

Make Me Smart August 27, 2021 transcript

Note: *Marketplace podcasts are meant to be heard, with emphasis, tone and audio elements a transcript can't capture. Transcripts are generated using a combination of automated software and human transcribers, and may contain errors. Please check the corresponding audio before quoting it.*

Molly Wood: Oh, oh, shoot! We have a show to do.

Kai Ryssdal: We were having a showdown conversation, and we got things to do.

Molly Wood: Oh, heck! Talking air quality out here, people. Talking air quality. Hey everybody, I'm Kai Ryssdal, welcome back to Make Me Smart, where we make today make sense on all axes of the conversation. Take your pick.

Molly Wood: Whatever we happen to be talking about at the time. I'm Molly Wood. It is happy hour Friday, or as we call it economics on tap, the live stream is up and running. I see all you friendly people in the YouTube and the discord, which is great. Everybody's whoo. It's funny when the, the chat updates real fast. And everyone puts things in there all at once.

Kai Ryssdal: That's right. That's right. Thanks for joining. So yeah, we will do the news. We'll do a little half full half empty, we will also share our beverages. I am having, as I have been these past several weeks actually, a session IPA from Golden Road in the beer glass. I don't know if you guys can see that. Kai's beer glass. It's important that we identify my beer glass. What about you? What are you doing?

Molly Wood: I am having a bubbly water. It's just been a very busy day. Also. Okay, so a minor problem that our audience doesn't necessarily need to deal with. And probably no one's gonna have to. But my new problem now that school is back is that I pick my son up from school right after economics on tap. And it's pretty poor for him to have some tequila before you go to school. I think we can all agree.

Kai Ryssdal: We might have to rethink things, perhaps because that would be bad.

Molly Wood: So, so yeah, we might have, we might have to figure something out. For now, I'm just having a nice refreshing bubbly water. It's very hot here. The air quality's terrible. So it's actually kind of it's nice. It's getting the ash out of my mouth.

Kai Ryssdal: How long till this kid can drive? It's a while, right?

Molly Wood: It's, it's a while. Okay. Yeah. Yeah. Okay.

Kai Ryssdal: So let us see. Let us go to the news.

Molly Wood: We'll work on that later. Let's do the news.

Kai Ryssdal: Yeah, yeah, let's see the news. Alright, so I'll climb in here for just because for some reason, on the rundown first one, which is, which will be which will be everywhere. I just want to point out that Sirhan Sirhan has been recommended for parole by a panel of the California parole board. There's still a lot of steps before he gets out. He's 75, 78-year-old guy now, 50 something years ago, he shot and killed Robert Kennedy. Confessed to it, anyway. And he was convicted actually, too. Anyway, I just think that's of note because it's history. And I think it's cool. There's also just a bunch of weird stuff about that assassination that has not gotten a lot of play, read up on it. It's super interesting. And history is alive and cool. And I just think that's wild. Okay, now to the actual news, just because we talked about it this week about the Fed because it's been Fed-a-palooza because of Jay Powell's big speech. Neil Irwin had a piece in The New York Times the other day about the Fed and climate change, which Molly had brought up as we were talking about Powell's speech.

Molly Wood: Maybe he listens to our show.

Kai Ryssdal: I'm sure he does. He's been on it.

Molly Wood: Let's assume yes. He's been on.

Kai Ryssdal: Yes. But it's really interesting, some of the research that Neil found talks about how public perception of the economy can influence how they feel about climate change, that the nut graph is that if the economy is strong, and everything's fine, people are more concerned about climate change. If it's lousy and we're in a recession, and unemployment is high, people are not as concerned about climate change, because this research shows that if they're worried about making the mortgage, they don't have time for apocalyptic things that aren't gonna happen like, tomorrow. So that's one part of the research. There are others out there, though, who say, you know what, it's not about state of the economy, but it's about political polarization. Anyway, really interesting thing, really interesting and on topic for you, especially. Given your secret project, but also just for what the Fed ought to be doing, right, we've talked about regulation and whether or not the Fed can sort of limit what banks do in terms of investing in fossil fuel companies and all this stuff. But also just keep the economy strong, and people are worried about inflate and worry about climate change more. So yeah, anyway, I thought that hit me.

