LISTEDRESERVE
MoneyBits

World Cup

Several trends have emerged from this soccer World Cup. One being that the wealth gap between America and everywhere else has grown enormously since the pre-covid era.

Another is that the cost of attending these once in a lifetime events is now enormous. US$4,500 for the Olympic swimming in 2028 while the World Cup final itself is selling for more than US$10,000 at the moment.


Marc Andreessen
@pmarca

As one thing (digital content) becomes cheap and plentiful, another thing (in-person experiences) becomes expensive and rare.

Ryan Petersen @typesfast · Jun 25
Olympic swimming tickets for LA 2028 going for $4500 each. Where do people get this kind of money? I didn't even know swimming was popular.

The immediate explanation is "everything is so expensive now". Not true. Everything is so cheap, provided the government doesn't touch it. Anyone that didn't attend the World Cup has watched the whole thing for nothing. Every game in Australia is free on SBS, for which none of us has paid a thing. I have watched it on my phone, on my laptop, on the television. It was all completely free which is extraordinary really.

Actually *attending* though. Technology cannot fix that. If 70,000 is the capacity then there isn't much technology can do.

More than that though, it shows the concept of digital scarcity is really difficult. Once your product goes digital it ceases to be scarce. Music artists found the same, they now are forced to play large concerts to make their millions because it is so difficult to do from digital content which everyone gets essentially for free. Hence the large concerts are now major financial events. FIFA expanded the World Cup to 48 teams from 32 because they make such enormous cash from the ticket sales, roughly an equal split now between tickets and broadcast rights.

Digital scarcity is really hard to create. To date, only one thing has managed it.

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4 days

> All of this is pure rubbish. Even if AI produces big productivity gains - which is still an open question (an MIT study last year found that "despite $30-40 billion in enterprise investment into GenAI, 95% of organizations are getting zero return") - it's far from clear that workers will see much, if any, of the benefits.
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> If productivity rises, as it's supposed to do when the workplace becomes immersed in AI, each worker will generate more value, by definition. And supposedly with more value, we're all better off.
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> Worker productivity has been rising for years, yet the median wage has barely risen, when adjusted for inflation.

The four day week discussion is back. Commentators again musing with every model advancement about its likelihood or otherwise. Nobody wants to actually admit that it already happened. The reality for most white collar workers is that the four day week (or less) arrived 18 months ago. The truth, which nobody wants to admit for fear of termination I suppose, is that whatever took you five days two years ago probably takes you three days now, or two. If that is not true then you might investigate why. This is the reality of Australia's productivity crisis. The median wage has *barely risen,* but the secret median wage has risen a lot.

Many people think it is simply not worth the effort because there is a lot that the models get wrong, except if you do make the effort, the structure of that effort remains the same as the models get better and better. Right out of the box GPT-5.6 is smarter than 99% of humans. 'Initial IQ' just means the model got the tests and was asked to get on with them without any additional assistance (as would happen with a human).

Marc Andreessen @pmarca · Jul 15

Interesting.

> **David Scott Patterson** @davidpattersonx · Jul 15
>
> GPT-5.6 gets an initial IQ score of 136, which is smarter than 99% of humans.
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> GPT-5.6 is the first model to score over 130.

All the same, the world remains largely in denial of these details. The war against data centres has begun, including here where providers are now required to source their own ‘incremental green energy’.

Who could be the voice of reason in all of this? Well it came from an early AI sceptic, Mr Linus Torvalds. Creator of the open source platform Linux which powers most of the internet (and the AI data centres). As far as credentials go, he is one of the leading computer programmers in the world. He once described his programming style as being able to visualize what the hardware beneath his code was actually trying to do so he could write it accordingly. In the early days he was highly critical of the code style used by LLMs; they made a lot of mistakes, wrote inelegant code.

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I realize that some people really dislike AI, but this is an area
where I'm willing to absolutely put my foot down as the top-level
maintainer.

