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Charles Miller [00:00:00] Welcome to CoinGeek Conversations. And my guest this week is Katy Cook, the author of *The Psychology of Silicon Valley*. So welcome, Katy .

Katy Cook [00:00:11] Thank you so much, Charles. Nice to be here.

Voiceover [00:00:16] You're listening to CoinGeek conversations with Charles Miller.

Charles Miller [00:00:22] Can we just start with a little bit about your background because you trained in psychology, first, more in individual psychology and then you've moved in order to understand the tech business into what I think we'd call social psychology. Is that right?

Katy Cook [00:00:40] Yeah. I started out not really knowing what I wanted to do exactly. I knew I loved people's stories. I knew I loved narratives, but I didn't know exactly kind of where that would take me. So I started out as a counsellor for a little bit. I worked in bereavement counselling and then transitioned back to kind of looking at modern culture and modern culture studies and then a bit of psychoanalysis and social psychology eventually.

Charles Miller [00:01:05] And this was as an academic?

Katy Cook [00:01:09] Correct. Yes. So I ended up my Phd. was on the psychology of progress. So I'm really interested in kind of how we get as a big collective, as a group from point A to point B, whatever that may be, where hopefully point B is a little bit healthier, whether you're thinking in terms of climate change or, you know, changing financial institutions and norms or values or those kinds of things.

Charles Miller [00:01:31] Well, this is going to be very interesting because within the Bitcoin SV community at the moment, there is this great vision of how we're going to get from a fairly small group of people, entrepreneurs with a lot of great ideas, into really having an impact in the world of finance and trading and, you know, even giving the Internet a run for its money perhaps. o

Katy Cook [00:01:57] It deserves it. Something has to.

Charles Miller [00:02:01] Let's just start perhaps with a very strong point that comes through in your book, which I was interested in, which is that there's a mismatch, you say, between people's generally rather over- positive views about Silicon Valley and the tech giants and what they're really like. Can you can you tell me a bit about that?

Katy Cook [00:02:28] Yeah. When I talk about Silicon Valley, I tend to as a social psychologist, as a social scientist, you tend to kind of generalize. It's kind of comes with the territory and it's not always the most comfortable kind of thing to do is to make generalizations. But as individuals, these people are lovely. I interviewed 200 plus people for my book. Every one of them was, you know, a nice person, a good person. And no one I met was evil. But I guess when it comes more to the corporations themselves, right, there's been this shift, especially, I think with the last kind of ten, 12 years or so away from the original kind of values on which the tech industry was founded, the kind of counterculture that informed a lot of its original values, to this more kind of hyper capitalist

system, this kind of extractive advertising-based world that resembles maybe Wall Street if you look at the culture of Wall Street 20 years ago or still today.

Charles Miller [00:03:29] You make some quite entertaining points about the sort of lack of diversity in Silicon Valley. And I particularly enjoyed your mentioning of some of these sort of so-called problems that Silicon Valley is solving like the Juicero. Tell us about that.

Katy Cook [00:03:54] Oh, gosh, I saw the video once and it just made me like my mouth just dropped open. It's a machine that squeezes juice out of - it's connected to an app, I believe - that it squeezes the juice out of a bag. And it wasn't working for a lot of people and it cost hundreds of dollars. And then some lady realised you could just squeeze it with your hands. And it worked in exactly the same way. And so there's this kind of fable of like over-designing, kind of designing for for no purpose rather than kind of meeting real needs.

Charles Miller [00:04:27] A lot of these entrepreneurs, they talk about pain points. But I think in the real world, this is not much of a pain having to squeeze an orange.

Katy Cook [00:04:40] Yeah. Exactly. And that's I think where for me, like the emotional intelligence piece came in, because the empathy part I heard about - oh gosh, who was it? Alex Stamos - gave like a keynote at Black Hat a few years ago about empathy or the lack of empathy in tech. And it really resonated. And it's so clear to me that if you don't understand the problems that real people are facing, you're not going to design a technology that meets the needs of society. Right. And if you don't have the self-awareness to reflect on what you're doing and why you're doing it and why you're building what you are, you're not going to do the most good that you could. And these are brilliant people and they have the capacity to do so much good. So I'm really hopeful that, you know, building emotional intelligence will hopefully help.

Charles Miller [00:05:30] Just going back to what I mentioned at the beginning, which is that on the whole, the public has a reasonably positive view of Silicon Valley, perhaps more than you do. You talk in the book about how the image of the sort of brilliant entrepreneur was pretty self-consciously created by some PR people.

