter calves and get the rennet out of their stomach, we engineered the bacteria or the yeast cell to make the exact same protein. And that is now the entirety of the rennet industry is recombinantly produced. Rennet and the entirety of cheese that we all consume is made using this genetically modified yeast that makes this enzyme that converts milk into cheese. The same is true across other industries. We used to use animal fat for laundry detergent. It turned out it was a lot cheaper to make enzymes using the same process I just described instead of making animal fat. And now all of our laundry detergent is recombinant enzymes. So I think like this notion that we're going to ban this stuff is a regulatory capture incumbency moment. It's totally wrong. It denies consumers choice. And frankly, it flies in the face of what has historically been a real economic opportunity to bring costs down - to bring new innovation to market. And to try and stall out innovation is going to leave this state or this country -

**Chamath Palihapitiya**

You're right.

**David Friedberg**

- in a real kind of challenge compared to other countries. I just think it's wrong. I think it's really -

**Chamath Palihapitiya**

On this topic, you are 100% right. You're right. This is a dumb thing to legislate - and it is meaningless and unimpactful - and people should just decide based on what tastes better. That's - that's different than a listening device -

**David Friedberg**

Or cheaper - whatever.

**Jason Calacanis**

Friedberg, is it - is the criticism of this - that its regulatory capture? Or its part of like, this anti-woke - kind of vibes - in Florida.

**David Friedberg**

There's a conservative movement in Florida which has taken hold - which I think this is key to. Now, in some ways, I would argue that conservative movement has really important sociological points of view. In other cases, I think it denies necessary innovation. It denies necessary advancement to move industry forward versus social change. And I think the ability to kind of obfuscate the two that, oh, you know, transgenderism in schools and elementary schools is the same as the woke leftists from California making, you know, lab grown meat. And they all get kind of jammed together as one big tribal group, and therefore we should ban it all. What will likely end up happening here is this will find its path to federal preemption. Historically, when we've seen states try to impose these sorts of bans, the companies that are ultimately affected, the innovators that are affected go to the federal government, and they try and legislate for a bill that says this stuff is legal and should be broadly available, that federal preemption then stops states' rights on having a ban in place. And so it's very likely that we'll end up seeing some legislation here over the next couple of years if this technology is ultimately beneficial. The problem is, now that Florida's done this, I guarantee you're going to see Texas, which is a huge ranching state, and many other states step up to do it. It creates a really bad precedent for all other disruptive kind of industries to be blocked by their local economies that that believe that they're under threat. And, you know, it just creates like a lot of unnecessary chaos. So,

**Jason Calacanis**

Sacks, what is DeSantis beef with fake meat?

**David Sacks**

I don't know. I don't know. I don't know what he's going to do in this case. But let me let me state clearly what I think, which is I think it's really terrible when a bunch of incumbents in an industry get together and try to shut out the innovative solution by inventing some unproven threat that they turn into some sort of book about TikTok, right? But exactly. But enough about TikTok. What about.

**Jason Calacanis**

I can see that one come around the corner.



**David Friedberg**

From a mile away. That's why I wanted to talk about this, because I think the two are so similar and I they're not similar at all. Well they're not. Go ahead.

**Jason Calacanis**

Tech regulatory capture is regulatory capture. But this is a foreign -

**Chamath Palihapitiya**

That's just - that's just a terms of art. We're just - you can't just -

**David Friedberg**

You know, fair enough. Yeah - yeah we disagree on - yeah. That's fine - fair enough.

**Chamath Palihapitiya**

I think you guys have to have the intellectual honesty to say these are different issues. One is lab grown meat versus ranchers in America. This is typical corruption and cronyism. Fine, whatever. Okay.

**David Sacks**

Oh, yeah. But you don't think you don't think that the other tech companies that compete with TikTok are secretly banding together to basically gin up this bill?

**Chamath Palihapitiya**

I don't think they're secret - I don't think they're secretly banning. I think that they're being they're overtly organizing.

**David Sacks**

Yeah, just like the ranchers.

**Chamath Palihapitiya**

But again, that typically still always gets cut on partisan lines. And what I'm saying is this is totally different than lab grown meat versus ranchers.

**Jason Calacanis**

I just want to say one thing the intellectual discourse.

**David Friedberg**

And I can acknowledge the similarities.

