

## Twitter Thread by Paolo Bacigalupi

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**I ran across a quote a long time ago, and it's stuck with me:**

**“Never, ever, think about something else when you should be thinking about the power of incentives.”**

**— Charlie Munger**

This talk is both in transcript form and there's a YouTube audio of it as well. <https://t.co/1nSU8aS3tC>

I like this quote from Munger:

"I think I've been in the top 5% of my age cohort all my life in understanding the power of incentives, and all my life I've underestimated it. And never a year passes, but I get some surprise that pushes my limit a little farther."

So now, like a mad monkey who has just discovered the hammer, I will now go around using this tool of incentives and perverse incentives on everything. Maybe I'll get lucky and hit a few actual nails.

At root, I think the riots at the capitol are the result of a synergy of perverse incentives in politics, mass media, and social media, and they all contribute to a perfect storm of dysfunction. Maybe this is obvious to everyone, and I'm just catching up. But whatever. Here goes.

In politics, the perverse incentive is a result of gerrymandering. What was once considered a useful tool for keeping the opposing party out of power has now become a straitjacket of radicalization. The wingnuts challenging the election are doing b/c they fear being primaried....

... they no longer have heterogeneous districts with a wide spectrum of viewpoints, they have exquisitely crafted districts that keep anyone with a different viewpoint muffled and distant, so they are now only responsive to the interests of their narrow political tribe...

...this wouldn't be so terrible, except that this tribe is getting all of its information from another set of actors who are also working according to perverse incentives. Fox News, and to some extent all the news stations are driven by profit, and the thing that drives profit...

...is viewership. And the thing that drives viewership is emotion. So the more you stoke fear, rage, righteousness, superiority, disgust, etc. the more watchers you get. The actual news on Fox News doesn't get anywhere near the views that it's opinion shows get, because...

...the actual news panders less than the opinion side. Pandering works. Stoking people's emotions works. It gets views and therefore ad dollars. Fox is great at this. They're top rated. So they've got a real profit incentive to keep stoking rage...

...Similarly, the hosts of these shows have an incentive to keep stoking those emotions. Hannity makes something like \$40 million/year. Over on talk radio Limbaugh makes \$80m/yr. I think poor Tucker only makes \$10m/yr. Sad Panda, as my son says. Regardless, for any human these...

...incentives are huge. This cannot help but affect behaviors. This was the root concept I was playing with when I wrote "American Gold Mine." The problem is that Fox has established itself as the center of "conservative" news, delivering a product counter to the "liberal MSM"...

...so almost by definition, they have to contest whatever is said in the rest of the press, which has been thoroughly delegitimized to its viewers over time. So as soon as they start saying something like "Dominion Voting Machines weren't actually fraudulent" their viewership...

...revolts and flees to another station that will pander to them more. So Fox has to return to the pandering to get their viewers back. This is largely a self-inflicted wound. By delegitimizing all news reported on the "MSM"...

...It means that Fox's actual brand/product must always be "FUCK YOU MSM." That's the product that its viewers have developed a taste for, and if they change the product, they don't like it. No one likes it when you buy Cheerios, and Corn Flakes pours out of the box....

So now you have two problems. You have gerrymandered districts, and within those districts you have constituents who are fed an unrelieved propaganda diet that says the "MSM" is wrong/traitorous/liberal/etc...

So now you have two perverse incentives to pander. Fox et al need to pander for profit, and can't stop pandering because their brand is entirely oppositionally defined against whatever the rest of the world is saying (ie reality), and you have politicians trying to get elected...

...or reelected and they need to pander to that same audience that has been cynically and profitably fed its monotonous and rageful diet of "news opinion." So politicians in these gerrymandered districts, if they want to hold office, stoke the lies...

...Slavoj Zizek once described a phenomenon where people deflect things that undermine their good opinion of themselves (anyone can fall victim to this, not just conservatives, btw). He describes it thus:

"I know. But I don't want to know. So I don't know."

(cont...)

... I think the power of perverse incentives is so strong that, except for a few cases who are clearly morons or lunatics, Republican elected officials cannot come to grips with the lies they're perpetuating. They know, but they don't want to know, so they don't know...

... and we know these incentives are powerful, because even in the face of overwhelming evidence, we see republicans making false statements both about the election, and about the President's culpability and impeachability for causing a seditious riot...

So, gerrymandered districts, consuming a steady diet of disinformation. But I don't think the riots could have happened if not for social media and the perverse incentives within it... Obviously, Facebook has a perverse incentive to increase "engagement" which means...

...giving people steady jolts of dopamine and adrenaline. Stoking their emotions. Making them angry, making them share, making their friends engage, stoking their sense of righteousness and superiority. Not just for rightwingers. For all of us... so we all get the information...

...that Facebook's algorithms tell it will stoke us best, and it feeds it back to us again and again and again. So already, Facebook and all the other social media companies--anyone who calibrates their news feeds--is explicitly more interested in engagement...

...engagement is profitable. Truth isn't necessarily profitable. Nor decency. Nor kindness. There are no human values behind the algorithms. There is only engagement. Rage posting about how liberals are traitors is more valuable than that photo you took of your dinner....

...but it's not just social media responding to the perverse incentives. We ourselves are responding. We get drug rushes every time we post. Every time someone replies. Every time someone shares. Or likes. So not only are the algorithms tuning for engagement, so are we...

... and that means that we learn what our audience likes and responds to, and we, addicted animals that we are, do more of that, like rats poking our noses at the button for another sugar pill. We become more animated, more certain, more vicious, more performative...

For the sake of likes, we radicalize ourselves.

...I've watched this happen within my communities. I've watched decent people become indecent. I've watched myself and my own physical reactions to likes and replies and shares, those brain chemistry jolts that keep me coming back for more.

Social media: It's a helluva drug.

... So, perverse incentives. We have politicians who can't say the truth, because their constituents are gerrymandered and only consume a narrow diet of entertainment-news/disinformation, given to them for profit by media companies, which they then share with their friends...

...online, which Facebook other social media companies then serve up to more people who will engage with the news/disinformation/info-drug in order to maximize profits, and then the users themselves, in pursuit of more dopamine hits will amplify and radicalize their own words...

... and eventually you stoke all those engines enough, and fuel them enough, and make them echo enough, say, with a President who himself is addicted to the hit of social media and has 80 million followers, and finally you get riots and sedition...

...but not just riots and sedition, but riots and sedition done by people who have become so encased in disinformation that they cannot comprehend that they are criminal. All the perverse incentives synergize, and in the end, you get radicalized fundamentalist Americans.

It's like a recipe. Take decent people. Isolate their information. Create feedback loops. Watch shit explode.

And if you're a media or social media company, of course... Profit.

Christ, I do go on, don't I?