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Sam Bankman-Fried Has a Savior Complex—And Maybe You Should Too

By Adam Fisher

Photography: SASHA ARUTYUNOVA

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Every startup has a startup story. Apple was two hackers in a Los Altos garage. Google was two grad students in a Stanford dorm room. Alameda Research was just one guy in a Berkeley apartment, making a single cryptocurrency trade. That guy was Sam Bankman-Fried, or SBF to his friends. Yet the trade he made, which eventually led to the crypto-trading platform FTX, is far from the standard Silicon Valley creation tale. In 2017, when he was merely 25, SBF collapsed the so-called kimchi premium, an anomalous delta between the price of Bitcoin in much of Asia and its price in the rest of the world. It was a daring feat of arbitrage—SBF is the only trader known to have pulled this off in any meaningful way—one which quickly made him a billionaire and achieved the status of legend.

Among Wall Street's financial elite, SBF's Bitcoin arb is mentioned in the same hushed tones as Paul Tudor Jones's 1987 shorting of the entire American economy, or George Soros's 1992 raid on the Bank of England, or John Paulson's 2008 bet against subprime mortgages. Alameda's capture of the kimchi premium (and other trades like it) gave SBF the grubstake he needed for his next move: founding the crypto exchange FTX—a company that may very well end up creating the dominant all-in-one financial super-app of the future. Nothing is a sure bet in crypto, but just the possibility that FTX could join—or even eclipse—the big four of American banking (JPMorgan Chase, Bank of America, Wells Fargo and Citibank) means it's already valued at $32 billion. SBF himself has amassed more wealth in a shorter period of time than anyone else, ever. The [2022 Forbes Billionaires List] pegs SBF's net worth at $24 billion. He's now 30 years old. But we get ahead of ourselves.

SBF learned to trade at Jane Street, an under-the-radar high-frequency trading shop in New York's financial district. The firm recruits from the smartest students in math and physics at MIT. SBF, a physics major at MIT, had interned at Jane Street in the summer of 2013 and was one of the few such recruits invited back for a full-time job. He was put to work as a market maker trading global ETFs—more difficult than simply making a market for a single stock, in the same way Tri-Dimensional Chess is more difficult than the bog-standard variety.

Not long before interning at Jane Street, SBF had a meeting with Will MacAskill, a young Oxford-educated philosopher who was then just completing his PhD. Over lunch at the Au Bon Pain outside Harvard Square, MacAskill laid out the principles of effective altruism (EA). The math, MacAskill argued, means that if one's goal is to optimize one's life for doing good, often most good can be done by choosing to make the most money possible—in order to give it all away. "Earn to give," urged MacAskill.

EA traces its roots to philosopher Peter Singer, who reasons from the utilitarian point of view that the purpose of life is to maximize the well-being of others. Singer, in his eighth decade, may well be the most-read living philosopher. In the 1970s, Singer almost single-handedly created the animal rights movement, popularizing veganism as an ethical solution to the moral horror of meat. Today he's best known for the drowning-child thought experiment. (What would you do if you came across a young child drowning in a pond?) Singer states the obvious—and then universalizes the underlying principle: "Few could stand by and watch a child drown; many can ignore the avoidable deaths of children in Africa or India. The question, however, is not what we usually do, but what we ought to do." In a nutshell, [Singer argues] that it's a moral imperative of the world's well-off to give as much as possible—10, 20, even 50 percent of all income—to better the lives of the world's poor.

MacAskill's contribution is to combine Singer's moral logic with the logic of finance and investment. One not only has an obligation to give a significant percentage of income away, MacAskill argues, but to give it away as efficiently as possible. And, since every charity claiming to save lives has a budget, they can all be ranked by cost-effectiveness. So, how much does it cost for a charity to save a single life? The data says that controlling the spread of malaria and worms has the biggest bang for the buck, with a life saved per every $2,000 invested. Effective altruism prioritizes this low-hanging fruit—these are the drowning children we're morally obligated to save first.


Effective Altruism founder will macaskill

Though EA originated at Oxford, it has found most of its traction in the Bay Area. Such fixtures in the Silicon Valley firmament as Dustin Moskovitz and Reid Hoffman have publicly endorsed the idea, as have tech oracles like Eric Drexler and Aubrey de Grey. The EA rank and file draws from the rationalist movement, a loose intellectual confederation of scruffy, young STEM-oriented freethinkers who typically (or, perhaps, stereotypically) blog about rationality and live gender-fluid, polycurious lifestyles in group houses in Berkeley and Oakland.

SBF is from the Bay Area—the eldest son of two Stanford law professors, Joe Bankman and Barbara Fried. His parents raised him and his siblings utilitarian—in the same way one might be brought up Unitarian—amid dinner-table debates about the greatest good for the greatest number. One of SBF's formative moments came at age 12, when he was weighing arguments, pro and con, around the abortion debate. A rights-based theorist might argue that there aren't really any discontinuous differences as a fetus becomes a child (and thus fetus murder is essentially child murder). The utilitarian argument compares the consequences of each. The loss of an actual child's life—a life in which a great deal of parental and societal resources have been invested—is much more consequential than the loss of a potential life, in utero. And thus, to a utilitarian, abortion looks more like birth control than like murder. SBF's application of utilitarianism helped him resolve some nagging doubts he had about the ethics of abortion. It made him comfortable being pro-choice—as his friends, family, and peers were. He saw the essential rightness of his philosophical faith.

Highly mathletic, SBF breezed through Crystal Springs Uplands, an elite prep school in Hillsborough, California. Though he earned top marks, he kept to himself, spending most of his free time playing computer games (*StarCraft, League of Legends*) and a trading card game, *Magic: The Gathering*. But at MIT he found his tribe: fellow pledges at Epsilon Theta, a coed fraternity of supergeeks similarly interested in *Magic,* and video games. Thetans are [fond] of debating math, physics, computer science, linguistics, philosophy and logic problems—for fun—at alcohol-free parties.

It was his fellow Thetans who introduced SBF to EA and then to MacAskill, who was, at that point, still virtually unknown. MacAskill was visiting MIT in search of volunteers willing to sign on to his earn-to-give program. At a café table in Cambridge, Massachusetts, MacAskill laid out his idea as if it were a business plan: a strategic investment with a return measured in human lives. The opportunity was big, MacAskill argued, because, in the developing world, life was still unconscionably cheap. Just do the math: At $2,000 per life, a million dollars could save 500 people, a billion could save half a million, and, by extension, a trillion could theoretically save half a billion humans from a miserable death.

MacAskill couldn't have hoped for a better recruit. Not only was SBF raised in the Bay Area as a utilitarian, but he'd already been inspired by Peter Singer to take moral action. During his freshman year, SBF went vegan and organized a campaign against factory farming. As a junior, he was wondering what to do with his life. And MacAskill—Singer's philosophical heir—had the answer: The best way for him to maximize good in the world would be to maximize his wealth.

