

Only Make Bets You Can Win

Dec 17, 2023 - 749 words

Christopher Kalitin Blog (<https://ckalitin.github.io/posts/only-make-bets/>)

12:41 AM 🧑 Christopher Kalitin but where do you think twitter will be in a year

12:41 AM 🧑 midas nobody can say that for sure

🧑 midas elon musk might be assassinated

12:41 AM 🧑 Christopher Kalitin i will, I tihnk it'll have more features, revenue, and users than now

🧑 Christopher Kalitin that's why its a prediction haha

12:47 AM 🧑 midas my prediction is

🧑 midas elon is gonna fuck up SUPER badly

🧑 midas then act like he did the best job he could

🧑 midas leave

🧑 midas and then it'll just

🧑 midas sorta

🧑 midas exist

12:48 AM 🧑 Christopher Kalitin wdym fuck up super badly, like twitter is down for a week? loses half its users?

12:48 AM 🧑 midas some kind of massive fuck up that prompts him to (dishonourably) leave

🧑 midas while acting like it wasn't his fault

12:49 AM 🧑 Christopher Kalitin alright ima pin that, we'll see in a year

About one year ago on November 20 2022, I had a very unproductive and slightly useless conversation with a friend. We debated (argued) about the future of Twitter. With my obviously immensely high-rung and intelligent thinking I came to the conclusion that Twitter would have more features, revenue, and users than at the time. He believed there would be “some kind of massive fuck up that prompts him [E] to (dishonourably) leave while acting like it wasn’t his fault.”

“Unproductive discussions always feel like talking to a brick wall / low-rung thinker, even when you’re the low-rung thinker.” - Tim Urban, *What’s our Problem*” (paraphrased). Even with this context, it’s clear to me I was the high-rung thinking. A dangerous thing to say, but only one of us is writing a blog post dissecting this bet.

This conversation was very useful to dissect and learn about human nature. This blog post is an exercise in the proper way to approach past experiences. Dissect them for all the insights you can gain. Obsessing and feeling anxious about past events in your life is useless, but extracting insights

is immensely useful. It's annoying how few people do this. The most insightful moment of my life was my first gf breaking up with me. Why does no one else dissect their past relationships!

Who Won?

His win condition:

"some kind of massive fuck up that prompts him [E] to (dishonourably) leave while acting like it wasn't his fault."

1. Elon has not dishonourably left and has admitted mistakes (Eg. Portland Datacenter)
2. No massive fuck up that prompted him to leave

My win condition:

More features, revenue, and users

1. There are obviously more features (X premium, Subscriptions, Monetization, Livestreaming, View count, Community Notes expansion, Hiring, Calling, etc.)
2. Decrease in revenue with advertisers leaving (They don't believe in free speech) and a shift to other revenue sources.
3. Some debate based on different metrics if users are down or up. Daily VS MDAU Vs User minutes. For these purposes, I'll go with users being down.

He was 0% right, I was 33% right.

I WIN!

This is far too close a result for me to ever make a bet like this ever again. This illustrates the need for more concrete metrics when making bets (a single win/lose condition, not separate) and that when you bet you must put a lot of thought into your beliefs.

I was 33% right in my predictions. Good enough to win, but not to feel good about myself. 67% wrong = mostly wrong!

This stems from a misunderstanding of where Elon would take the platform. I had no clue advertisers would leave to the extent they did and the extent of the battle for free speech. If I had put more thought into it, this could've been explicitly predicted - although it would be very difficult.

I've made several bets (for low dollar amounts), and these have all been useful exercises. Making bets is an excellent way to check if you really believe something. Can you sleep at night after making that bet? If you're wrong you lose money.

Future of X

More predictions, this time with more thought put into them.

It is clear Elon wants to move X away from advertising as the primary source of revenue. I doubt advertisers will ever be completely rid of the platform, but other sources of revenue will become a higher percentage of total revenue.

The primary motivation to acquire Twitter and create X appears to be the facilitation of free speech. Advertisers in the way? Tell them to go fuck themselves.

"If someone is going to try to blackmail me with advertising, blackmail me with money? Go Fuck Yourself." - Balls of Steel

I hope X will gain more users as this shows the slow death of legacy media and the rise of free speech. On a long time horizon, I see this as likely, with the (temporarily) increasing human population if nothing else.

Feature development will obviously continue and the company will only employ the best available hard-working employees. As they should, who wants to work with lazy people?

1. X will slowly move away from advertising as a primary source of revenue.
2. User count will increase from today in the long term.
3. More features will be added.
4. X will become profitable within the next 5 years.
5. Free speech will be protected above all else.

Anyone wanna bet on these terms?