Katy Cook [00:05:57] Yes, it's interesting. It really is when you look at it a little bit more closely, there's a lot of kind of marketing and PR tricks, I think, that have gone into formulating this identity of the Valley, because I don't think left to their own devices, founders and engineers might have kind of bothered to, you know, catalyze that identity for themselves. But you get money flowing and you get people who are aware that they can profit off of this this industry and they realise that it needs to be kind of safeguarded in certain ways. And part of that is creating a narrative around who these people are. What are they doing? We're saving the world or connecting people or making it a better place. We're solving all the most important problems. And sometimes sometimes that's true. So there's some great tech companies who do great things. But some of the big ones I think that we're kind of most familiar with have kind of gone off the rails, as you said earlier.

Charles Miller [00:06:55] And we're not really in your discussions, only talking about Silicon Valley as a place. You've got a great quote from Reid Hoffman of Linked-In who says that Silicon Valley is "a mindset, not a location". So this is broader than just that little area south of San Francisco, isn't it?

Katy Cook [00:07:16] Yeah, for sure. I think in the same way that American values tend to kind of spread, I think especially to the UK. I lived in the UK for a year when I was younger and then eight years in my 20s and 30s. And you do see kind of the the ideas and the trends and some of the stuff kind of make their way across the pond and then around the world. And I think it's it's the same with the tech industry because it is such a, you know, important, influential, profitable industry that is, you know, everywhere. It's not just Silicon Valley, obviously. And those values do tend to kind of spread, although they mix with kind of local social values, which I thought was really interesting. So I made a point to talk to people in as many different countries as I could to kind of feel out the differences and make sure I was making kind of real solid observations about what the distinction was about the psychology of that that kind of place and that mindset in Northern California that then disperses.

Charles Miller [00:08:16] Right. It really is the source of this culture, I guess, even though it's widely distributed. Every country wants to have its own Silicon Valley.

Katy Cook [00:08:26] Yeah, and I wish they didn't. I wish they wanted to do something a bit better than that, at least from an ethical point of view or a values point of view.

Charles Miller [00:08:37] In the world of Bitcoin SV, which which I am more familiar with, we've got entrepreneurs all round the world trying to build apps that will encourage use of the Bitcoin SV blockchain. And it's a little bit similar, I would imagine, to the early days of the Internet where people were finding dot com ideas that would bring people to the Internet. Having looked at how Silicon Valley has developed, do you have any sort of advice about how this ecosystem should best be brought to life?

Katy Cook [00:09:19] Yes, that that's an awesome question. Yeah. So I think one of the things that wasn't super clear, I think when the industry kind of started booming and when money started flowing into it, was a kind of popular acceptance of the values that were associated with it. So I think being really clear about values, whether that's, you know, in a relationship that's super important. Right. Or in a classroom if you're teaching kids or in a business or in an entire industry. So I think if there's kind of a, I don't know, collective agreement, guidelines if that's something that is possible to come up with, anything around values where people are actually kind of held accountable and and made to hold each other accountable, because when I think money especially starts flowing in when power comes, and I mentioned the power paradox in my book a couple times because I think it's so important: when people gain power, your original values can go out the window so easily. And I think I'm pretty ethical but, you know, God knows what would happen if I had a windfall of whatever to my business. I would like to think I would stay grounded. But who knows, right? You need someone to hold you accountable. And I think you need to be reminded of why you started things in the first place.

Charles Miller [00:10:45] One idea that I have that - I don't know whether this is realistic or not - but it does seem that everybody's interests are in getting people sort of onto the system and therefore there is a spirit of cooperation. Because if one entrepreneur does well that creates people who can use any other app because they're already using the blockchain and they have access to it.

Katy Cook [00:11:20] And also you have the advantage of having witnessed the last 20 years. And kind of, you know, the pitfalls of not behaving in a way that's, you know, legally responsible, ethically dubious. I think you have a good model for kind of how how not to

act too, right, which is just important. No one wants to kind of, you know, be on the cover of Time magazine looking like a battered man like Mark Zuckerberg

Charles Miller [00:11:46] Well, I mean, the other thing that perhaps is more of a question really is you talk in the book about the kind of people who do well in Silicon Valley. They tend to be not particularly good at social skills and various other sort of personal qualities that you go into. And obviously, the people working in this area of Bitcoin also developers. And perhaps if there is a characteristic type, then they may share some of that. Is it your view that those personal qualities that you pick up as shortcomings in Silicon Valley are inherent to the nature of the work? Or is this just a sort of offshoot of the lack of diversity that you also highlight?