SBF listened, nodding, as MacAskill made his pitch. The earn-to-give logic was airtight. It was, SBF realized, applied utilitarianism. Knowing what he had to do, SBF simply said, "Yep. That makes sense." But, right there, between a bright yellow sunshade and the crumb-strewn red-brick floor, SBF's purpose in life was set: He was going to get filthy rich, for charity's sake. All the rest was merely execution risk.

His course established, MacAskill gave SBF one last navigational nudge to set him on his way, suggesting that SBF get an internship at Jane Street that summer.

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In 2017, everything was going great for SBF. He was killing it at Jane Street. He was a trader's trader: so fluent with transactions that others would come watch him work, like one might watch an esports athlete streaming on Twitch. He was giving away 50 percent of his income to his preferred charities, with the biggest donations going to the Centre for Effective Altruism and 80,000 Hours. Both charities focus on building the earn-to-give idea into a movement. (And both had been founded by Will MacAskill a few years before.) He had good friends, mostly fellow EAs. Some were even colleagues. Jane Street was a great place to work, with an enviable corporate culture, plenty of perks, and some of the most generous pay packages in the industry. SBF had launched himself on a trajectory that would make him a very wealthy man. He was extremely happy at Jane Street—and content to stay there forever.

Still, when SBF analyzed the bright future that lay before him, something wasn't right. He was, he realized, too secure. SBF's mind had been trained almost from birth to calculate. As a schoolboy the hedonic calculous of utilitarianism had him trying to maximize the utility function (measured in "utils," of course) for abortion. During his teenage gaming years, his mathematical abilities allowed him to sharpen his tactics—and win. And, of course, every trade SBF ever made at Jane was the subject of a risk/reward calculation. All of it boiled down to expected value. The formula is fairly simple. If the amount won multiplied by the probability of winning a bet is greater than the amount lost multiplied by the probability of losing a bet, then you go for it—irrespective of units. Utils, euros, dollars were all subject to the same reckoning.

But, at Jane, SBF osmosed another trading principle. He learned to be "risk-neutral": In simple terms, a trader, given a choice between $50 and a 50 percent chance at $100, must be agnostic if they want to maximize the expected value of earnings over a lifetime. Those who prefer the sure win are "risk-averse," and those who would rather gamble are "risk-lovers." But both risk-lovers and the risk-averse are suckers, equally. Because, over the long run, they lose out to the risk-neutral, who take both deals without prejudice.

Here, SBF realized, was the rub: When he applied this principle to his own life, he came up short. There was little chance he'd get himself fired from Jane Street. Thus the decision to stick with Jane was a risk-averse preference. It was the logical equivalent of being offered a choice between $50 and 50 percent of $100, and saying, "Give me President Grant." SBF was risk-neutral on behalf of Jane Street, but not, he realized, for his own life. To be fully rational about maximizing his income on behalf of the poor, he should apply his trading principles across the board. He had to find a risk-neutral career path—which, if we strip away the trader-jargon, actually means he felt he needed to take on a lot more risk in the hopes of becoming part of the global elite. The math couldn't be clearer. Very high risk multiplied by dynastic wealth trumps low risk multiplied by mere rich-guy wealth. To do the most good for the world, SBF needed to find a path on which he'd be a coin toss away from going totally bust.

Pressed on how he justified the decision to gamble with his future, SBF turns the question around, imagining a world where operating this way is commonplace. In that world, "There's a thousand of you. Some of you are going to do good, but the starving child doesn't give a shit about which person it is who does that good. So why are you concerned about this little term in the equation?" To be clear: that "little term" in SBF's equation is "you"—in other words, the specific person who saves the starving child. SBF is making a distinction between the selfish desire to be a savior and the selfless desire that children be saved—and choosing selflessness. "Obviously, I care about impact," he says, and by "impact" he means "maximizing the overall chance that someone saves the child." Thus, logically, it follows that "I am risk-neutral on overall impact."

In the wake of this epiphany, SBF gave his notice. Caroline Ellison, a friend and colleague who was trading on the equities desk at Jane Street during that time, remembers the moment well. "It was unusual," she says, "because he decided to quit—not to do anything in particular, but just under the premise that there were a lot of other options out there."

SBF made a list of possible options, with some notes about each:

1. Journalism—low pay, but a massively outsized impact potential.
2. Running for office—or maybe just being an advisor?
3. Working for the movement—EA needs people!
4. Starting a startup—but what, exactly?
5. Bumming around the Bay Area for a month or so—just to see what happens.

"They all felt kind of compelling," he remembers, "and I had no idea which was going to be the best." But he also knew that the only losing choice was to not make a choice, so he closed his eyes and walked through door number five.

That's when Caroline Ellison lost track of her friend.

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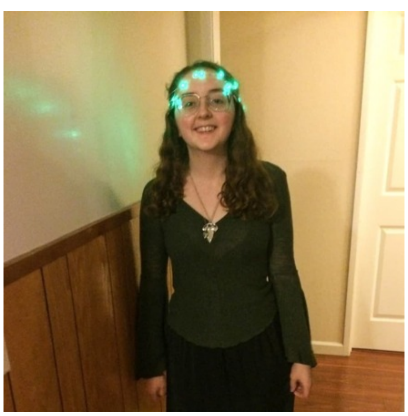
Ellison is a freckle-faced redhead with a personality that splits the difference between bubbly and nerd-ball. She's partial to a pair of designer frames that make her look a bit like Edna Mode, the superhero stylist in *The Incredibles*.

About six months after SBF dropped out, Jane Street sent Ellison on a recruiting trip to California, so she decided to call on her old friend. They'd been office buddies at Jane, but they'd also occasionally socialized outside of work, too, being fellow EA acolytes. Ellison wanted to catch up, but from the get-go, SBF was acting uncharacteristically shifty. There were several canceled coffee dates, and when the two finally did get together—at Jumpin' Java, an old-school Berkeley coffeehouse with hand-painted murals on the wall and whimsical art in the windows—SBF evaded even the most innocuous of questions.



caroline ellison dressed as a wood nymph for a larp

"So," Ellison asked after joining SBF at a table, "what have you been up to in the last few months?" Ellison, it should be noted, was dressed as a sultry wood nymph—she was on her way to a LARP (Live Action Role Play) party.

"Oh," SBF responded cryptically, "I can't tell you. It's a secret."

"Okay, that's fine," Ellison said, sipping her tea.

Uncomfortable silence.

"Well, I guess I could tell you if you really want…" SBF offered after a moment.

"Nope. It's okay." Sip.

An awkward beat later, SBF broke, slayed by the silent force of Ellison's four-eyed gaze.

"I'll just tell you," he said.

The story was pretty remarkable. After SBF quit Jane Street, he moved back home to the Bay Area, where Will MacAskill had offered him a job as director of business development at the Centre for Effective Altruism. He rented a modest apartment near CEA HQ in Berkeley, he still had a couple of weeks to just explore before his job started. This was his first vacation in, well, ever. In the years working at Jane, SBF had never taken any significant time off.

He spent his vacation just soaking everything in: It was his first time in the Bay Area as an adult, and he found his home turf unexpectedly thrilling. It was where all the new technology was. It was where all the startups were. It was where the bulk of the EA community was starting to congregate. SBF ended up hanging out a lot with his younger brother Gabe, who was living in an EA commune on nearby Stuart Street.

