Humankind 2.0: The Technologies of the Future

7. Social Media and Sharing Economy

Piero Scaruffi, 2016

See http://www.scaruffi.com/singular/human20.html for the full text of this discussion
A pervasive phenomenon

% of all American adults and internet-using adults who use at least one social networking site

Source: Pew Research Center
A pervasive phenomenon

- The only gap remains in the age group
The world in 2007

<table>
<thead>
<tr>
<th>SITE</th>
<th>Nov.2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>21.97M</td>
</tr>
<tr>
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<td>57.39M</td>
</tr>
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<td>Classmates</td>
<td>11.46M</td>
</tr>
<tr>
<td>LinkedIn</td>
<td>5.44M</td>
</tr>
</tbody>
</table>
The world in 2016

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<th>Nov. 2007</th>
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<td>LinkedIn</td>
<td>5.44M</td>
</tr>
</tbody>
</table>

1. Facebook - 1,100,000,000
2. Twitter - 310,000,000
3. LinkedIn - 255,000,000
4. Pinterest - 250,000,000
5. Google Plus - 120,000,000
6. Tumblr - 110,000,000
7. Instagram - 100,000,000

Last Updated April 1, 2016.
The social world in 2016

- Twitter: what I think
- Facebook: what I do
- Instagram: pictures
- YouTube: videos
- LinkedIn: my job
- Pinterest: my hobbies
- Foursquare: my spare time
- Reddit: my opinions
Asocial Networking

• "social media" = "advertising media"

• Business used to be about making things that people want, and the industrial revolution turned this business into a science.

• The radio and television created a new kind of business, the advertising business, that is about making people want things.

• Social networking represents the equivalent of the industrial revolution for advertising.

• Today, instead of advertising products, we "productise" adverts.
Asocial Networking

- The story of social networking media is really a story of addictions, not of socializing
- gossip addiction + vanity addiction + voyeur addiction
- Then this addiction gets "monetized" by selling advertising space
Asocial Networking

- The quality of information has declined
- Wikipedia
  - The only encyclopedia
  - Frequently edited by government agencies (that want to promote their view of the facts), by corporations (that want to promote their business), by celebrities (who want to promote their image) and by special-interest groups (that want to promote special interests like their religion or their political views).
  - Wikipedia can be manipulated more than the printed encyclopedias
Asocial Networking

• A social network is a place where you don't know whether people truly exists.
• The social networks are populated by
  – "trolls" plant inflammatory statements
  – "bullies" harass users
  – "robots" steal your privacy
  – "spammers" bombard you with publicity
  – “phreaks" hijack accounts
Asocial Networking

• Dotcom era: the birth of Internet addiction
  – Ivan Goldberg: "Internet Addiction Disorder" (1995)
  – Kimberly Young’s "Internet Addiction - The Emergence of a new Clinical Disorder" (1996)
Asocial Networking

• And then it got worse…
  – Google (1998)
  – Facebook (2004)
  – YouTube (2005)
  – Reddit (2005)
  – Twitter (2006)
  – iPhone (2007)
  – Facebook’s "Like" button (2009)
  – Pinterest (2010)
Asocial Networking

• And then it got worse…
  – Nicholas Carr: "The Shallows" (2011)
  – Sherry Turkle: "Alone Together" (2011)
  – "Abnormal White Matter Integrity in Adolescents with Internet Addiction Disorder“ (China, 2012): Internet addiction causes brain changes that are similar to the ones found in the brains of alcoholics and drug addicts.
  – Matt Labash: "The Twidiocracy" (2013)
  – Alice Marwick: "Status Update" (2013)
Asocial Networking

• And then it got worse…
  – Stanford Persuasive Technology Lab
Asocial Networking

• And then it got worse…
  – Susan Greenfield’s article "Mind Change" (2014)
  – Susan Snyder (Univ of North Carolina, 2015): almost 50% of US students are addicted to the Internet, and that many young Internet addicts suffered from mental health problems such as depression, insomnia, attention-deficit disorder, even suicidal tendencies and alcoholism.
  – Joseph Reagle's "Reading the Comments" (2015)
Asocial Networking