Molly Wood: Yeah, it's so fascinating. I mean, climate change is obviously in my view, you know, quickly becoming the only story, but it's also, it is a massive economic story, because it impacts, I mean, you look at the amount of money that has been spent on disaster recovery over the last, let's say, decade as climate events have gotten more and more extreme, you look at buildings that are going to be underwater, right, corporate headquarters that are going to have to move because of where they're located. AT&T, I think is among the companies that's spending a whole bunch of money doing an audit of all of their locations to figure out the risk

that they face from extreme weather related to human caused climate change. And so it's becoming this like, it's becoming increasingly this sort of like, under the radar economic discussion that's all about risk. And you're gonna have insurers and reinsurers saying, we're not going to insure in certain places, we're not going to, you know, let homeowners live in certain places, people in Oakland have had their home insurance canceled because of the fire risk, just canceled. So it's this huge, it is this huge financial risk. And it's just, it's, you know, like with many climate things long overdue to start. It's a conversation that's long overdue to have, but it is, it's, it's coming, it's coming.

Kai Ryssdal: For sure, for sure. Okay, you're up.

Molly Wood: I just can't, I just have like a weird little grab bag of things, but the one that I think is the most bananas and, and look, we have to take all the things that Elon Musk says out loud with a large grain of salt.

Kai Ryssdal: Can you imagine what he says to himself in his own head?

Molly Wood: I mean, I cannot, those would be taken with a Great Salt Lake full of salt. But in this case, a new subsidiary of Tesla called Tesla Energy Ventures evidently filed papers in mid-August with the Public Utility Commission of Texas to sell electricity on the retail market. Because, of course, Texas is a deregulated state, where, you know, all kinds of companies, in fact, 120 companies already sell utility, sell power to people. Tesla has said that it wants to build these huge utility scale batteries that will serve wholesale power companies in the state. So that would be like, when these companies need backup power, or to store renewable energy to sort of parcel out when the sun's not shining, or the wind isn't blowing or to serve as backup if there are problems on the grid. So it's doing kind of all of these different types of moves in Texas. But evidently, also wants to maybe get into the actual energy business, which is fascinating.

Kai Ryssdal: Wow. You know, if, you know, if he can do all this stuff he dreams up, he could change the planet. Truly, he could. It's just he's so, it's, there's such a loose cannon-y thing about him. You know?

Molly Wood: Execution is really hard. I mean, I think that's what you know, at the end of the day, like that's what we keep coming up to and, and he is trying to execute on incredibly difficult things. What is harder than running an American car company? What is harder than going to space? What is more complicated than the energy market? Like I dare you to come up with a business and industry that is more complicated than the fricking energy market? Like believe me, the past couple of years, I've spent more time trying to understand like, what in the hell a virtual purchase power purchase agreement is and a power purchase agreement, and then the credits for the renewable energy and the this and that. But what I find interesting about this is that there's been more reporting lately on this idea that Tesla is less a car company and more a seller of renewable credits to other car companies.

Kai Ryssdal: Well, yeah, yeah. So David Brancaccio did a story on that this morning on the morning show, maybe it was yesterday or whatever, did exactly that, right, that that's how they have made and are still making a bunch of money.

Molly Wood: So they don't actually make money on cars. And so I really do wonder if this move in Texas is not somehow related to renewable energy credits, which are a big part of the kind of energy market these days. Yeah, but I just find it, I find it super interesting. The scale of the ambition, the complexity of the ambition, and just like, also kind of what a bonkers market Texas.

Kai Ryssdal: Yeah. Oh, as we saw in February with the ice storms, I mean, cray cray. So all these three links you have in there, these three links, you're not even doing those? You're just going straight to Elon?

Molly Wood: I mean, I'll do the other ones. Other bonkers things about disinformation, which PS, is not like, I just, having recently discovered, again, that Facebook for example is like blocking ads that use the word climate change because it considers them to be in the sensitive political topics category. It is amazing to me the level of misinformation that still is totally fine on the Facebook platform, including the fact that people are evidently just calling Texas poison control in droves because they're taking this horse and cow dewormer medication. There was actually a great story today about how Reddit users who can't believe that the CEO of Reddit won't do anything about this. Yeah, like, just embarked on a meme war on that subreddit about this deworming medication to try to flood it with real information. And then in good news for the children of Florida, a judge threw out governor Ron DeSantis' order prohibiting school mass mandates. Yay, children. You're marginally safer than your government, governor wants you to be today. More or less, just totally. And I can't really dwell on that for much longer, so maybe we should just play a game.