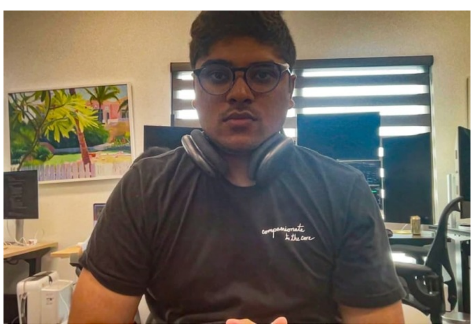
At that time, everyone in the tech world was talking about crypto. In the Bay Area, you couldn't escape the chatter. The crypto community had been roiled by a "hard fork" earlier in the year, when what had been known simply as Bitcoin underwent a mitosis to become Bitcoin Classic and Bitcoin Cash. Later that year, Bitcoin (Classic) looked like it was going to cross the psychologically important $10,000 mark. Crypto was becoming a thing.

Curious, SBF had started looking into crypto—and almost immediately noticed something strange. Bitcoin was trading at a higher price in Japan and Korea than it was in the U.S. In theory, this should never happen because it represents a riskless profit opportunity—in other words, a free lunch. One simply buys Bitcoin at the lower price, sells it at the higher price, and pockets the difference. Jane Street built an empire on high-frequency trades that took advantage of fraction-of-a-cent price differences. But here was Bitcoin, trading at around $15,000 in South Korea: an unheard-of 50 percent price premium.

SBF was incredulous at the numbers he was seeing on his screen. *This is probably not real*. But then came the second thought: *If it* is *real, then there's $5,000 just lying on the ground*. Instead of wasting time on internal debate, SBF decided to create some accounts on different exchanges and see if he could execute the trade. He couldn't. But, interestingly, it wasn't because the arbitrage opportunity wasn't there—it was. But there was so much red tape with the banking system and currency controls that it was a difficult trade to execute.

Another day of work dealing with the red-tape problem netted SBF a single round-trip trade—to Asia and back—for a $20 profit. That was it: the proof of concept. There was an opportunity to be had. SBF immediately put $50,000 of his own money to work. The first job was just getting the money into the system. The operational challenges were huge. Not just anyone can walk into a foreign bank and start wiring money out of the country every day. There are know-your-customer rules, caps on withdrawals, citizenship requirements. Even worse, to any normal bank, the constant zeroing out, then maxing out, of a cash account—with the money coming and going overseas, to and from fly-by-night Bitcoin exchanges—raised every red flag in the book. It looked like laundering. It looked like drug money. There were even monetary policy concerns: The liquidity of the South Korean won is sharply limited by the country's central bank.

Fortunately, SBF had a secret weapon: the EA community. There's a loose worldwide network of like-minded people who do each other favors and sleep on each other's couches simply because they all belong to the same tribe. Perhaps the most important of them was a Japanese grad student, who volunteered to do the legwork in Japan. As a Japanese citizen, he was able to open an account with the one (obscure, rural) Japanese bank that was willing, for a fee, to process the transactions that SBF—newly incorporated as Alameda Research—wanted to make. The spread between Bitcoin in Japan and Bitcoin in the U.S. was "only" 10 percent—but it was a trade Alameda found it could make every day. With SBF's initial $50,000 compounding at 10 percent each day, the next step was to increase the amount of capital. At the time, the total daily volume of crypto trading was on the order of a billion dollars. Figuring he wanted to capture 5 percent of that, SBF went looking for a $50 million loan. Again, he reached out to the EA community. Jaan Tallinn, the cofounder of Skype, put up a good chunk of that initial $50 million.


nishad singh in Nassau is compassionate to the core

With a goosed-up capital account, the money started piling up so fast that SBF placed what he refers to as "a market order for employees" to tend to the Rube Goldberg operation that kept the capital spinning. There were constant blowups with banks, which are wary of anything crypto. Crypto was so new that regulators in South Korea and elsewhere were constantly changing their mind about regulations—then making those changes retroactive. It was a swirling mess. Pulled into the vortex was Nishad Singh, a friend of SBF's brother Gabe, and a fellow EA member. Singh is a bespectacled and baby-faced young man with an earnest mien. He often wears a T-shirt with the words "compassionate to the core" printed, in a diminutive all-lowercase font, over his heart. After just one conversation with SBF, Singh decided to leave Facebook to take on the more meaningful work of building FTX. Caroline Ellison came, too, quitting Jane Street and moving to California only weeks after SBF described the operation to her over tea. The first 15 people SBF hired, all from the EA pool, were packed together in a shabby, 600-square-foot walk-up, working around the clock. The kitchen was given over to stand-up desks, the closet was reserved for sleeping, and the entire space overrun with half-eaten take-out containers. It was a royal mess. But it was also the good old days, when Alameda was just kids on a high-stakes, big-money, earn-to-give commando operation. Fifty percent of Alameda's profits were going to EA-approved charities.

"This thing couldn't have taken off without EA," reminisces Singh, running his hand through a shock of thick black hair. He removes his glasses to think. They're broken: A chopstick has been Scotch taped to one of the frame's sides, serving as a makeshift temple. "All the employees, all the funding—everything was EA to start with."

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The Bitcoin arbitrage didn't—and couldn't—last forever. The Japanese appetite for overpriced Bitcoin withered (or, more likely, another shadowy arbitrage outfit also found its way to the trade and collapsed it). Either way, the spread narrowed to almost nothing. But there were other trades to be had. The simple fact that crypto was new, and that the tools traders needed to handle it were still under construction, meant that there were market inefficiencies all over the place. And behind every market inefficiency is an arbitrage opportunity.

The biggest headache for Alameda wasn't finding the opportunities, but executing the trades. At that time, when it came to crypto exchanges, the choice basically boiled down to Coinbase or Binance. Coinbase makes a point of being regulated by authorities in the U.S., but as a consequence, didn't offer the kinds of options contracts and derivatives professional traders need to hedge their bets. Binance, on the other hand, offered the kinds of derivatives SBF was familiar with when he traded for Jane Street—but as a company, it was continually moving from country to country in an attempt to evade all jurisdictional authority. Neither exchange was particularly good to trade on.

"Everything was rickety—there was no avoiding the ricketiness. Obviously, the line between rickety and shady is a little unclear at times, but the places that seemed like they were going to steal customer funds outright, we didn't touch," Singh says. "Even the best players in the space were having big problems."

At this point, mid-2019, SBF decided to double down again—and scratch his own itch. He would bet Alameda's multimillion-dollar trading profits on a new venture: a trading exchange called FTX. It would combine Coinbase's stolid, regulation-loving approach with the kinds of derivatives being offered by Binance and others. He only gave himself a 20 percent chance of success, but, in his mind, SBF needed extreme risk to maximize the expected value of his lifetime earnings—and, therefore, the good his earn-to-give strategy could do. The fact that he was, by his own lights, overwhelmingly likely to fail was beside the point.