Linux is not one of those anti-AI projects, and if somebody has issues
with that, they can do the open-source thing and fork it.

Or just walk away.

AI is a tool, just like other tools we use.  And it's clearly a useful one.

It may not have been that "clearly" even just a year ago, but it's no
longer in question today.

There are other questions around AI (like what the economy of it will
actually look like in the end), but "is it useful" is no longer one of
those questions. Anybody who doubts that clearly hasn't actually used
it.

Yes, it can also be a somewhat painful tool, both for maintainer
workloads and just from a "it keeps finding embarrassing bugs"
standpoint.

But the solution is not to put your head in the sand and sing "La La
La, I can't hear you" at the top of your voice like some people seem
to do.
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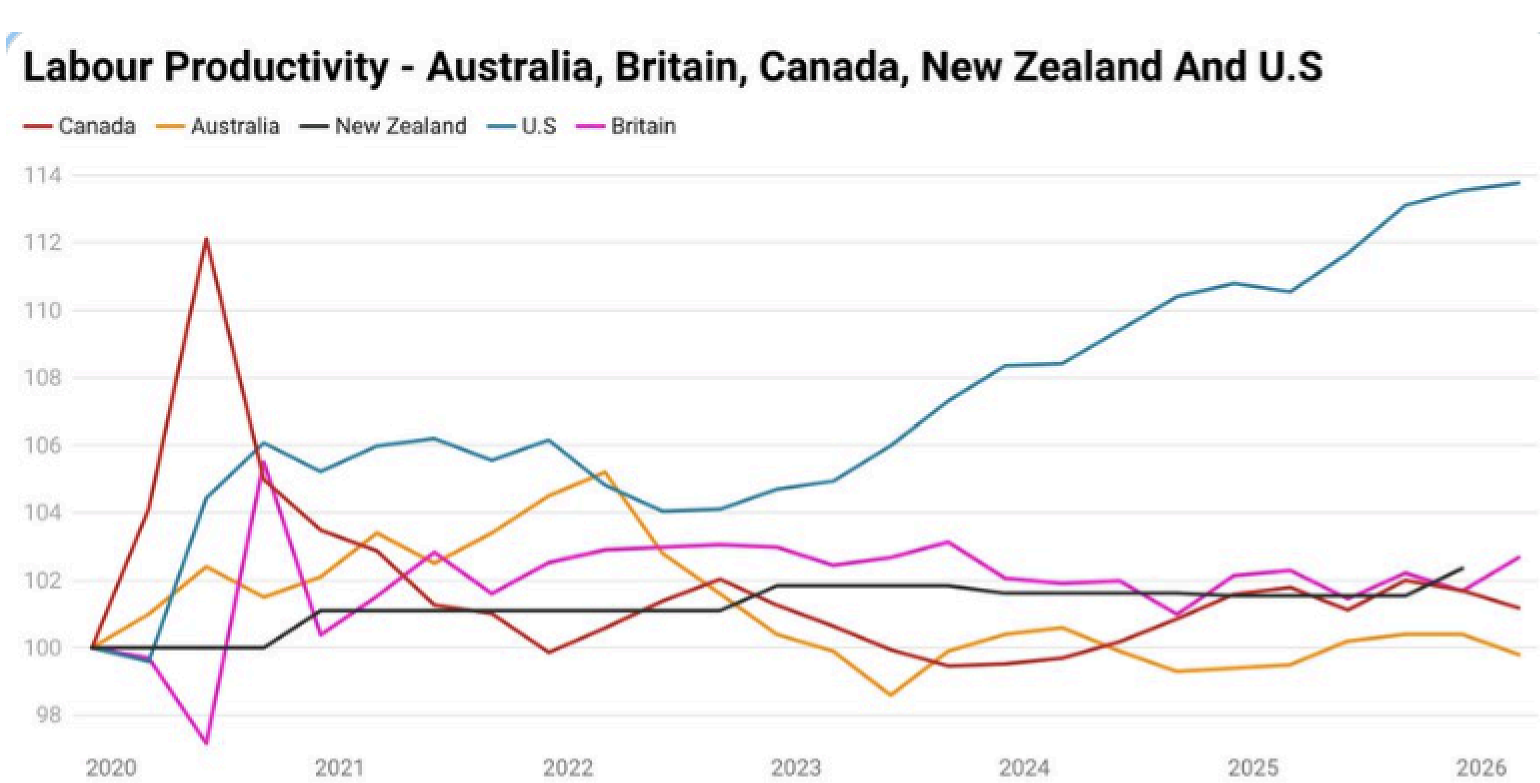
Accordingly, we should pull our heads out of the sand and aim for a one day working week. It won’t happen of course because the five days become one day but once you realise your new capability with the tools, you will be working seven days a week, doing things not previously possible to you. And you will be enjoying it.