**Jason Calacanis**

I think I just want to make a point here. I think the intellectual discourse on this program is second to none. I mean - we are getting into the most refined details of this issue, and you

just don't hear this anywhere else. So, I just want to give myself and the rest of the crew a pat on the back.

**David Friedberg**

You just want to masturbate - intellectually.

**Jason Calacanis**

I just - yeah, I just want to - yeah. No, I mean - we really did get in a pretty in the weeds here.

**David Friedberg**

JCal, how do you agree that the Florida bill is ridiculous and that it sets a terrible precedent?

**Jason Calacanis**

Uh, I didn't read it, but I would think that it's exactly.

**David Friedberg**

What you said. There's nothing special about it.

**Jason Calacanis**

I can't imagine why somebody would want to ban mock meat other than crony capitalism, of course. And my question to you is: When is this going to taste good? When are you going to make this mock meat?

**Chamath Palihapitiya**

Well, by the way, this bill makes no sense because the only reason they would do it is if they were afraid that the lab grown meat was just so much cheaper and frankly, so much tastier than what they make and Friedberg, you've said this many times like we are so like orders of magnitude away from being -

**David Friedberg**

Yeah, we're 10 years out. But by the way, why try and stop it from competing? Let the VCs that want to throw money at it - throw money at it. Let the scientists pursue it. Let the - let the thing that's made America so successful be successful. By the way, imagine - Elon got the Starship up today. You guys saw this thing? It went into orbit.

**Jason Calacanis**

Unbelievable.

**David Friedberg**

It was fucking incredible. Imagine if Boeing and a bunch of defense contractors got together ten years ago and said, "We got to stop SpaceX. These guys are trying to do stuff in an unsafe way."

**David Sacks**

They tried.

**Chamath Palihapitiya**

They tried.

**David Friedberg**

And they tried. They tried. And they will keep trying. And the freedom that we afford people and businesses in the United States of America is what allows us to have our unique edge and our unique ability to create progress that you don't see anywhere else on planet Earth. And this is the sort of shit that takes us backwards.

**Chamath Palihapitiya**

You just said the key word. "We" - "us" - "America".

**David Friedberg**

"America"?

**Chamath Palihapitiya**

Back to the - back to the TikTok thing. That's not an US thing. That's a Chinese thing.

**David Friedberg**

That - that - I get the point. I'm not like - I'm not pro-CCP. But yeah, I get the point.

**Chamath Palihapitiya**

Anything American, God bless us.

**Jason Calacanis**

Let's go! American exceptionalism! No, I saw the headlines. I think CNBC reported that the rocket blew up on entry - reentry. Yeah - I mean - the -

**Chamath Palihapitiya**

I think the best tweet -

**David Friedberg**

They didn't say that did they?

**Jason Calacanis**

I saw one headline where they had to put a little neg in the end of the sentence.

**David Friedberg**

They were Starlink - Starlink video for like an hour. It's nuts. It's nuts.

**Jason Calacanis**

The video was so crystal clear. It was like HD of this rocket coming back down to Earth. It was bonkers. So, congrats to Elon.

**Chamath Palihapitiya**

Can I show you guys the most incredible tweet related to this? Uh, I'm just going to send this to you, Nick.

**Jason Calacanis**

"Friendly reminder that Google's annual catering budget is \$72 million, about twice the cost of Starship."

**Chamath Palihapitiya**

Today - today, Elon made the entire human race multi-planetary.

**Jason Calacanis**

Multi-planetary, yeah.

**Chamath Palihapitiya**

And it costs half as much as what Google spends on food. Hahaha. That's incredible.

**Jason Calacanis**

I mean - it does seem like these rockets -

**David Friedberg**

It doesn't seem like a lot of money to spend on food. I - I don't know.

**Jason Calacanis**

It does seem like these rockets take 2 or 3 - the new - each time there's a new platform, it seems to take Elon exactly like 2 or 3 to nail it. And here we are again, you know? You know - so congrats to our boy. Great job.