The point was this: When SBF multiplied out the billions of dollars a year a successful crypto-trading exchange could throw off by his self-assessed 20 percent chance of successfully building one, the number was still huge. That's the expected value. And if you live your life according to the same principles by which you'd trade an asset, there's only one way forward: You calculate the expected values, then aim for the largest one—because, in one (but just one) alternate future universe, everything works out fabulously. To maximize your expected value, you must aim for it and then march blindly forth, acting as if the fabulously lucky SBF of the future can reach into the other, parallel, universes and compensate the failson SBFs for their losses. It sounds crazy, or perhaps even selfish—but it's not. It's math. It follows from the principle of risk-neutrality.

"I think it's hard to justify being risk-averse on your own personal impact," SBF told me when I quizzed him about it—"unless you're doing it for personal reasons." In other words, it's selfish *not* to go for broke—if you're planning on giving it all away in the end anyway.

And, with that, he moved the nascent company to Hong Kong, a jurisdiction with a crypto-friendly regulatory regime. Hong Kong also happens to be conveniently located next door to the country that, at the time, had the largest and most enthusiastic crypto user base in the world: China.

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As Covid-19 descended, Michelle Bailhe, a young gun at Sequoia Capital, and veteran partner Alfred Lin were starting to closely examine the crypto space. Lin, a no-nonsense workaholic if there ever was one, had little patience for the kind of utopianism that motivated the first wave of cryptopians. Lin's intellect was tempered in graduate school at Stanford, where he studied statistics and price options, swaps, and derivatives. And when he thought about crypto, the question he asked himself was: *What is it good for?*

"Yes, crypto eventually could replace money, and, yes, it can eventually decentralize the web," Lin says with a dismissive wave of his hand. "But all those things are not true today. And, so, what is the thing that people do today? They trade. And if people trade, and people like trading, what is the business model that will make tons of money? It would be an exchange."

Bailhe spent months researching the space full time, focusing her energies on the exchanges. She met with every founder and every company that would have her. And she built a map—a landscape, as such a document is called at Sequoia—of the entire market.

"Of the exchanges that we had met and looked at, some of them had regulatory issues, some of them were already public," Bailhe says. "And then there was Sam." The exchange that SBF had started to build, FTX, was Goldilocks-perfect. There was no concerted effort to skirt the law, no Zuckerbergian diktat demanding that things be broken. And, yet, FTX wasn't waiting to get permission to innovate. The company had based itself offshore precisely because it aspired to build an advanced risk engine that would support all sorts of hedging strategies. SBF himself seemed to be bred for the role of crypto exchange founder and CEO. Not only had he been a top trader at a top firm—and, thus, the ideal customer—but both his parents were lawyers. "And, so, he is committed to making the right chess moves for FTX to eventually be able to legally do everything they want to do in the U.S.," Bailhe says—"not by asking forgiveness, but by asking permission."

The problem, as Bailhe saw it, was that FTX didn't appear to need any money. She was correct, but what she didn't know was that SBF was starting to think about raising money anyway. Alameda had some unexpected losses due to so-called counterparty risk. Arbitrage is, in theory, riskless. But not when the rickety exchange you're using to place your trades suddenly locks up and refuses to disburse your money. Or, worse yet, when two crypto exchanges can't even agree on what a crypto transfer looks like, and so the act of sending crypto from one exchange to another results in tokens just disappearing into the ether. And don't even ask about futures contracts that see their terms unilaterally changed mid-agreement: the dreaded "clawbacks." Alameda was not immune to the exchange-level shenanigans that gave crypto as a whole its sleazy reputation. But FTX had an ambition to change that. It was built to be the exchange traders could count on. SBF needed to get the word out. He wanted FTX to be known as the respectable face of crypto. This required ad campaigns, sponsorship deals, a charitable wing—and a war chest to pay for it all.

FTX *did* need money, after all. And it needed that money from credible sources so it could continue to distinguish itself from the bottom-feeders who came to crypto to fleece the suckers. So, in the summer of 2021, when FTX started to raise its Series B from a who's who of Silicon Valley VCs, Bailhe and Lin hit the "Don't Panic" button. "Embarrassingly, we had never tried to reach out to Sam, because we figured he didn't need us," Bailhe admits. "I thought they were just minting money and had absolutely no need for investors." Learning otherwise, they quickly contacted SBF and organized a last-minute Zoom call between him and the partners at Sequoia—at four California time on a hot July Friday afternoon. Bailhe was adamant, putting her reputation with the other partners on the line: "I'm like, 'No, it's worth it. Cancel your afternoon.'"

The Zoom went well for all concerned. SBF looked relaxed as he answered questions, talking, as he usually does, in complete paragraphs about topics of extreme complexity. Ramnik Arora, FTX's head of product and another ex-Facebook engineer, remembers the meeting clearly: "We're getting all these questions from Sequoia toward the end. He's absolutely fantastic." Arora locks eyes with me, and I am mesmerized. Arora is intense—calling to mind a Bollywood version of Adrian Brody. "Unbelievably fantastic," he says, shaking his head.

Bailhe remembers it the same way: "We had a great meeting with Sam, but the last question, which I remember Alfred asking, was, 'So, everything you're building is great, but what is your long-term vision for FTX?'"

That's when SBF told Sequoia about the so-called super-app: "I want FTX to be a place where you can do anything you want with your next dollar. You can buy bitcoin. You can send money in whatever currency to any friend anywhere in the world. You can buy a banana. You can do anything you want with your money from inside FTX."

Suddenly, the chat window on Sequoia's side of the Zoom lights up with partners freaking out.

"I LOVE THIS FOUNDER," typed one partner.

"I am a 10 out of 10," pinged another.

"YES!!!" exclaimed a third.

What Sequoia was reacting to was the scale of SBF's vision. It wasn't a story about how we might use fintech in the future, or crypto, or a new kind of bank. It was a vision about the future of money itself—with a total addressable market of every person on the entire planet.

"I sit ten feet from him, and I walked over, thinking, *Oh, shit, that was really good,*" remembers Arora. "And it turns out that that fucker was playing *League of Legends* through the entire meeting."

"We were incredibly impressed," Bailhe says. "It was one of those your-hair-is-blown-back type of meetings."

Not only that, Arora says, but *League of Legends* is the kind of multiplayer online battle arena video game where every four minutes or so of tactical maneuvering is punctuated by ten seconds of action known as a gank—gamer slang for "gang killing"—where you and your team gang up on an enemy. "There's a fight that happens, basically," says Arora, who was watching over SBF's shoulder as he answered that final question from Sequoia, "and I'm like, *This guy is fucking in a gank!*"

The B round raised a billion dollars. Soon afterward came the "meme round": $420.69 million from 69 investors.

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SBF took the money, and soon after moved FTX headquarters from Hong Kong to Nassau. Covid-19 was raging, and the city's Beijing-inspired zero-Covid policy was making business in Hong Kong untenable. The Bahamas had more relaxed Covid rules and are only 20 minutes away by plane from the crypto industry that was starting to coalesce around Miami.

