

Make Me Smart September 16, 2021 transcript

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Kai Ryssdal: Let's go. Let's do it. Hey, everybody, I'm Kai Ryssdal. Welcome back to Make Me Smart, making today make sense, grouchy, though I am. That's all I'm saying.

Molly Wood: I'm not gonna lie, everybody. I wasn't sure he was gonna start the show. I'm Molly Wood. Thanks for joining us. It is hollowed out shell Thursday thing is just the wheels keep turning and we keep ending up in the same place as usual on Thursday.

Kai Ryssdal: Yeah, yeah. One of the things I say sometimes in the studio just to mess with the director when they say, alright, well, no, they're, sometimes I just say, not if I don't start talking it's not. And then eventually they get smart. And they say, oh no, show starting without you or not pal.

Molly Wood: So you know, they're like, yeah, yeah. Two words friend, ever green. There it is. Thursday, we're gonna do the news. It's a good bet that we're just kind of mad about it by today, which means we could get a little dark place. But hopefully we'll come out of it by make me smile time.

Kai Ryssdal: Yeah, you go first, since you got a mess of links in there.

Molly Wood: I got a lot of links in here. But I just can't get enough of the Facebook files which we have talked about off and on all week. It's so good. The Wall Street Journal got its hands on, I mean, there are so many things that are fascinating about this, not least of which is obviously the content of these articles. But the fact that someone gave them to the press, which will bring me to my broader point about Kai's ongoing question, does Facebook get it yet? Anyway, today's installments of digging through these papers is really arguably like there are a lot of harms that have been documented already. But this issue of Facebook's international harm where it has really been implicated in, you know, fatal conflict, I don't know, like fueling genocide, letting drug cartels operate freely on the site, facilitating human trafficking across the world. These documents show that employees, again, internally raised all kinds of alarms. They were like, guys, this is terrible. We got to do something about this. There's, you know, human traffickers in the Middle East are using the site to lure women into essentially sex slavery. Armed groups in Ethiopia are using it to incite violence on ethnic minorities. There is a Mexican drug cartel using Facebook to recruit, train and pay hitmen. And over and over and over these documents show, including people who leave Facebook, right? You've got this former Facebook vice president, who was working with internet providers in Africa and Asia, quit and was like

they didn't, they saw it as the cost of doing business. That's his actual quote, there is very rarely a significant concerted effort to invest in fixing those areas. Mm hmm.

Kai Ryssdal: I was actually gonna say that, well, no, I was just gonna say that cost of doing business kind of rang, just smacked me upside the head, because clearly that's the calculation, right? That Zuckerberg and Sheryl Sandberg and all the rest of them are making. You know, this is the cost of 3 billion users and zoodles full of money. And I guess we're okay with that.

Molly Wood: You know, content moderation is really hard, which hey, it is, it is. However, it's a choice, right? Like the level of engagement here, especially when you're warned about it over and over and over is a choice. And what is so interesting on this question that gets me to does Facebook, get it yet Instagram's, head, whatever he is, right? The CEO of Instagram, Adam Mosseri, gave an interview to Peter Kafka and, who was at recode and said in this meeting, and you know, Peter Kafka came back at him, but said, overall, think of social media like cars, cars create way more value in the world than they destroy. And I think social media is similar. And this was in response to the question of whether it could be harmful, harmful to teenage users. Now, obviously, the internet and had tons of fun with this, including me, because I was like, I would love it if there was a test and a licensing process to be able to use social media. You can't do it until you're 16 and you have to prove you know how to do critical thinking and fact checking. Then you can use it, right, there are a million ways that you can come back at this metaphor, but Slashdot on Twitter, I think, put it perfectly. He said, the headline, quote, Instagram boss says social media is like cars, people are going to die.

Kai Ryssdal: Oh, jeez, oh jeez.

Molly Wood: Right. I mean, I mean, there's no other way to interpret that. Yeah, yeah. But when you, and my guys like from the New York Times was tweeting today and said, you know, you sure you can dunk on this metaphor all you won, believe me, it was fun. But the point is you still, what's happening is that Facebook executives are still coming out and giving interviews and essentially saying we believe, we fully believe that there's more good than harm in our products, and that even though there's harm, the good outweighs that harm. But never really taking responsibility or accountability for the harm car companies have a raft of regulations. Where's the seatbelt for Facebook?

Kai Ryssdal: Yeah, well, it's in a Congress in the United States, and they can't find the buckle. That's all I'm saying.

Molly Wood: Yeah, but it is like, right. Yes, exactly. So I guess what this should put to rest forever and I think I said the same thing last week is put to rest forever the idea that Facebook's gonna fix itself, forever.

Kai Ryssdal: Oh, come on, you, you said that 2, 3, 5 years ago. I mean, when, you know, you and I did a bunch of interviews on Marketplace when there was just dribs and drabs of

Facebook, whatever. And I would say so Molly, is this it? Does Facebook get it now? You know, you would say no, they're not gonna change. Why would they?

Molly Wood: You know, what is there to get better than that? Yeah, yep. Yeah. What is there to get? They're making tons of money. Yep. I even took out my, I couldn't even deal with my second story.

Kai Ryssdal: Okay. I will go back to the thing we've talked about a time or two on the podcast. And I'll do a little promo here for an interview that's going to aired tomorrow on marketplace with Claudia Sham who's an economist who used to be at the Fed, and has written a little post on the Fed and climate change. And I will use that as a way to set up this, the thing we talked about a time or two ago, when we talked about the Fed was the Fed and ethics and two regional Federal Reserve Bank presidents Robert Kaplan in Dallas and Eric Rosengren in Boston, who had traded stocks and made a boatload of money, Caplin traded 22 times for a million dollars or more a piece. And everybody went including me went, wait, really, they can do that? Not anymore. Jay Powell, and here's the headline in Politico, Jay Powell opens review into fed ethics rules over backlash over trading. So Jay Powell is looking at this, hopefully he's going to do something about it. And I just think that's, that's a net positive, right? That's just a positive thing. It was, it's, it's not that it shouldn't have been this way already. But, you know, fine. Let's, let's take this one day at a time.