Technology



More reasons behind the relative strength of the American economy.

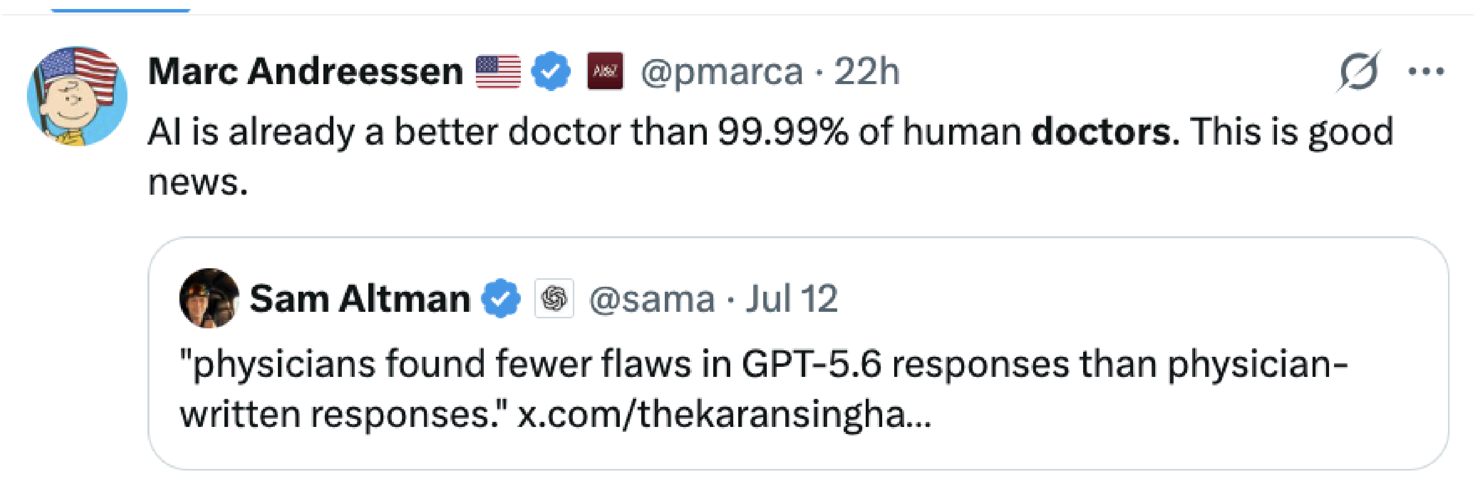
Labour productivity up 12% since 2020. Incredibly, it's flat everywhere else. Of course it is though. In Australia most companies do not allow employees to use frontier models because of the ‘privacy act’ or ‘regulation x,y,z’.

We don’t use any of the cutting edge robotic technology that's available in the US and China. Most notably, the self-driving vehicles that would transform an economy as geographically large as Australia.

It’s incredible really that we tolerate delivery drivers moving goods through the night over very long distances in dangerous conditions when a machine could do it at a much higher level of safety and efficiency. On the interstate freight trains, we also use drivers. The drivers are monitored by a machine which rings a bell if they do not interact with the controls every 30-60 seconds. If they do not acknowledge the prompt, the train automatically stops. Essentially, the computer is driving the train, just like the computer operates the signals.