I fly out to see the company for myself in the spring of 2022. Walking through the terminal in Nassau, I happen to see a copy of *The New York Times*. The headline on the front page says it all: "As Cryptocurrencies Melt Down, $300 Billion Evaporates in Days."

It's a survey of what's been happening in the crypto market. The price of Bitcoin had plunged to its lowest level since 2020. A so-called "stable coin" lost its peg and became worthless overnight. The price of Coinbase shares, a publicly traded rival of FTX's, collapsed. The markets were in mayhem.

Next to the *Times* is a copy of *The Nassau Guardian:* Hurricane warnings, a record Omicron surge. *This ought to be an interesting week,* I think to myself.

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> *"Few could stand by and watch a child drown; many can ignore the avoidable deaths of children in Africa or India. The question, however, is not what we usually do, but what we ought to do."*
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> *philosopher Peter Singer*
>
> But both risk-lovers and the risk-averse are suckers, equally. Because, over the long run, they lose out to the risk-neutral, who take both deals without prejudice.
>
> *"There's a thousand of you. Some of you are going to do good, but the starving child doesn't give a shit about which person it is who does that good. So why are you concerned about this little term in the equation?"*
>
> *sam bankman-fried*
>
> SBF was incredulous at the numbers he was seeing on his screen. *This is probably not real*. But then came the second thought: *If it* is *real, then there's $5,000 just lying on the ground.*
>
> *"I think it's hard to justify being risk-averse on your own personal impact, unless you're doing it for personal reasons."*
>
> *sam bankman-fried*
>
> *"Yes, crypto eventually could replace money, and, yes, it can eventually decentralize the web. But all those things are not true today. And, so, what is the thing that people do today? They trade."*
>
> *alfred lin*
>
> *"Of the exchanges that we had met and looked at, some of them had regulatory issues, some of them were already public. And then there was Sam."*
>
> *michelle Bailhe*

The following Monday, I brave the flooded roads of New Providence to the FTX campus. It’s a Walmart-sized parking lot hacked out of the canebrake. FTX operations are housed in five 2,000-square-foot stucco-walled and steel-roofed pavilions: identical structures so new they look as if they’ve popped out of the parking lot like mushrooms after a rain.

The HQ building is distinguished by a reception desk in the microscopic lobby. The door is unlocked. There is no receptionist. I peek around the corner and into the FTX command center—29 desks in a room designed to hold 8, at most. Every desk touches two or three others. There are no aisles. To get across the room, you have to wade through (and, at times, climb over) a sea of office chairs. Walls of wide-screen monitors—two, four, even six per desk—stand in place of cubicle walls. The screens erupt like palm leaves from aluminum uprights and are oriented willy-nilly: up, down, sideways. Some screens are mounted so high they seem to hang down from the ceiling. It's office environment as jungle, and the oddest thing about it is that no one seems to be home.

Then I hear a rustling. A nasal NorCal drawl rings out from the far corner of the room: "Yup… Yup… Yup…" Giggle. "Oh, totally."

It's SBF himself, working early—or late, as the case may be. I recognize the man because right beside his desk is a giant blue-velvet beanbag chair, which SBF famously uses as a napping spot during the weeks-long work binges when he doesn't leave the office.

He's on a Zoom call. And, from what I can overhear, he's chatting with someone about acquiring shares of a competitor "How much do we have? How much can we buy? How much are we legally allowed to buy?"

It sounds like an important strategic conversation, and SBF's questions come rat-a-tat with an overclocked diction I recognize from listening to too many podcasts at 2X. Yet, in the middle of it, he peers around his sheaf of liquid crystal to silently greet me with a big smile and an outstretched right hand while simultaneously making a wavy-pointy gesture with his left, which means "Have a seat over yonder." He's nothing if not efficient.

Over the next hour or so, people trickle in, and the room fills up. They're all friendly, but also focused. They seem to be used to having a stranger in their midst. Word comes that there's an all-hands meeting scheduled, and I'm invited. To my surprise, it turns out to be on Zoom—even though half the assembled audience is within ten feet of SBF. At the appointed hour, everyone switches on their screens and adjusts their cameras. SBF appears in the corner of the Zoom grid to talk about the situation at hand.

To sum up, much of the crypto world was panic-selling to try to get out ahead of the market, to make a margin call, or just out of plain old fear. And that volume hit FTX, since it's a major exchange—the fifth-largest—in the crypto space. There's really no good way to simulate such an event, but FTX's trading platform held together under the strain. So SBF's first order of business is to congratulate the dev crew for building a robust system: "Overall, I think the platform handled the crash relatively well, which is good. Thank you to everyone."

There are some modest smiles in the Zoom windows, including one from Singh, FTX's director of engineering. He knows firsthand, from his trading days at Alameda, how frustrating a rickety exchange can be. "As always, we have some changes to make going forward," SBF says, "but nothing really huge." The next order of business is a round of belt-tightening. "In general, money is going to be tighter for everyone in our industry and other industries too—it's not super-crypto-specific," SBF says. "So, if you are thinking about expenses that are, say, above $100 million, we should have a chat about that," he continues. "That's our new set of takeaways," he says, wrapping up his portion of the meeting. "Oh, and yeah: Ten-second updates!"

With that, the floor is open. And indeed, various FTX execs take over the presenters' mic, updating the company, in ten seconds or less, about what is going on.

- FTX Stocks is now open for a private beta.
- An independent FTX fan club has emerged: the FTT DAO.
- Time-weighted average price functionality is being tested.
- The sponsorship deals of the Met Gala and the amfAR Gala have been successful—so far.
- The NBA Eastern Conference final starts tonight at the FTX Arena: the Miami Heat versus the Boston Celtics.

That last item is the only one that provokes any kind of comment from SBF: "Go, Heat!" he shouts.

All-hands adjourned. Total meeting time? Ten minutes.

I remark to the person sitting next to me that that was rather quick for an all-hands. "That was actually an unusually long one," she says. "They're usually five minutes."

***

I'm embedded in FTX headquarters—a reporter sitting at a desk ten feet away from SBF—for a full week. I interview people, take notes, hang out, and soak up the vibe. I was expecting pandemonium in the wake of the market collapse, but the atmosphere is almost relaxed—except for the fact that SBF just keeps working and working. He's working when people arrive. He's working when people leave. It's Zoom after Zoom after Zoom, and, because SBF wears a headset, he's literally plugged into his computer all day. The only time I ever see him unplug is to collapse on that supersized beanbag chair next to his desk for a catnap.

SBF napping in Nassau

At first blush, the scene is classic startup—the kitchen full of snacks and soda; the free catered breakfasts, lunches, and dinners; the company bathroom stocked with everything you'd need to actually live at the office: Q-tips, disposable razors, Kotex. In keeping with the fashion aesthetic of senior management, the dress code is marketing-swag-meets-utilitarian-merch: gift-bag T-shirts featuring the FTX logo, nylon athletic shorts, white-cotton gym socks.

But, as the week wears on, it's the differences that start to stand out. FTX is not your ordinary startup. Most noticeable is the average age of the employees. Among senior management, SBF himself has just turned 30; Singh is 28; Arora is the old man of the group at 35. The company is also remarkably international. You hear the rapid-fire rhythm of Mandarin as often as English, but even that lingua franca comes in a wide variety of flavors—everything from a Bahamian lilt to the broken argot of ESL.