Katy Cook [00:12:44] That's a really good question. I'm not sure what it is. I think it's probably a blend of a few things. It's probably not an either or. I think the kind of mind that's maybe best at more technical work might not - and this is shown in some of the research - if you're super analytical, if you're really, really good kind of with that kind of part of your brain, it's likely that you aren't probably as strong in other areas. Right. Like in the same way, I'm not super technological because, you know, the parts of my brain associated with empathy and communication and those things work pretty well, are pretty dialled up. My technical skills are our rubbish, right. So we can't do everything well. And it's not like one is better than the other. I think you just need to kind of have a respect for for both. Right. And a blend of both. And so you can definitely teach those skills. Right. If people, for whatever reason want them or don't have them or think it would be advantageous for their organizations to learn more emotional intelligence, or you can bring people in who, you know, might be able to kind of steer the company in an ethically or emotionally intelligent kind of direction or socially responsible way. So, yeah, I think it's if you can blend those types of thinking and have respect for everyone, I think that's a really good place to start.

Charles Miller [00:14:04] Part of the problem that you highlight is probably to do with when a small business becomes a huge business and there are shareholders who are interested in what kind of dividends they're going to get and how much the price is going to go up, there's a whole new set of pressures in addition to whatever the founder might have brought to the idea in the first place. And that may just be inevitable, I think.

[00:14:36] Yeah, I think that push for growth can be really damaging depending on kind of who's at the helm and who's driving it and what the pressures are. And also what the product is. Right. Like if people grow without testing properly and put out product that or services that, you know, could be harmful, dangerous, damaging, hurt people, kill people, injure people emotionally, harm people, then, you know, it really is growth at any cost. And I think, yeah, it's kind of a function of this hyper capitalist economy. Again, which I think Americans are starting to look at I think but historically really haven't.

Charles Miller [00:15:18] One of the things that is very much discussed around Bitcoin SV is the idea that when the BSV ecosystem is fully developed, then we will be able to avoid the advertising model. People won't have to provide personal data to be sold or they won't have to be exposed to advertising. But there will possibly be a small payment instead of that. Sometimes you pay, sometimes you might get pay. How addicted do you think users are to the idea that they never pay for anything and they just put up with their data being used and having to watch advertising instead?

Katy Cook [00:16:08] I really like the idea of this just came to me. I don't know if this is possible even or not, because my again, my knowledge of Bitcoin SV is very rudimentary, but some kind of donation kind of model might be really cool where you could say, you know, you're gonna read this article or you're going to buy this product or whatever the micropayment is, do you want to allow someone else who is financially less able to also read this article? Do you want this to be available to like a classroom or a kid in the same way that at the checkout, do you want to give the dollar at the pet store to pets in need or whatever. So I really like the idea of kind of making it even more communal and helping people when you can, because there's a lot of people who, you know, can spare a dollar or 50 cents. And it might be kind of a really neat kind of philanthropic addition to that kind of model.

Charles Miller [00:16:59] How do you think that the current situation has changed people's views of Silicon Valley and the tech giants because obviously they went from a sort of honeymoon period to the problems that you describe in the book, privacy invasion and that sort of thing. Now that we are potentially a bit more reliant on technology than we were, I mean, you and I are talking over Skype. A lot of people are using these kind of things a lot more, how has that changed the sort of power play in in relation to these companies, do you think?

Katy Cook [00:17:40] Yeah, it's interesting, isn't it, like the last few weeks or a couple of months - gosh, it's really flying by - yeah, it's been really technologically heavy, I think for everyone who has access to that technology. And also I think they've had kind of a quiet period aside from that kind of Zoom debacle with the privacy. But they haven't had a lot of bad PR, I would say in the past few months, which is really interesting compared to the last few years.

Charles Miller [00:18:10] There was a bit of a problem when Apple and Google were trying to build this tracing app. What I thought was very interesting was that the government was saying, well, this is no use to us because you're being too protective of people's privacy. So that really, you know, it's quite hard to get your head around that one in the context of everything that had gone before.

Katy Cook [00:18:38] Yeah that's true. I think government finally seems to be getting it a little bit, I think like they're finally understanding that these companies have a lot of power and a lot of access to data. Yeah. I don't know to answer your question. You know, we find ourselves in a really interesting place. I think the fact that we're spending so much time on technology makes a lot of people cognizant of the fact that they would rather spend time with people in real life and would rather, you know, go out to a restaurant or have an in-person conversation. It doesn't feel kind of emotionally good to be in front of a screen as much as we are right now. And I think a lot of people are struggling, especially if you're not used to that, especially if you're an extrovert, especially if you're not, you know, if you live alone, there's all sorts of things that can make it a lot more difficult for people. And, you know, technology is great. And I get to see my friends all over the world because of that. But I would still much rather be in a room with them. I think that's what the last few months have taught me, is that I value just people so much more than I do technology.