- Social networking is not about building a community but about destroying the existing physical communities.
Asocial Networking

- An interesting coincidence
  - CDC (Center for Disease Control): the number of suicides in the USA has been rising since 1999
  - 1999 happens to be the year that the first social network was born (Friendster)

![Friendster Logo](image)
Privacy

• Boom of concern for privacy
  – 2013: Snowden affair
  – 2013: Khalil Shreateh hacks into Mark Zuckerberg's Facebook page
• Anonymity to escape network surveillance
• The Dark Net:
  – Tor browser (2008)
  – DuckDuckGo search engine (2008)
  – Wickr instant messenger (2012)
  – Bitcoin cryptocurrency (2009)
Socializing in the post-social world

1. Makers movement
2. Hackerspace movement
3. Volunteer-computing movement
4. Open-source movement
5. Crowdfunding phenomenon
Socializing in the post-social world

• Makers movement
  – Bay Area known for the Do-It-Yourself (DIY) culture, eg Homebrew Computer Club
  – DIY movement in biotech.
  – Maker Faire (2006)
  – Hacker Dojo (2009)
  – Explore, don’t be afraid of failing
Socializing in the post-social world

• Hackerspace movement
  – Hackers counterculture
    • Chaos Computer Club (Berlin, 1984) and Chaos Communication Congress (C3) conference
    • Metalab (Vienna, 2006)
    • Noisebridge (San Francisco, 2007)
    • 2600 hackerspaces worldwide
Socializing in the post-social world

• Hackerspace movement
  – Any kid in a small town can be a “hacker" like in Silicon Valley
  – Hackerspaces are creating real friendships in the real world
  – A new way to express yourself to your friends.
  – Explore, don’t be afraid of failing
Socializing in the post-social world

• Volunteer computing movement
  – Use the idle time of computers in the homes and offices of volunteers
  – UC Berkeley (1999): SETI@Home (1 million contributors)
  – Stanford (2000): Folding@Home
  – IBM (2004): the World Community Grid (WCG)
Socializing in the post-social world

- Open Source movement
  - 1977: Bill Joy’s Unix BSD
  - 1979: Eric Allman’s "delivermail"
  - 1983: Richard Stallman’s Free Software Foundation
  - 1984: MIT’s X Window
  - 1987: Perl, was released by its creator Larry Wall’s Perl
  - 1989: First GNU release
  - 1991 Guido van Rossum’s Python
  - 1991: Linus Torvalds' Linux
  - 1993: Red Hat commercializes Linux
  - 1995: Apache HTTP Server
  - 1997: Eric Raymond’s "The Cathedral and the Bazaar"
  - 1998: Netscape’s Mozilla
  - 1998: Freeware Summit in Palo Alto
Socializing in the post-social world

• Open Source movement
  – 2008: GitHub
  – 2008: Cloudera commercializes Hadoop
  – 2008: Cassandra
  – 2009: MongoDB
  – 2010: OpenStack
  – 2016: All software by MIT Media Lab to be released to FLOSS
  – 2016: Apple’s Mac OS X becomes open source
Socializing in the post-social world

• Open Source movement
  – Deep Learning: Torch (New York University), Caffe (UC Berkeley), Theano (Univ of Montreal, Canada), Tensor Flow (Google).
  – Robotics: Robot Operating System
  – Big Data: Hadoop, Cassandra, …
  – Internet of Things: Arduino, OpenHAB
Socializing in the post-social world

• Open Source movement
  – All major corporations donate software to the community
  – Google has released over 20 million lines of code and over 900 projects
  – Facebook: 90 repositories comprising over 40,000 commits
Socializing in the post-social world

- Open Source movement
  - Open-source communities like GitHub (1.2 million members) feature some of the engineers who have the smartest ideas
Socializing in the post-social world

- Crowdfunding
  - Kickstarter
    - $2.3 billion pledged to Kickstarter projects (April 2016)
    - 105,000 Successfully funded projects
    - 11 million total investors
  - Gofundme
    - $2 billion
    - 12 million investors
  - Indiegogo: $800 million