I often step out of the pressure cooker of FTX HQ and into the frying pan of the company parking lot—a macadam patch that fairly sizzles under the Bahamian sun—in order to stretch my legs. I meet a bunch of FTX employees that way. They're taking walks, too. In general, the people I meet are overworked but happy. A few are overworked and unhappy—or at least too busy to be able to enjoy their good fortune. To a person, they're unfailingly polite and helpful. FTX has a remarkable corporate culture, and, like the fashion choices on display, that comes right from the top. There's a guilelessness, an openness, that makes for interesting conversations.

Can Sun, FTX's in-house legal counsel, tells me that his main job is to cement the many deals SBF makes on a handshake. Ninety-nine times out of a hundred, Sun says, the terms favor the other side. It's another corporate policy derived from a rigorous logical argument: In an iterated prisoner's dilemma, the best first move is always to cooperate. And, if the counterparty defects, "it's better that I know this guy will screw me over now," Sun says, "rather than later."

A woman who helps run marketing for FTX (and who prefers to be anonymous), briefs me on the Crypto Bahamas event that took place the previous month. Tony Blair and Bill Clinton showed up, as did Michael Lewis, Katy Perry and Orlando Bloom. Her mission is to try to broaden the brand's appeal. "When I first joined, we had endorsement deals with Tom Brady, Steph Curry, Major League Baseball—it was like a frat house," she says. "That's why we signed the Naomi Osaka deal."

Adam Jin, who's in charge of strategic investments for FTX, tells me about one of his favorite Web3 projects, a health app called STEPN that comes with its own crypto wallet. "Once you download the app, you go to the marketplace and buy shoes," Jin says, showing me his shoes—virtual sneakers—on the STEPN app. Jin must sense my confusion because he continues: "You can use the app without the shoes, but having the shoes will entitle you to earn tokens by walking around."

STEPN is an example of the hottest new trend in crypto: the "play-to-earn" game. With STEPN, you have to make an upfront investment. Jin's virtual shoes cost him $800 (although he paid in Sol, the cryptocurrency associated with the Solana network.) But Jin can get a return on his shoe investment by walking: STEPN will pay him back, in crypto naturally, for every kilometer he walks in them. The exact ROI depends on the ever-fluctuating rates between Sol and the STEPN in-game currency, as well as on shoe-maintenance costs. (I'm surprised to learn that virtual shoes do wear out and have to be replaced.) But focusing on what it takes to win the game is missing the point, according to Jin. "It changed my lifestyle," he says, noting that he's lost all of his pandemic weight since he started using the app: "I went five kilometers on my lunch break yesterday—just running around and being healthy."

I kind of get it. STEPN adds motivation, in the form of money, to the usual boatload of reasons people have for getting fit. And, for some people, that's the motivation they need to get out there and start exercising. Is this the killer app for crypto? I'm skeptical—until, several days later, the truth finally dawns on me. It's not just Jin: Many—perhaps most—of the FTX employees I meet while walking around the parking lot are not simply on break, stretching their legs. They're earning crypto, through their STEPN app.

At first I assumed that only the financial types who work in crypto could possibly be motivated by such convoluted carrots. But the FOMO hit me at about the same time that I realized that everyone except me was wearing invisible sneakers. I find myself—a non-financial type if there ever was one—getting drawn by the funny math of play-to-earn.

“Adam,” I say, intercepting Jin on one of his five-kilometer lunch walks, “since the STEPN app uses the GPS on your phone to track your movement, couldn’t I just give my phone to someone else to take my walks for me?”

Jin catches my drift without losing his stride. “Sure! You could pay someone 20 bucks to take your phone,” he says with a cheery agreeableness I now recognize as an FTX thing. “And then you would get paid for their steps.”

“It could be a good arb,” I observe.

“I’d get more healthy that way, too,” says Jin with a chuckle.

***

I clock in at FTX HQ at nine and clock out at five for most of the week—until, one day, I’m invited to live in what amounts to the FTX dorms. Many employees take advantage of subsidized corporate housing at a nearby development called Albany. The heart of the development is a yacht basin and marina surrounded by half a dozen residential towers. The area is so new that several towers are still under construction. FTX owns a passel of the multi-bedroom apartments in the towers and rents them out as crash pads to employees. There’s a collegiate feel to the whole setup. Indeed, Albany could be mistaken for an institution of higher learning: Behind the gatehouse is everything you could ever ask for on a campus—restaurants, cafés, a health club, golf and tennis facilities and, of course, classrooms.

And what a campus! Albany is one of the most stunningly gorgeous places I’ve ever set foot in. The boat basin is filled with superyachts, megayachts, even a glittering gigayacht or two. The apartment towers that look down at the yachts below are, if it’s even possible, more immaculate than the boats. Befitting “serious architecture,” the buildings aren’t numbered but named: Squire, Tetris, Cube, Honeycomb, Lantern, Charles, Gemini, Orchid. Each was designed by a starchitect of note: Manhattan’s Morris Adjmi, the noted postmodernist, did two. The community markets itself as a second-home destination for wealthy young people—in other words, for pro athletes and pop stars. Cardi B has a place here, as does Steph Curry. Justin Timberlake and Tiger Woods are, nominally, the developers of the property. So perhaps it’s not surprising that the Albany amenity package includes a top-notch sports-training facility (with the only cryotherapy chamber in the Bahamas), as well as a state-of-the-art recording studio.

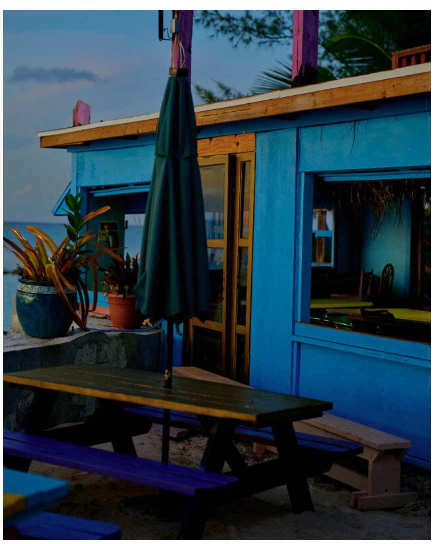
I’m quartered in an FTX-owned Tetris condo for a few nights. Each of the four bedrooms has an en suite bath, its own climate control and a stout panel door with its own lock and key—features that make each of the bedrooms feel like small hotel rooms. The common area is fronted with 26-foot-high glass walls that slide away to reveal a commanding balcony, complete with a sunken infinity edge pool. The kitchen is worthy of a private chef, and fully stocked (although, from the looks of it, no one has ever cooked a meal in it.)