Yet, every train has a driver, or two. Maximum 12 hour shift (if there are two drivers), minimum 11 hours rest between shifts. Maximum three consecutive night shifts. But we don’t need them at all? Why are we doing this?

The obvious lament regarding automation is for those drivers, who would likely lose their roles. I hear no such sympathy for the medical profession though. Their deeply protected knowledge base has been obliterated recently. Everybody knows it too and isn’t shy to use AI as their primary health adviser.



Overwhelmingly, the technology is for the good. We have to use it though and the vested interests will fight the greater good with everything they have. The AMA will fight for doctors, RTBU will fight for train drivers. The current government will entertain all of it and you and I will be very much poorer than we should be as a result.

They

I wrote about ‘they’ a few years back. As an avid consumer of conspiracy theories, ‘they’ are nearly always to blame. They want more inflation, they want to devalue the currency. They want you to be in debt forever. It doesn’t really matter what it is, ‘they’ are always to blame.

There was a new take on ‘they’ this week after the death of US Senator Lindsey Graham. Who, it must be said, provided us all with a stark reminder that it is quite possible to simply drop dead at any moment.

> Either way, the stakes remind me of a question I once asked Graham on a long flight over Central Asia. At what point in his career, I wondered, had he gathered the boldness to assert himself so overtly in foreign policy?
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> “When I was first elected to the House,” he recalled, “I looked for the *they*. *They* who run things. *They* who know how things really work. *They* who know what they are doing. But I couldn’t find the *they*.” After that, he went on, “I went to the Senate. But there was still no *they*. And then I started to get invited to the White House, and to closed-door briefings, and to meetings with top officials. No *they*.” “What I finally realized,” he concluded, “is that there is no *they*. There is only *we*, and we usually don’t know what the fuck we’re doing.”

Sounds right. There is no massive conspiracy, just a load of people who don’t know what they are really doing (how could they?), milking the cow for as long as they can. It is not that one should not trust the government because they are actively conspiring against you, it's simply that they possess unimaginable levels of incompetence. The longer things take, the better. The more complex, the better. It feeds the cow they milk.

Not that any of us has any idea. Simply, far better outcomes are achieved by letting people get on with things. What things? Well we do not know that either, because we cannot know.

In Friedrich Hayek’s 1945 essay [“The Use of Knowledge in Society”](), he pretty much lays it out. You can’t know, because knowledge is dispersed, so you have to let people get on with it while the price mechanism does the rest of the work for you.

Euro-Trash


Christine Lagarde @Lagarde · Jul 9
I welcome today's vote by the @Europarl_EN to make sure that the euro, both in cash and digital form, is accepted everywhere in the euro area.

… they voted to adopt the 'current negotiating position' on the digital euro. That it should be considered valid legal tender amongst other things. Lagarde then went on to explain what the next steps were.

The European Commission, the European Council and the European Parliament will then work together on the final details of the digital euro that will be accepted by all. After that has been done, the European Central Bank will get started on the technical deployment.

It was rather clear from her statement why everything takes so long in Europe. So many layers of bureaucracy to deal with and ultimately they are building a tool that nobody has asked for. There was no clamour from anyone for a digital euro because the euro is already digital. You can just use Wise and get a European bank account that sends euros instantly to wherever you want for zero fee, all digitally.

Yet, thousands of European civil servants will spend the next five years building something nobody asked for. I suppose the obvious question is……..If the euro is already digital, what are they building?

The unspoken truth is that all of this is simply a response to the success of cryptocurrency. A digital euro is really meant to operate like Tether (USDT). There is an equivalent private sector digital euro, EURC, Circle's euro denominated stablecoin.

It has a market cap of about 0.2% of its US dollar equivalent because nobody wants it.