Kai Ryssdal: Let us. Let us play a game.

Molly Wood: Alright, it's time for half full half empty. I had to take a drink of my sweet, sweet bubble water. Where we give you our predictions. Do you call it fizzy water, bubble water, soda water? Everybody's got a different name.

Kai Ryssdal: Fizzy water.

I have always called it fizzy water. But then we bought this, the knockoff brand, like the Safeway one or whatever. I think maybe it's just called bubbly. And now we started calling it bubble water.

Kai Ryssdal: Don't be, don't be, don't have your mind melded by corporate branding.

Molly Wood: Oh, yeah, like that's resistible. Sure, buddy. All right. Anyway, we're gonna give you our predictions on five, I think topics. Yep, I counted. Drew Jostad's back to give us those topics one by one. Drew, what do you got?

Drew Jostad: Are you half full or half empty on Delta Airlines charging its unvaccinated employees extra for their health insurance?

Kai Ryssdal: So before we start, let me just tell you I had a conversation with our mutual boss, Ms. Wood, on a bunch of unrelated topics. And she brought this up and she said you know what? I want you guys to take a stand. Either you're half full or half empty. None of this, eh, I don't know. Which I take as a fair criticism.

Molly Wood: It is a fair criticism.

Kai Ryssdal: Just passing on instructions from on high. Half full. Completely full. Just yeah. \$200 If you're not gonna be vaccinated. It's a month. Yeah, for sure. For sure.

Molly Wood: I am all the way full on this as well. I'm sorry. I am following the rules of the game. I am half full on this. I think it's a creative way to deal with this issue. Make it, you know, the, recognize the financial burden that it is for some people to deliberately get sicker than others. And I think it was, it's good. Half full.

Kai Ryssdal: Yep. Yep. For sure.

Molly Wood: Next?

Drew Jostad: Half full or half empty on the return of ToysRUs?

Kai Ryssdal: Oh, you know, so it's gonna open like 400 stores. Well, I got that word bubble in the back of my throat. That ever happened to you where you get a little? No. Yeah. Sorry. Sometimes you get a little thing of gunk in the back of your throat and you sound all mucus-y? Anyway, more than you wanted to know. Yeah.

Molly Wood: So anyway, it's gonna be like, mini stores?

Kai Ryssdal: Yeah, so Macy's is gonna open ToysRUs mini stores in 400 of its shops. I'm half empty. Number one, ToysRUs is old and gone. And we don't need it anymore. And number two, no. Empty.

Molly Wood: I guess that, I mean, I'm so sad about that whole ToysRUs situation. But I feel a little half empty on this strategy. I mean, honestly, Macy's and ToysRUs are sort of of the same era, epoch. Yeah, generation. Thank you. And so I could actually see them having some success with some like little embedded mini kiosks in the few Macy's that remain around the country. And if they're in open air malls which apparently are crushing it then maybe they'll do great. I'm gonna go, I'm gonna go unexpectedly half full.

Drew Jostad: Fair enough.

Kai Ryssdal: All right, so that the new MLA handbook has decided how to cite Tik Tok, so are you half full or half empty on attributing Tik Tok, attributing things to Tik Tok in academic work, I guess.

Kai Ryssdal: Do you remember when we had to figure out how to cite the internet in like, academic works and stuff? I think this is just the next progression. I'm half full. I think it's fine. Somebody is gonna have to remind me what MLA stands for.

Molly Wood: I know. That's what I was actually just looking at.

Drew Jostad: Modern Language Association.