See https://www.kickstarter.com/help/stats for updated stats
Socializing in the post-social world

- Crowdsourcing
  - Community-based applications
  - MIT’s Center for Collective Intelligence (2006)
  - Accelerate the feedback loop - Henry Chesbrough’s “open innovation” (2005)
  - Dell's Ideastorm.com (2007): customers share ideas and collaborate with one another and with Dell
  - Lego Ideas (2008)
  - Phillips' Simplyinnovate and Open Innovation Challenge
  - Waze
Socializing in the post-social world

- Crowdsourcing deals (as of 2015)
Socializing in the Office

• We increasingly think and work in terms of short messages (tweets and texts)
• Slack
• Decline of email
The Future of Social Media

• The future of content
• The future of interaction
The future of content

• Streaming your life live to the world (Twitch.tv, Periscope, Meerkat...)

[Top Live Channels image with Twitch.tv and Periscope logos]
Live Now in #girls

- #girls
- #girls
- #girls
- #girls
- #girls
- #girls
- #girls
- #girls

- ★ 56 itsMeLaurrMarie Live • 2416
- ★ 66 ChannonRose Live • 3035
- ★ 35 Autumn Garran... Live • 1895
- ★ 13 HaleighBoBaleigh Live • 464
- ★ 74 Jhovy Live • 1829
- ★ 74 MegansNation Live • 1357
- ★ 50 Nesmamamdou Live • 376
- ★ 53 JdoJennie Live • 1168
The future of content

- Video
  - Facebook passed 8 billion daily video views (2015)
  - Snapchat passed 6 billion daily video views (2015)
  - Google YouTube has over a billion users (300 hours of video added every minute)
The future of content

- Apps for video editing
  - Google FlyLabs (New York)
  - Cinematique (New York)
  - Shutterstock's Sequence
  - GoPro's video editing
  - Flipagram (Los Angeles)
The future of content

• Immersive 3D photography
  – Fyusion (San Francisco)
• VR videos
  – 8i (New Zealand)
The future of interaction

• The social life of algorithms
  – In theory we interact with other people,
  – In practice most of the interaction takes place with algorithms
  – Gartner's study: by 2018 about 20% of all business content will be created by machines and there will be 6 billion connected things
  – Thousands of algorithms tell us where to eat, which movie to watch, what to buy, how much to exercise, and whom to date
  – And we mostly obey
The future of interaction

• The social life of machines
  – Gartner: by 2020 virtual assistants will constitute 40% of mobile interactions
  – Social life in the post-app era will be largely controlled by virtual assistants
  – Virtual assistants will also interact with smart things around the house, the office and the city
  – Robots will "socialize" via the cloud.
  – The social life of machines will be more interesting than the social life of people
The future of interaction

• The social life of chatbots
  – Facebook Messenger becomes a platform for developers of chatbots
The future of delivery

• Explosion of videos, live streaming, video calls, video conferencing, etc is testing the limits of 4G technology
• Artemis: the pcell

Global Mobile Data Traffic (Actual/Projected)

CAGR = 40-70%

What is pCell™?
Wireless Reinvented

pCell Performance
Sharing Economy

• Sharing Economy
  – Monetize idling capacity: most of the time we don’t use most of what we own
Sharing Economy

- Sharing Economy
  - Collaborative consumption
  - A side-effect of the financial crisis of 2009-10
  - Enabled by social mobility, by Amazon/Yelp customer reviews ("trust"), and by… a wasteful society (idling capacity)!
Sharing Economy

• Technology is changing the future of capitalism from competing to sharing
• “By the end of this decade, power and influence will shift largely to those people with the best reputations and trust networks, from people with money and nominal power... giving a voice to what we once called "the silent majority."
• Rachel Botsman and Roo Rogers: What’s Mine is Yours (2010)
• Lisa Gansky: The Mesh: Why the Future of Business is Sharing (2012)
Sharing Economy

• “Glocal:” a localized version of a global service (eg Uber)
Sharing Economy

• P2P Finance
  – Marketplace lending (LendingClub)
  – P2P Insurance (Lemonade)
Sharing Economy
Sharing Economy

