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Musings

#267: Musing November 15, 2025

tl;dr

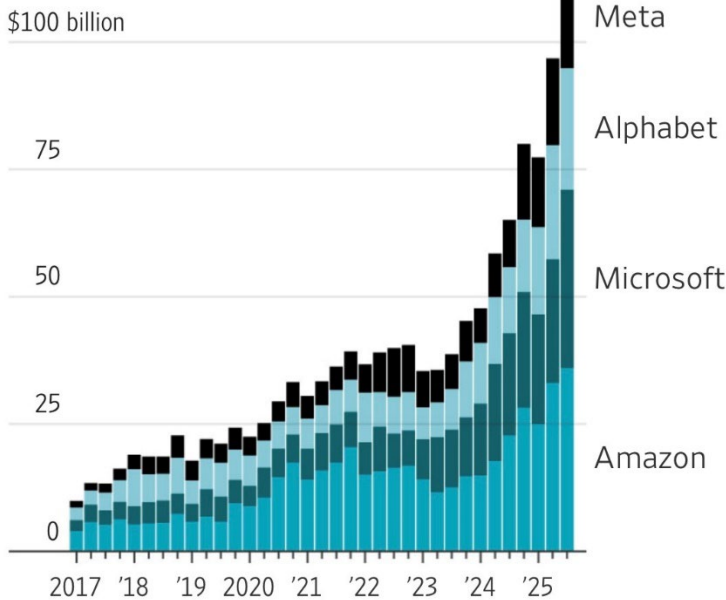
Thanks to Bryan Chitwood for introducing me to “Too Long; Didn’t Read” which one could use to justify the musings.

Are we in an existential race with China on AI? I don’t know. Some are pitching it that way and subtly asking for the federal government to help finance the buildout. China is acting that way as it desperately seeks Nvidia chips. Look at these crazy numbers on OpenAI. It reportedly has about \$13 billion in revenue (75% consumer paying \$20 a month). Valued at \$500 billion. Has made commitments to scale around datacenters and chips of \$1.4 trillion. It will lose \$150 billion before it breaks even. The cynic says this is just Silicon Valley pursuing an expensive hyper-scaler model. I worry about the IP issues as the LLMs ingest all of the content on the web often blowing off legal constraints. This is not just comment on the model’s training but also the new Atlas browser. Uber was built this way. Hard for “the little guy” to protect itself against this capital onslaught.

Here is a graphic showing the amount of money flowing into this “arms race”:

Capital expenditures

Totals, quarterly



I worry the LLMs are going to be biased to the “uglier” sides of humanity as Reddit posts are one of the larger datasets. So normal people (especially later in life) are going to be under indexed to the 25 year old furry in the basement venting on Reddit. Thank Mr Serena Williams.

Speaking of Serena, she looks great using her GLP – 1. Do we want everyone on GLP-1s? Studies are showing positive effects on reducing addictive behaviors (gambling) in addition to weight. We know obesity in US is part of our societal health issue. Certainly seems like it would be better to fix our food supply and workout in our jeans vs putting everybody on a drug. However, we seem headed that way with expanded Medicare coverage. Employers need to watch their health plans as these drugs are expensive.

On the personal side, McKinsey is talking about “superagency.” *“Superagency is a state where individuals, empowered by ai, supercharge their creativity, productivity and positive impact.”*

One accounting nuance is making some question the earnings of publicly-traded big tech. Their massive AI Capex comes into the income statement as an expense as depreciation based on the useful life assumed. Big Short Michael Burry says that the big tech companies are juicing their earnings by using much longer assumed lives on the chips than they should.

The discussions of inflation and cost of living usually miss the simple math concept of derivatives. The inflation rate is measuring the rate of increase. When inflation rate goes down, prices do not go down. The rate at which they are increasing slows. The long run of high inflation means a structural rise in overall prices which are unlikely to go down (that would be deflation which is rare except in certain products/categories).