**David Friedberg**

Going back full circle - the persistence and the resilience that was needed to get this thing to happen. It's just like 20 years of step-by-step - iterative - nothing about the initial kind of instantiation or concept of what SpaceX needed to walk to get here was right. Everything

had to change along the way. Starlink came along - etc. - etc. And here he is at the end of this period of time with this incredible craft. The largest object to ever fly in outer space. It really is like an incredible moment in human history and it took the degree of persistence - resilience that was - I think - marks what makes American entrepreneurship so powerful. It really is an incredible day. It was an amazing thing to watch. I don't know if any of you guys have ever gone to watch and watched any of the old Saturn launches on YouTube, but I think this is a new era. It's really incredible.

### **Chamath Palihapitiya**

I think this was like 5 or 6 years ago. I got cleared to basically fly and hug Vradenburg when they were doing a launch. And so, I was able to see it as the thing - like - kind of like - tried to approach max q. It's one of the most incredible things I've ever done. So -

### **Jason Calacanis**

I think we made some progress. If you look at the Google News links, a lot of praise for this launch. So, yeah. Looks like people are kind of getting it. Yeah, just incredible. I mean - this thing is so huge. I don't know if you've ever been inside of one of these things, but the -

### **David Friedberg**

The starship?

### **Jason Calacanis**

Yeah, I've been inside - I was inside the first one they built. It is so large. The capacity of this thing is like - I think you could fit like 3, 4, or 500 human beings inside of it. It's nuts.

### **David Friedberg**

Maybe - maybe - maybe when we do our - our Austin poker night, we can stop over and see it. It'll be really fun.

### **Jason Calacanis**

It's bonkers. And when you see it stacked, the height is like - it - it almost feels like you're looking at CGI in - in the real world. It is incredibly tall - like incredibly tall. Alright, listen. This is your favorite podcast in the world - episode 170 of the All-In podcast. We never ask for this, but if you have a chance - we do this show on video, so if you're listening to audio, just type in 'All-In podcast' in YouTube and you can see the four of us. I don't know if that's a bonus feature or not, but we do all the graphs and the charts and everything here. Alright, for David Sacks - the Rain Man, David Friedberg - your sultan of science, Chamath Palihapitiya - the chairman/dictator. I am the world's greatest moderator - as David Sacks will attest - with all those incredibly sharp questions.

**Chamath Palihapitiya**

Why do you always - why do you always go Christopher Walken whenever you do these outros? Why do you do that?

**Jason Calacanis**

Thanks for listening to the All-In podcast - wow. David Sacks - poignant points about regulatory capture. Friedberg loves mock meats - not for me. Chamath - everyone loves a great dictator.

**Chamath Palihapitiya**

So good.

**Jason Calacanis**

See you next time - All-In podcast - wow.

**Chamath Palihapitiya**

Love you boys. So good.

**David Sacks**

That was one of your better impressions.

**Chamath Palihapitiya**

So good. So good.

**David Sacks**

Better than Trump I would say.

**David Friedberg**

That's your prime talent. Everyone's got their superpower. That's your superpower.

**David Sacks**

You're very nasty - very nasty, JCal. But I'm gonna come on -

**David Sacks**

Don't ruin it. Don't ruin it.

**Jason Calacanis**

I'm coming on. I'm coming on All-In, alright? Sacks invited - Sacksiepoo invited me.

**David Sacks**

I'd say your Walkin is better than your Trump.

**Jason Calacanis**

I got to work on the - I - I turned the Trump off for three years. Give me a break. I'm gotta fucking dial it back it.

**David Friedberg**

Can you do a Joe Pesci? Can you do a Joe Pesci?

**Jason Calacanis**

Do I have a Joe Pesci in me? Uh...

**David Friedberg**

I feel like you do a good Joe Pesci.

**Jason Calacanis**

I do a good - I do a - I'll bring you a Joe Pesci next - I take requests. I'll do a Joe Pesci next week. Sure, why not?

**David Sacks**

He only does the Pesci involuntarily when he gets upset.

**Jason Calacanis**

Get in the chopper everybody.

**David Friedberg**

You got a Schwarzenegger?

**Jason Calacanis**

I'm running for - I'm running for president. You got to change the laws. Trump, you have to change it so a German can be president.

**Chamath Palihapitiya**

Austrian. Austrian.

**Jason Calacanis**

Austrian, yeah. Alright, we'll see you next time. Oh, yeah. Rate, and subscribe, and all that other bullshit - if you want to.

**Chamath Palihapitiya**

Bye-bye, boys.

**Jason Calacanis**

Bye-bye.