Molly Wood: Might as another item.

Kai Ryssdal: Yeah, well, right, exactly. But you know, Congress trading stock, I mean, the whole Stock Act and all that jazz, that's just bomb. But let me let me be more clear. The idea that members of Congress are allowed to trade stocks is just kind of silly.

Molly Wood: Actually, it is. What I meant to say was that at least Jay Powell can clean up his own house without having to wait for, for example, Congress to clean up its house which, yeah.

Kai Ryssdal: Item number two is and I just I want to put this out there because we've talked a lot about one political party in this country and not operating in good faith. And what that is doing to democracy, right. It's also doing a number on democracy's pocketbook. Case in point, the state of California which just went through a questionable at best recall attempt against the sitting governor Gavin Newsom. 60 something percent of California said, no, no, no, no, no, we're not going down the recall route. And we want to keep Gavin Newsom, but it did cost \$276 million, that recall, and Mark Barabak, a columnist for The Los Angeles Times, listed today some of the ways that \$276 million could have been spent: paying the state's share to educate 28,000 kindergarteners through 12th grade students, or funding 58,000 middle class scholarships for University of California and Cal State students, as well as educating nearly 12,000 k through 12 students, or providing just under half the money budgeted this year to fight California's abundant wildfires. So there are systemic costs, democratic costs to the political divide in this country. There are actual economic costs as well and I just barely mentioned and so I mentioned it. It's just annoying.

Molly Wood: Yeah, I looked it up while you're talking and the, that Arizona boondoggle in which they seem to be auditing boats, yeah. It has apparently cost taxpayers up to and maybe more than \$6 million in the state of Arizona. Yep. So yeah, yeah.

Kai Ryssdal: Yeah. I just, yeah. What do you do? What do you what do you do? Right?

Molly Wood: You turn to make me smile. Well, great news that we will get to in a minute. But I'm just excited at this exact moment, we are less than \$60,000 short of our \$250,000 goal with just one day to go. I know. I mean, that's like, that's awesome. Amazing. That is awesome. So that's very exciting. I tweeted about it, we'll get to the full on actual fundraising part, but I just am so excited about that, that I had to bring it up. And before we get there, I'm gonna go with like, yeah--

Kai Ryssdal: I was just gonna say we might as well keep going, but you're driving.

Molly Wood: You're absolutely right. That's great. We're \$58,000 short of our goal. The deadline is midnight Pacific tomorrow, Friday night. So that's like a lot of hours between now and then and you could be one of the donors who gets us to the finish line and gets your banana pants.

Kai Ryssdal: Yeah, yeah. And if you follow us on social or if you follow us on Instagram, well in today's social media followers on Twitter or social or whatever, there's videos floating around out there one of which is Molly Wood in the banana pants, and the other one, the other one of which is not me and my banana pants. You know, you can see the studio, you can see Molly's pants, check them out and while you're there, marketplace.org/givesmart. Look us up, also, we've got a little something special, little something special for those of you already given obviously we want to say thank you. And some folks shared why they gave. So Juan Carlos, let's hit that little piece tape, shall we?

I support Make Me Smart by Marketplace because Kai and Molly have gotten me through the past year of crazy. The banana pants crazy.

You bring complex financial and economic information without dumbing down a thing.

I've cried, laughed, sighed, and screamed out loud with you guys.

As an economist myself, I know this is no easy feat. Y'all rock.

And we need banana pants. Thank you.

Kai Ryssdal: Evan in Michigan, Kyle in Washington. Why they gave and we'd love to have you join him. So it's make me smart. No, it's what is it? Marketplace.org/givesmart. Hello. How many times have I done this? Too many times.

Molly Wood: It all rolls together. Oh, it's so really, truly. It's wonderful. You know, what do we even need our stories today? Because that's pretty great.

Kai Ryssdal: Let's just go out on that. Let's go out on that.

Molly Wood: Yeah, let's go out on that note, which is your awesomeness, audience, seriously the best. That is it for us today. I will actually be out tomorrow, which is terrible. But don't worry, I'll be stalking the updates to see if we hit our goal. Kai and Kimberly Adams will be back for economics on tap in the YouTube livestream. I'm just saying if I make it back from this little thing in time, I'll just zoom bomb it. That is at 3:30pm Pacific, 6:30 Eastern, and if you don't want to miss a show, you should subscribe to this podcast because then like magic, new episodes will just show up on your phone every day.

Kai Ryssdal: If you think of something you want to tell us or a question you want to ask us or just have a comment about us. Send us a voice memo if you will or email works as well makemesmart@marketplace.org or you can just plain on call us 508-827-6278, 508-UB-SMART.

Molly Wood: 729 pairs of banana pants. I mean, that's like, that's bigger than a small batch of Nikes or something. A lot, a lot of yellow fabric. Make Me Smart is produced by Marissa Cabrera. Marque Greene is our producer in training. Today's episode was engineered by Juan Carlos Torrado. Tony Wagner is writing our newsletter.

Kai Ryssdal: Bridget Bodnar is the senior producer of this podcast. The executive director of on demand is Sitara Nieves.

Molly Wood: A thousand pairs of pants. I believe in the pants.