Charles Miller [00:19:47] On the other hand, whilst that I'm sure most people agree with that, you don't need to also think 'so I don't like the tech companies' as a result of that. In fact, they're at least making us able to stay in touch to some extent. And I think maybe we feel more positive towards them after this because of that.

Katy Cook [00:20:11] Yeah. Potentially it for sure. And I always look it like a kind of a pendulum, you know, we had a really big swing towards, you know, a lack of regulation and kind of I think a lot of companies getting away with murder in some cases. And then we seem to be swinging back the other direction. There's a lot more regulation, there's a lot more oversight coming in, laws coming. And they seem to be kind of getting it that they actually do need to step up, take responsibility, kind of have the values that it sounds like your community, you know, is invested in taking care of people, building real communities, and actual good, actual social good.

Charles Miller [00:20:52] Now, at the end of your book, this is one place where I sort of diverge from you, you were sort of saying all is not lost, we can create a better culture here. And it starts with people closing their Facebook accounts and stuff like that. And I just thought, well, is that realistic? You know, the whole network effect that Facebook has, it has is unparalleled access to all the people that everyone knows. And in the past, when they've had some problems, they've been sort of Facebook boycotts but after a month or two, it's all over and everyone's back using it again.

Katy Cook [00:21:34] Yeah, I have a Facebook account. I don't think Facebook is evil. I don't think anyone needs to kind of get off that or beyond. And I don't really have too much of an opinion on kind of how people spend their time. But I think it's more the values that drive those companies kind of need to change before they should be entrusted with our data, with our time with, you know, lots and lots of advertising dollars. So essentially our money. I don't think a lot of companies are very deserving of what we haven't given them in terms of trust.

Charles Miller [00:22:10] Is that a responsibility of government to make that happen? Do you think?

Katy Cook [00:22:15] Yeah, I think partly. I think it's it's a combination. Right. So employee kind of pressure, which you've seen now, consumer pressure, which you've maybe seen less of. But like you said with the ban Facebook and that kind of viral kind of outrages, you do get a bit of it. And then I think mostly government regulation will be the thing that actually changes it. And some companies will do it themselves. You know, there's some great companies out there that have really sound values that people love to work at that don't kind of follow the model that I kind of talk about being predominant in Silicon Valley, both in terms of emotional intelligence, in terms of ethics, in terms of workers rights and treatment. So there are lots of exceptions to the rule for sure. Not everyone's a Facebook.

Charles Miller [00:22:54] You give a pretty damning account of the effect on an individual of being too much plugged into social media, in particular in terms of values. And I was wondering really whether that is just today's version of people complaining about consumerism during the great days of commercial television where we all needed a new car and a new fridge and everything like that. And probably people were complaining about the values during that time in a different way.

Katy Cook [00:23:28] Yeah, yeah. I think you're quite right. There's a lot of kind of psychological terms to that address, that idea. But it's essentially looking for things outside yourself to make your self whole, to make yourself feel good or, you know, to feel something that doesn't feel fulfilled. And so it used to be or it still is to a lot of people, but to things like material things, new refrigerators, washing machines or clothes or bags or shoes, you know, now it can be attention or likes and virality if something, you know, you

do has a huge uptake that can make you feel really good and give you the hugest dopamine hit for five minutes and then you're back to the original kind of feeling and state that you had. So I think being unclear about kind of what drives true happiness and true fulfillment, I think is just an extension of not having maybe a super honest or, you know, socially aware conversation about that, about what actually makes us whole as people and what makes us feel good and what makes our lives worth living and you know, what makes us get up in the morning and smile and go to bed at night and be happy and feel like we've done a good job. And, you know, having a big TikTok video go viral isn't gonna do that for the day. And that, I think, is the conversation we probably need to have about values both as a society in addition to the values of these companies that are kind of driving the industry. So that's kind of, I think for most of my work kind of comes from and is interested in.

Charles Miller [00:25:10] Well Katy, thank you so much for talking to me. And I hope that this very unique period perhaps will provide a sort of catalyst for some of the changes that you're advocating.

Katy Cook [00:25:24] I really hope so too and I really hope it drives more interesting and Bitcoin SV as well.

Charles Miller [00:25:29] Thank you so much. It's been a great pleasure to talk to you. Thank you.

Katy Cook [00:25:32] Thanks, bye Charles.

[00:25:37] Many thanks to Katy Cook. And if you'd like to read Katy's book, which I recommend, please check the shownotes to this podcast where there's a link to either a printed version you can buy or a free electronic version which can be read on Kindle or other readers. Thanks for listening and please join me, Charles Miller, again next week for another CoinGeek conversation.