• Businesses must think of what value they own besides... their business

• Eg, motels and schools own parking lots that are not used for many hours during the day, a valuable asset in congested cities
Sharing Economy

• Sharing Economy
  – Invisible sharing: the “sharing” of resources and knowledge will be done automatically
    • Waze (acquired by Google)
    • Here (owned by BMW, Audi, and Daimler) to crowdsourced information acquired by in-car sensors to provide other cars’ drivers with more accurate information on traffic

Enhancing the driving experience
Go beyond A to B with four new auto services from HERE
Ed-tech

- Education in the USA
  - 7% of the GDP
  - $12,731 per pupil on secondary education
  - #1 in tuition fees
Edtech

• 1946: the USA had the #1 high school graduation rate in the world
• Today: # 22 among 27 industrialized nations
• US students rank 25th in math, 17th in science and 14th in reading (OECD, 2012)
• Only 46% of students finish college

SOURCE: The Organisation for Economic Co-operation and Development, Results from PISA 2012, Country Note: United States (France, OECD, 2013)
Democratizing Education

- MOOCs (Massive Open Online Courses)
  - Khan Academy (Salman Khan, 2006): free K12 education worldwide
  - SlideShare (Jon Boutelle, 2006): free repository of slide presentations
  - Edmodo (Nic Borg and Jeff O'Hara, 2008): platform for teachers
  - Udemy (Eren Bali, 2010): online marketplace where anyone can upload and sell a class
Democratizing Education

• MOOCs (Massive Open Online Courses)
  – Coursera (Andrew Ng, 2011): online university-level courses in collaboration with universities
  – Udacity (Sebastian Thrun, 2011): online training courses in collaboration with industry
Democratizing Education

- Free encyclopedia
  - Wikipedia (2001)

![Number of articles on en.wikipedia.org from 2001 to 2015](image)
Democratizing Education

• 2015 statistics
  – SlideShare 19.7 million slide presentations
  – Udemy: 40,000 courses and 10 million students
  – EdX: 5 million students
  – Coursera: 15 million students
  – Udacity: 4 million students
  – Khan Academy: 10 million (per month)
  – Edmodo: 44 million
Startups to watch

- Learnist (San Francisco, 2012): teachers and students can curate content on “Learnboards” (a knowledge social network)
Startups to watch

- Primo Toys (Britain, 2013): teaching the basic of programming without using letters

1. Write a program with the blocks.
2. Send your program to Cubetto.
3. Watch Cubetto execute your program.
Startups to watch


Learn to code interactively, for free
Startups to watch

Startups to watch

- CareerFoundry (Germany, 2013): a learning platform plus a job-coaching service plus a job-placement service
Gamified Education

• GameDesk (Univ of Southern California, 2008): games as educational tools
• KnowRe gamified Adaptive-learning
• ClassDojo (San Francisco, 2011): classroom management for teachers through real-time feedback and online rewards - 30 million users in 2015
Courseware Authoring

- Creating interactive personalized courseware
  - Amplify (New York, 2000)
  - Blinklearning (Britain, 2009)
  - Top Hat Monocle (Toronto, 2010)
  - Pear Deck (Iowa, 2014)
Parents Involvement

- Mobile messaging platforms to connect teachers, parents and students
  - Remind (San Francisco, 2011): mobile messaging platform - 10 million users in 2015
  - Kaymbu (Boston, 2012)
Foundations to watch

- Meritful (Washington, 2012): helping small firms recruit the best college graduates

- Beyond 12 (San Francisco, 2009): nonprofit tracking the careers of high school graduates

- Edcamp (Pennsylvania, 2011): teacher-run "unconferences" ("edcamps") that take place on Saturdays and during the summer
Edtech Incubators

- Imagine K12 incubator (Palo Alto, 2011)
Edtech

- Stanford wants to form T-shaped people

![Diagram of T-shaped people with labels: i, generalist, \( T \) for expert with broad knowledge, \( TT \) for double expert with broad knowledge.](image)
Edtech