It was kind of a given when I was trained in corporate law that you incorporate in Delaware. They had well developed system to handle disputes (court of chancery) and decades of cases which created well understood “rules of the road.” The judges became real experts and their rulings were widely respected. The body of case law became important in interpreting the statutory law so that businesses had those most precious commodities - consistency, reliability and predictability. That monopoly is now being questioned and Texas is making a play to be your new corporate home. Tesla, Coinbase and others have moved. Because Delaware is not home to a large group of corporations or any large business groups, Delaware was a neutral spot where you wouldn't be subject to local “hometownism”. Will be interesting to see if places like Texas can operate the same way.

The US government spends 3.7 cents to make every penny. Huh.

You know you are getting old when you just give up on filtering. Don't have time for it. The thing you care most about is authenticity. #antikardashian.

Never stop innovating. Who would have thought there was room to take share from Nike in shoes — Hoka? Who would have spent time designing new water bottles — Stanley? Look what Musk did to cars focusing on technology vs engine — Bluetooth CarPlay and big screens now a must even if burning gas.

Speaking of Musk, I haven't used it but apparently Musk has launched a competitor for Wikipedia (which he considers to be wokely-biased) called Grokipedia.

Great quote from All-in podcast – “the place to hide a body is the second page of Google search results”

Good opinion piece in the WSJ discussing how the excesses of higher education led to the Mamdani win. The argument is that coddled kids got straight As and an education which has left them with few marketable skills that are drastically mismatched with their beliefs of what they should earn. The CEO of Palantir said *“I think the average Ivy League grad voting for this mayor is highly annoyed that their education is not that valuable, and the person down the street who knows how to drill for oil and gas, who’s moved to Texas, has a more valuable profession.”* [grade-inflation-produced-mamdani-proletariat](#). According to a new study, 60% of grades at Harvard are As.

Peter Thiel warned of the rise of socialism among youth five years ago. Here is Thiel: *“If you graduated in 1970 with no student debt, compare that to the millennial experience: too many people go to college, they don’t learn anything, and they end up with incredibly burdensome debt. Student debt is a version of this generational conflict that I’ve talked about for a long time. The rupture of the generational compact isn’t limited to student debt, either. I think you can reduce 80 percent of culture wars to questions of economics—like a libertarian or a Marxist would—and then you can reduce maybe 80 percent of economic questions to questions of real estate.”* The average age of new home buyers has gone from 30 to 40. Trump proposed 50 year mortgage might technically create ownership but really renting in disguise. Want to really encourage ownership? Keep an eye on DeSantis proposal in Florida to eliminate property taxes.

One leader recently complained to me about being surrounded by “learned helplessness.” Let’s not accept all of the excuses on why someone can’t do something.

I love the “McWeeny hello test.” My friend judges a community by whether strangers say hello to you as you pass them on the sidewalk or walking path. Amazing how someone can walk right past you and not acknowledge your existence. I fear we are simply losing humanity in large part due to technology. Heard a statistic that the number of person to person interactions amongst are youth is down 40-50%. How about this amazing statistic: 18% of people under the age of 45 order food delivery once a day! Robinhood has announced a deal to deliver cash to your home (god forbid you have to go to an ATM.) Add Pornhub and OnlyFans and you have quite the night without leaving your rooms. Musk is now taking it to another level (no pun intended) by sexualizing Grok. xAI, has two sexually explicit chatbots named Ani and Valentine. The virtual companions, designed with anime-style appearances, engage in flirtatious and erotic exchanges with users who unlock more content as they advance through “levels” of interaction. Just what every young man needs.

For those readers who like to swing, apparently you can use white rocks if you can’t find a pineapple to turn upside down. Thanks Kyle G (rest of name redacted to protect anonymity)

Lots of response to last week’s emphasis on personal inquiry and asking questions. One friend even has a term for the non-interested counter-party — “NA ers” for not asking questions. If you really want to build a relationship, follow-up on the conversation by sharing an article, website or book you might have discussed with the individual.

One simple way to try and drive the importance of relationships into your childrens’ DNA is family dinners. I don’t know much about the Jewish faith (learning from Nobody Wants This) but I am all for a mini-Shabbat. Shutdown technology and spend Friday night with your family. The upcoming holidays are a great way to start. Our mom was demanding that we all pilgrimage back home with young kids in

tow every holiday. While I complained about it at that the time, these big family gatherings really connected the next generation and our kids now miss them.

Meet someone new this week. Talk to a stranger (asking questions) and organize a big family holiday.

jml