Molly Wood: Modern Language Association. Interesting. I am definitely half full on citing Tik Toks. Spoiler alert, like, as we were discussing recently, this is, this is a massive part of our economy now. I hope that academics who are doing these citations are, you know, there's been an ongoing conversation about appropriation in Tik Toks that it's very hard to assign credit to the right creator. And a lot of times, like creators of color don't end up getting credit for things that go viral or end up in fortnight dances, right? And so I'm curious to see whether citation will also lead to a healthier credit ecosystem. And if it does, I think that could actually be really powerful. So that's a long way of saying I know this is just a language decision, but I'm still half full on the idea overall.

Kai Ryssdal: Can we back up for a minute? Fortnite, is that still a thing? You still doing that?

Molly Wood: No, Fortnite's over now and there's this new one. Yeah, I can't remember the name of the new one now. But there is a new one. Like a mix of like, Halo, Fortnite, and Portal. Yeah, YouTube knows. It's really fun. It's really fun. I'm just waiting for YouTube to catch up and tell me what the name of the game. Next!

Drew Jostad: While we wait for that name, we talked about Elon Musk already but are we half full or half empty on the Tesla humanoid robot thing?

Kai Ryssdal: Oh, empty. Stupid stunt. Shut up.

Molly Wood: You know the guy in the like leotard? Yeah, no, I'm definitely half empty. Well, I am this is exactly the kind of like Elon Musk weird prediction that I don't understand why the SEC still allows like, you cannot stand there and be like, we're gonna have a fully functioning robot in one year that is absolutely going to be happening and he's just gonna be awesome with AI and like crushing and he's gonna get you a drink and no, it's not. Like, no it's not! You can't actually stand there as the CEO of a public company and be like, invest in us, we got a robot coming next year! How many things has he said are gonna come and are not gonna come?! It's just not gonna happen! So empty, all the way empty, full stop. Empty. Split gate, thank you, YouTube is the name of the new game. That's the hot new thing.

Kai Ryssdal: Split gate. Very well.

Molly Wood: I mean, millions of people are playing Fortnite so don't get me wrong. It's just not like, cool like it used to be. Split gate's the jam.

Kai Ryssdal: Timestamp this one. 3:47pm Pacific time. Molly Wood. Fortnite is over.

Molly Wood: Okay. Do we have one more? I've lost track.

Drew Jostad: We got something for everyone on the last one here. Okay. Pumpkin Spice hard seltzer.

Kai Ryssdal: Shut up. Shut up. Now you're just, I'm being trolled on my own show. Shut up. I'm not participating in this one. I'm on strike. I'm on strike. Again.

Molly Wood: As we all know, I believe the answer to that question. Oh, my God. Also, I mean, wow, when to hell topics collide, right, pumpkin spice and hard seltzer. I mean, listen, I branched out, I tried, I took forays into the hard seltzer world, I tried their weird little flavors. I tried to like the mango and the iced tea thing and they're all frickin disgusting. And so I guarantee that pumpkin spice hard seltzer is going to be throw it out the window disgusting. Empty.

Kai Ryssdal: You cannot make me play this game when they throw pumpkin spice latte on my own podcast. I'm sorry. You cannot. Write it up in my evaluation. I don't care.

Molly Wood: Write me up, it's going on your permanent record.

Kai Ryssdal: My permanent record. That's right. That's right. All right, we're done. So look, no matter how you feel about pumpkin spice lattes. We want to hear from you. Send us your questions or comments, or your own answer to the make me smart question, which is, once again, what is something you thought you knew but later found out you were wrong about send us all that stuff. You can do it in an email or a regular voice memo at makemesmart@marketplace.org or call us and leave us voicemail. 508-827-6278, 508-UB-SMART.

Molly Wood: Wow. I can't believe that an audience that we have cultivated and encouraged is also half empty on pumpkin spice seltzer.

Kai Ryssdal: Shocking. Make Me Smart is produced by Marissa Cabrera. Today's episode was engineered by Drew Jostad, who also, by the way, does the voice of our half empty. The team behind the YouTube live stream and our game half full half empty is Stephen Byeon, Catherine Devine, and Mel Rosenberg.

Molly Wood: Shout out to why am I Mr. in the YouTube comments. I thought I knew pumpkin spice latte was best without clothes but then I learned it was best with trolls. The theme music for half full half empty was written by Drew Jostad because he does it all. The senior producer is Donna Tam, the executive director of on demand is Sitara Nieves.