• China and the West
  – 1,000 years ago China was inventing everything and the West was copying
  – Today the West is inventing everything and China is copying
  – China has to rediscover the spirit of 1,000 years ago
Edtech

• China and the West
  – A very interdisciplinary spirit
  – Scholar-official of the Song dynasty: the universal man, combining the qualities of scholar, poet, painter, statesman
Ecotopia

- Leon Battista Alberti’s “On the Art of Building” (1452): “the city is like a great house, and the house in its turn a small city.”
- Federico da Montefeltro’s palace in Urbino (1444-82): “a city in the form of a palace” (Baldassare Castiglione)
Ecotopia

• “The Ideal City” (1480s)
Technology and Ecotopia

- Technology mediates between the individual/family and the social and natural environment
- The technology of 1480 was architecture, a very physical technology
- We are inventing the technology of the 2010s, and it is increasingly virtual, not physical
Technology and Ecotopia

• Physical technology mediates well if it is efficient and beautiful
• Urban planning until the 20th century = efficiency + aesthetics
• Urban planning of the 2010s = efficiency + ?
Not Ecotopia

• USA 1950s/1960s:
  – Unchecked two-dimensional expansion of urban sprawl
  – Boring streets make pedestrians unhappy
  – Skyscrapers make people lonely and neurotic
Urban growth is an environmental issue

- 1900: there are only 16 cities with populations of greater than 1 million
- 2015: There are more than 500 cities with populations of greater than 1 million
- 2.5 billion people expected to move to urban areas by 2050
- Urban areas are increasingly dispersed and extensive
Urban growth is an environmental issue

- 1950s-2010s:
  - US metropolitan areas increasingly dispersed
  - Boom of consumption
  - But also boom of per-capita resource consumption (land, water, and fossil fuels)

- US-style ways of urban living are not sustainable
China 2025

• China’s wave of urbanization:
  – to move 250 million rural residents into newly constructed towns and
  – to fully integrate 70% of the country’s population, or roughly 900 million people, into city living by 2025.

• “Urbanization can launch a process of value creation” (Xiang Songzuo, chief economist, Agric.l Bank of China)
China 2025

• China’s wave of urbanization:
Anti-urbanization movement

- Case study: Paolo Soler’s: “Arcology” (1969, Arizona)
  - architecture + ecology
  - The city as a living, breathing, evolving organism
  - Living in harmony with the natural world
  - the sprawling urban landscape replaced by dense, integrated, three-dimensional cities
Ecotopias of the 2000s

- Sustainable, hyper-efficient buildings
- Evolving human communities
- Simcity 2000 city-building game: building arcologies
- Many experiments:

  - Norman Foster’s Masdar, UAE
  - Shimizu Corporation’s TRY Mega-City Pyramid (2004)
Ecotopia: yesterday and tomorrow

• Low-tech ecotopia
  – The move to suburbia in the 1950s was driven by the middle class
  – Enabled by car and highways
  – Appeal: affordable enjoyable housing – better physical life

• High-tech ecotopia
  – The move to satellite cities of the 2010s driven by the engineers
  – Enabled by the smartphone and the Internet
  – Appeal: better online life?
The rise of Silicon Valley

- 1940: Silicon Valley’s urban development covers 50 km² (US Geological Survey, 1940)
- 2000: 750 km² (868 autos per 1000 residents)
(trivia)

- BTW: the largest increase in Asian population of the entire USA!

Asian, Latino populations on the rise
For the second year in a row, Santa Clara County has the nation's largest increase in Asian population. Latino numbers are also growing, as the white population continues to decline.

Largest Asian increases
<table>
<thead>
<tr>
<th>County</th>
<th>Est. Asian population gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Clara</td>
<td>18,400</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>14,300</td>
</tr>
<tr>
<td>Orange</td>
<td>11,000</td>
</tr>
<tr>
<td>Queens, N.Y.</td>
<td>10,400</td>
</tr>
<tr>
<td>Clark, Nev.</td>
<td>9,800</td>
</tr>
</tbody>
</table>

Most diverse counties
There are only four counties in the United States where whites, Asians and Hispanics each make up at least 20 percent of the population. Their ethnic breakdown is shown here, compared to that of the nation as a whole.