As I fry up an omelet for myself—with an egg of uncertain age—my thoughts drift until they shoal in the lee of *The Great Gatsby*. The peerless American novel, written a century ago, seems especially relevant to the here and now: The Roaring Twenties are back, certainly. And I’ll be damned if Albany is not West Egg. But is crypto the new jazz? And, if it is, does that make Sam Bankman-Fried the new Jay Gatsby? Both are very young; both are self-made; in inflation-adjusted dollars, both are equally wealthy; and both are enigmatic in the extreme. On the other hand, the differences between Jay Gatsby and SBF are vast. Literary types still argue about just what motivates F. Scott Fitzgerald’s most memorable character—but one thing is certain: Altruism, effective or not, is not a factor. So, while SBF may be Gatsbian in some important ways, he’s no Gatsby. Still, I wonder if there isn’t a deeper resonance. A literary type myself, as I tuck into my solo meal, I find the novel’s closing lines tiptoeing into my consciousness:

Gatsby believed in the green light, the orgastic future that year by year recedes before us. It eluded us then, but that’s no matter—tomorrow we will run faster, stretch out our arms farther. . . . And one fine morning—

So we beat on, boats against the current, borne back ceaselessly into the past.

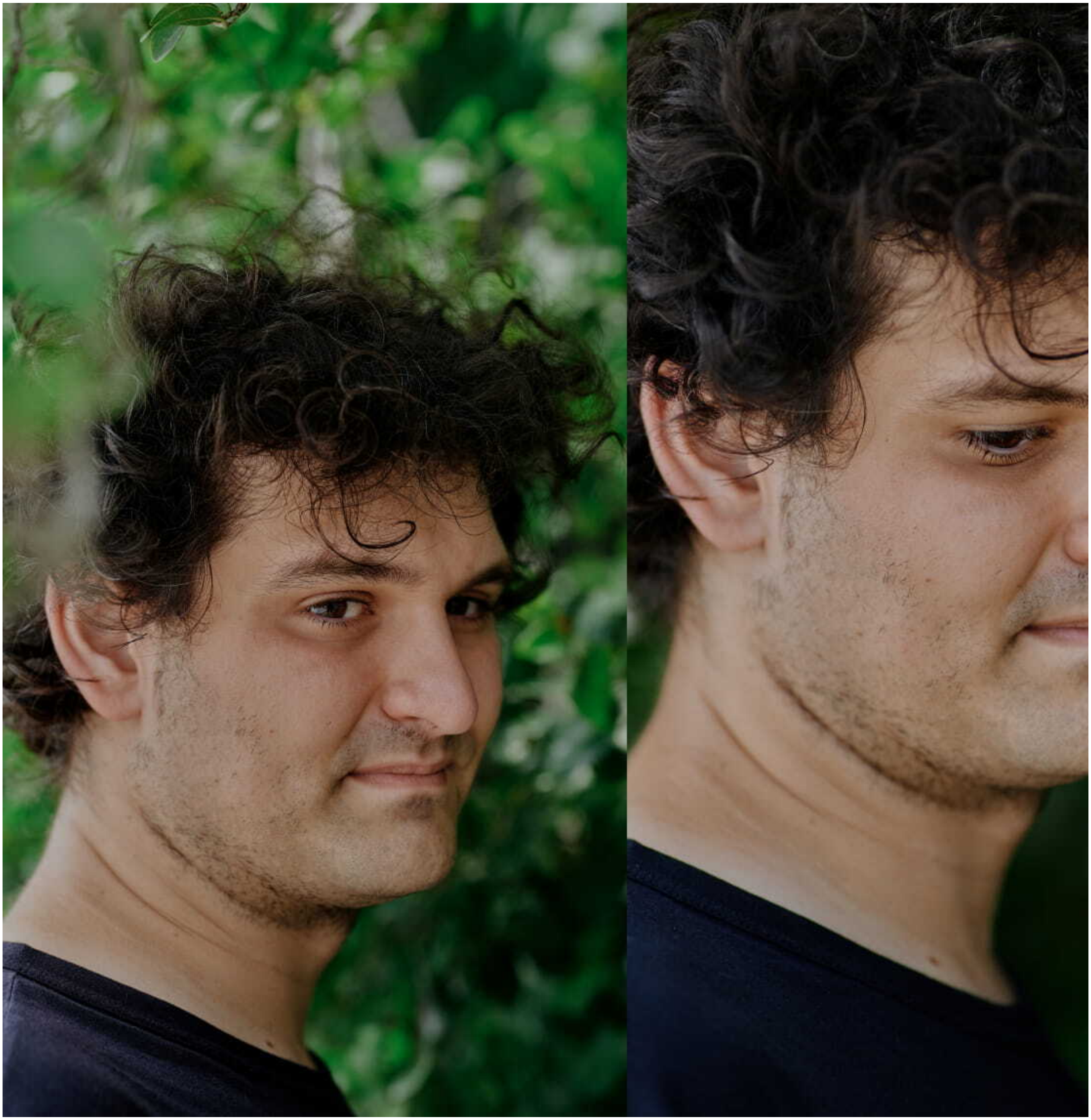
***



meanwhile, FTX is hard at work…

I recognize the man because right beside his desk is a giant blue-velvet beanbag chair, which SBF famously uses as a napping spot during the weeks-long work binges when he doesn’t leave the office.


not as comfortable as a beanbag



The next day, I finally get a chance to interview Sam Bankman-Fried. We meet in a tiny conference room. I'm prepared with a mic and an MP3 recorder at the ready. SBF comes in with his laptop and opens it to start playing his new favorite computer game, *Storybook Brawl,* before he even sits down. It's an obscure title, an "auto-battler": an emerging genre that combines elements of trading card games (like *Magic: The Gathering*) with chesslike moves and strategy. The game was released only a few years ago by an equally obscure low-budget "indie" game company, Good Luck Games.

Though we're face-to-face, SBF makes no eye contact at all—zero, not even a glance. His eyes are glued to his screen. His fingers are tapping on the keys, sometimes furiously, sometimes hardly at all. His right knee is bouncing at 100 bpm: a nervous tic, the result of a forgotten fidget spinner. The interview starts.

I open with a doozy: "Am I," I ask, "talking to the world's first trillionaire?"

Although it's admittedly a stupid question, it's not as stupid as it sounds. SBF has a net worth, as estimated by Forbes, that's higher than the vast majority (80 percent) of the world's billionaires—and, yet, he's only gotten started. FTX is a company in its infancy.

I first tried out the trillionaire question on Michelle Bailhe, the Sequoia partner who, along with Lin, knows SBF and his company the best. "It's a juicy question," she said, wavering for a moment while calculating the odds. "I think he has a real chance at that."

There's no such hesitation from SBF. But he does quickly demur, making self-deprecating mouth noises questioning his own capacity to make such a pile, before he really starts to answer.

"Maybe let's take a step back," he says, only to launch into an explanation of his own, personal utility curve: "Which is to say, if you plot dollars-donated on the X axis, and Y is how-much-good-I-do-in-the-world, then what does that curve look like? It's definitely not linear—it does tail off, but I think it tails off pretty slowly."

His point seems to be that there is, out there somewhere, a diminishing return to charity. There's a place where even effective altruism ceases to be effective. "But I think that, even at a trillion, there's still really significant marginal utility to dollars donated."