*Includes American Indian, Pacific Islander and multiracial
Source: Census Bureau

† 23.8 45.9 23.0 31.2 26.4 21.4 12.3 2.3 15.1 4.3 66
The rise of the Bay Area

- Bay Area: $13.5 billion in venture capital investment (2011)
- More than four times metropolitan Boston or metropolitan New York (second and third largest centers for venture capital investment in the USA)
The rise of Silicon Valley

2013 venture capital
Silicon Valley

- Technopolis: a geographically concentrated high-tech urban entity which is characterized by
  - Collaborative relationships between government, industry and universities,
  - Risk-taking venture capital
  - Free movement of labor
  - Meritocracy
  - Tolerance for failure
  - Cosmopolitan
  - Networking "(coopetition")"

- SV is flat! No high-rise buildings! No center of town
- A cluster of cities with no boundaries and no personality
Silicon Valley

- Silicon Valley is a polycentric metropolis
  - San Jose: eBay, Cisco, IBM Almaden Labs
  - Cupertino: Apple
  - Santa Clara: Intel
  - Sunnyvale: Yahoo
  - Mountain View: Google
  - Menlo Park: Facebook
  - Palo Alto: VMware
  - Redwood City: Electronic Arts
  - Redwood Shores: Oracle
  - South San Francisco: Genentech
  - San Francisco: Autodesk, Twitter, Airbnb, Uber
Where’s downtown?
The 2000s

• University Avenue, Palo Alto: Google, Facebook, PayPal…
The 2010s

• Twitter, Pinterest, Airbnb, Uber…: San Francisco.

• Jack Dorsey (Twitter’s co-founder): "I love the idea of an urban corporate campus with all the energy and variety that provides."
Venture capital by city (2005)
Venture capital by city (2014)
# Top areas for VC investment

## Top Ten Zip Codes for Venture Capital Investment in the Bay Area

<table>
<thead>
<tr>
<th>Rank</th>
<th>Zip Code</th>
<th>Neighborhood and Features</th>
<th>City</th>
<th>Investment (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>94107</td>
<td>Portero Hill, South Beach, South Park</td>
<td>San Francisco</td>
<td>$1,885.8</td>
</tr>
<tr>
<td>2</td>
<td>94105</td>
<td>Rincon Hill, Embarcadero South</td>
<td>San Francisco</td>
<td>$693</td>
</tr>
<tr>
<td>3</td>
<td>94043</td>
<td>Suburban Mountain View, including Google headquarters</td>
<td>Mountain View</td>
<td>$660.5</td>
</tr>
<tr>
<td>4</td>
<td>94063</td>
<td>Centennial, Stambaugh Heller, Redwood Village, Friendly Acres</td>
<td>Redwood City</td>
<td>$575.2</td>
</tr>
<tr>
<td>5</td>
<td>94103</td>
<td>South of Market</td>
<td>San Francisco</td>
<td>554.6</td>
</tr>
<tr>
<td>6</td>
<td>95054</td>
<td>Suburban Santa Clara, north</td>
<td>Santa Clara</td>
<td>$548.3</td>
</tr>
<tr>
<td>7</td>
<td>94065</td>
<td>Redwood Shores</td>
<td>Redwood City</td>
<td>$433.5</td>
</tr>
<tr>
<td>8</td>
<td>94301</td>
<td>Crescent Park, University South, Old Palo Alto</td>
<td>Palo Alto</td>
<td>$412.7</td>
</tr>
<tr>
<td>9</td>
<td>94085</td>
<td>North-central Sunnyvale</td>
<td>Sunnyvale</td>
<td>$389.7</td>
</tr>
<tr>
<td>10</td>
<td>94089</td>
<td>North Sunnyvale, including Lakewood, Lockheed Martin headquarters</td>
<td>Sunnyvale</td>
<td>$378.2</td>
</tr>
</tbody>
</table>

94043: Googleplex  - 94301: downtown Palo Alto
By city

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Investment (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>San Francisco</td>
<td>$4,390</td>
</tr>
<tr>
<td>2</td>
<td>Palo Alto</td>
<td>$1,291</td>
</tr>
<tr>
<td>3</td>
<td>Redwood City</td>
<td>$1,064</td>
</tr>
<tr>
<td>4</td>
<td>Mountain View</td>
<td>$918</td>
</tr>
<tr>
<td>5</td>
<td>Sunnyvale</td>
<td>$800</td>
</tr>
<tr>
<td>6</td>
<td>Santa Clara</td>
<td>$733</td>
</tr>
<tr>
<td>7</td>
<td>San Jose</td>
<td>$688</td>
</tr>
<tr>
<td>8</td>
<td>San Mateo</td>
<td>$307</td>
</tr>
<tr>
<td>9</td>
<td>Fremont</td>
<td>$299</td>
</tr>
<tr>
<td>10</td>
<td>Pleasanton</td>
<td>$284</td>
</tr>
</tbody>
</table>

San Francisco: 16% of total US venture investment
Palo Alto: 4.8%
The rise and fall of Silicon Valley

• Easy access to economic and social activity is a primary driver of urban life
• The “time” factor: cost of access to transportation and activities
• The dominant mode of urban transport (e.g., streetcar or car) during a city's major growth periods determines the city's overall development pattern.
The rise and fall of Silicon Valley

- Silicon Valley until the 2000s: fast inexpensive auto-based transport + dispersed employment locations = sprawling highway-oriented urban growth and little investment in public transport and increased dispersion of employment

- Accessibility was not an issue

- Subsidized housing
The rise and fall of Silicon Valley

- Silicon Valley in the 2010s: expensive auto-based transport + poor public transport + no sense of community + skyrocketing real estate prices
The national trend

- Clusters of venture capital and technology start-ups are shifting from shapeless suburban boomtowns to denser population areas
Driven by the investor

• 1980s:
  – Venture capital-backed societies
  – High-tech innovation hubs = high-tech firms + university campuses + specialized services
  – Abundance of reusable industrial real estate is a must
  – Proximity to a campus is a must (proximity to a high-skilled labor pool)
  – Silicon Valley and Boston's Route 128 area
Driven by the investor

- 1990s and 2000s:
  - Silicon Valley dominates
  - The “decentralized, cooperative ecosystem” (AnnaLee Saxenian) wins over the bureaucratic corporate model
  - Mythology of Silicon Valley becomes a magnet in itself
Driven by the investor

- 3000 Sand Hill Rd, Menlo Park
Driven by the engineer

• 1970s-2000s:
  – High-tech firms, engineers and investors prefer suburbia, far away from the traditional industry and commerce
  – High-tech alone creates sprawling suburbs
• 2010s: “The great inversion" (Alan Ehrenhalt)
  – New York City, San Francisco, Boston… Berlin… Seoul, Beijing…
  – Highly educated individuals drive a return to the crowded city
Case Study:
Cambridge, MA and “Route 128”
Case Study: Cambridge, MA and “Route 128”

- Proximity to 2 major universities (MIT, Harvard) and many Boston colleges
- Pioneering work in computers (most of the world’s programmers in the 1950s)
- 300 years of startup experience (Saugus Iron Works, the first integrated ironworks in North America, founded in 1646)
- Close association and seamless cooperation between academia, government and industry
Case Study:
Cambridge, MA and “Route 128”

• “Route 128” competing with Silicon Valley in the 1980s (“mini-computer” era)
• But very few “Route 128” success stories in the last 20 years although providing brains to Silicon Valley (eg Facebook)
• Silicon Valley adapted successfully to changing patterns of international competition (Japanese semiconductor boom), Route 128 failed to adapt
Case Study:
Cambridge, MA and “Route 128”

• Causes of decline
  – Defense always accounted for more than 50% of I.T. funding, but the Vietnam War ended in 1975 and the space race slowed down after 1969 and the Soviet Union collapsed in 1991
  – Not enough of the high-tech industry was founded by independents
  – MIT and Harvard and the other schools continue to attract and graduate the best talents, but these are more likely to find investors elsewhere
Case Study:
Cambridge, MA and “Route 128”

• Causes of decline
  – Excessive partnership between academia, government and industry (3 different world views with 3 different goals), i.e. the local government over-managed (Silicon Valley let the free market build and diversify the local economy)
  – Emphasis on traditional values: trade secrecy (minimal flow of information in the network), corporate loyalty, (minimal labor mobility), centralized decision system, risk-averse stability (vs Silicon Valley’s decentralized informal network-based risk-taking industrial system)
Case Study:
Cambridge, MA and “Route 128”

- Causes of decline
  - Bob Metcalfe’s law: the value of the network to each node is exponentially related to the number of nodes on the network.
  - It is not a zero-sum game
  - Innovation ecosystems driven by competition actually create a form of cooperation, or collective progress
  - The success of one increases the chances of the success of another
  - Silicon Valley: semiconductor to personal computers to local area networks to dotcoms to search to social networks….
Case Study: Cambridge, MA and “Route 128”

• Causes of decline
  – Limited appeal of experimentation for the sake of experimentation
  – Great creativity among young people, but limited motivation to explore new ways of public-private partnerships to drive innovation
Silicon Valley-ian Ecotopia

- Satellite cities for high-tech industry:
  - Sophia Antipolis (France)
  - Oulu (Finland)
  - Skolkovo (Russia)
  - Hsinchu (Taiwan)
  - Cyberjaya (Malaysia)
  - Bangalore’s Electronics City (India)
  - Hyderabad Information Technology and Engineering Consultancy (HITEC)
Walkable Urbanism

• (Christopher Leinberger, George Washington University, 2012)
• Simulating an urban experience in a suburb by building condos and apartments on the same block, or even in the same building, with restaurants, boutiques, offices, markets, etc
• Home within walking distance—or at least within a few minutes’ drive—to public transportation
• Young techies want the amenities of a city
• Young techies don’t want a car
Walkable Urbanism

- 558 walkable urban places in the USA (2014)
- More:
  - [http://www.brookings.edu/about/programs/metro/walkable-urbanism](http://www.brookings.edu/about/programs/metro/walkable-urbanism) (Brookings Inst)

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Shea's Mountain House development, about an hour outside of Silicon Valley.
Convergence of the digital and physical world

• Internet of Things will enable many new technologies relevant to urban planning
• New model for connectivity
• Centers of education, creativity and innovation
Convergence of the digital and physical world

- New York
  - Control Group, Titan, Qualcomm and Comark: LinkNYC (10,000 communications hubs that provide city residents and visitors with free public gigabit Wi-Fi, access to communications, information and municipal services)
  - Sep 2015: Control Group and Titan merge to form Intersection and are acquired by Sidewalk Labs.
  - Intersection project: expanding LinkNYC model (free Wi-Fi) to cities around the globe (intersection.com)
Art

- Man Bartlett's #24hEcho for the "Hostess Project" at PPOW Gallery
- Nic Rad's People Matter
- Guthrie Lonergan: Myspace Intro Playlist
- Debo Eilers: Twitterrific
- Brian Piana's Ellsworth Kelly Hacked My Twitter
- "Johnny Cash Project"
- BobbyBobby's "Mona Lisa"
- Friedrich Kirschner's person2184

Reserved

Terry Chang

Here's a little about me and why I love this painting.

"I've thought of buying a New Yorker for eight years now. I'm really a fan of the cover. "I want the first four years of me or something around it. I'll buy the whole collection to fill my dad since he was a candidate and I'm buying a house. I have a good friend who says that people. Oh, then, there's a lot of art.

I was a fan of one of the paintings of Andy Warhol and Marcia Schaffer who I think is great. It's a painting of a couple who have a baby. It's really a beautiful painting. It's a painting of a couple and the baby. It's beautiful. It's a painting of love and a baby. It's beautiful. The German expressionists see this kind of complexity in their work, but we still love paintings. It's a very popular and stretching which is really good for the whole painting."
Bibliography
Contact

• www.scaruffi.com

See http://www.scaruffi.com/singular/human20.html for the full text of this discussion