This interview has morphed into my own personal economics seminar, and Professor Bankman-Fried is my tutor. He's as good at explaining the principles of macroeconomics as anyone out there in the world today—and I know this for a fact because I've subsequently watched YouTube's best on the same subject. But SBF teaches me Macro while simultaneously playing round after round of *Storybook Brawl*.

Still, I've got my answer. And it turns out that I've aimed too low. A trillion isn't enough money to fix the world's problems, so SBF won't stop at merely a trillion. It's an answer that begs the next question, which SBF, ever helpful, has already anticipated: "So, is five trillion all you could ever use to help the world?"

SBF is now interviewing himself. He slows down for a moment, and I assume that's because of the cognitive load of doing three things at once. He's asking good questions (my job); he's formulating answers (his job); and he's playing *Storybook Brawl* (no one's job). But then I hear the tap-tap-tapping from his fingers start to accelerate, and I realize he's not slowing down under the load at all. Just the opposite, in fact: *This guy is in the* Storybook Brawl *equivalent of a gank!*

And, just like that, he's back with an answer to his own question: "Okay, at that scale, I think the answer might be yes. Because, if your spending is on the scale of the U.S. government, it might have too weird and distortionary an impact on things."

Now that we've explored the far end of SBF's utility curve, the seminar moves to a discussion of discount rates. "The world is decaying at—we're all making it up—but, say, 5 percent a year as a minimum bound," he says. "And compare that to the effective interest rate which I'm working under—which you can think of as the rate we can turn more capital into more capital—which is more like 20 percent a year," he continues, "and that's likely true for a while, so it makes sense for me to keep working."

All this is still with not even a glance at me—his true focus is on the screen. He's playing the video game. But, to be fair, perhaps "playing" is the wrong word here. Perhaps he was play-testing: looking for ways to incorporate crypto into his favorite game because, unbeknownst to me at the time, as we were talking, Good Luck, the indie game company behind *Storybook Brawl,* was being absorbed into the FTX empire—the latest in a string of FTX acquisitions.

"But that doesn't mean we can't also be giving during that time," he continues. "And we are starting to scale that up."

This strikes me as typical SBF understatement. The scale of his giving, even now, before he has really started to divest, is massive. Alameda Research, the company that generated the FTX grubstake, still exists, and its purpose seems to be to generate profits—on the order of $100 million a year today, but potentially up to a billion—that can be stuffed into the brand-new FTX Foundation. Similarly, even now, 1 percent of net FTX fees are donated to that same foundation, and FTX handles nearly $5 billion dollars' worth of trades per day. The foundation, in turn, gives to a diversified group of EA-approved charities.

As you might expect, having read this far, there's a reason for doling out some cash now instead of doubling down in the expectation of giving more later, and the reason hinges on math. Simply put, there are aspects of the world, as SBF sees it, that are decaying faster than 20 percent a year—and, so, money spent now will be more effective at making the world a better place than money spent later. "I think there are some things that are pretty urgent," SBF says. "There's just a long series of crucial considerations, and all of them matter a lot—and you can't fuck any of them up, or you miss most of the total value that you could ever get."

To be clear, SBF is not talking about maximizing the total value of FTX—he's talking about maximizing the total value of the universe. And his units are not dollars: In a kind of GDP for the universe, his units are the units of a utilitarian. He's maximizing utils, units of happiness. And not just for every living soul, but also every soul—human and animal—that will ever live in the future. Maximizing the total happiness of the future—that's SBF's ultimate goal. FTX is just a means to that end.

But, back to the now-things you can't fuck up—the tipping points. SBF ticks off his list:

- "When we build super-powerful AI, it's likely to be one of the points where, all of a sudden, what we do will matter a lot."
- "We should start thinking about how to prepare for the next pandemic now, before it comes—because, at some point, it's just going to come."
- "I think we might be at a tipping point right now for U.S. politics. It matters a lot what we do over the next, say, two to ten years. Right?"

And, indeed, SBF puts his money where his mouth is. SBF is personally backing a slew of so-called AI alignment nonprofits and public-benefit corporations including Anthropic and Conjecture. He's also the big money behind a new nonprofit called Guarding Against Pandemics, which, not coincidentally, is run by his brother Gabe. And SBF was the second-largest donor—behind only Mike Bloomberg—for Biden's successful attempt to dethrone Trump.

With SBF doing the hard work of interviewing himself, I'm free to think. And, finally, just as the clock is running out on my allotted hour, I ask what might be the first non-stupid question of the entire interview.

"So," I summarize, "you are young and vital and peaking at precisely the point where the world is at, as you see it, peak crisis." SBF nods in agreement, deep in another round of *Storybook Brawl*. "Does that strike you as just a lucky coincidence, or does that strike you as perhaps a signal that your thinking is flawed and you have a savior complex?"

"It's an interesting question," he says, stalling.

I double down: "You just happen to be alive in the most important time in the history of the future race. The existential point! Really?"

SBF hedges: "It certainly would not be one's prior—at least, not naively."

"Prior"—that's a term of art. There's more math to explain (in this case, Bayes' theorem), but in the interest of you, dear reader, I will skip it.

"But," SBF continues, "if you want to really needle on that, there are some anthropic considerations by which that might not be as crazy as it sounds." With the mention of "anthropic" we've reached conversational escape velocity and head into the nosebleed regions of modern metaphysics. Again, I'll spare you the trouble. Suffice it to say that, while SBF is willing to consider the idea that he might be delusional, as a kind of thought experiment, he ultimately dismisses it.

Game over.

***

After my interview with SBF, I was convinced: I was talking to a future trillionaire. Whatever mojo he worked on the partners at Sequoia—who fell for him after one Zoom—had worked on me, too. For me, it was simply a gut feeling. I've been talking to founders and doing deep dives into technology companies for decades. It's been my entire professional life as a writer. And because of that experience, there must be a pattern-matching algorithm churning away somewhere in my subconscious. I don't know how I know, I just do. SBF is a winner.

But that wasn't even the main thing. There was something else I felt: something in my heart, not just my gut. After sitting ten feet from him for most of the week, studying him in the human musk of the startup grind and chatting in between beanbag naps, I couldn't shake the feeling that this guy is actually as selfless as he claims to be.

So I find myself convinced that, if SBF can keep his wits about him in the years ahead, he's going to slay—that, just as Alameda was a stepping stone to FTX, FTX will be to the super-app. Banking will be disrupted and transformed by crypto, just as media was transformed and disrupted by the web. Something of the sort must happen eventually, as the current system, with its layers upon layers of intermediaries, is antiquated and prone to crashing—the global financial crisis of 2008 was just the latest in a long line of failures that occurred because banks didn't actually know what was on their balance sheets. Crypto is money that can audit itself, no accountant or bookkeeper needed, and thus a financial system with the blockchain built in can, in theory, cut out most of the financial middlemen, to the advantage of all. Of course, that's the pitch of every crypto company out there. The FTX competitive advantage? Ethical behavior. SBF is a Peter Singer–inspired utilitarian in a sea of Robert Nozick–inspired libertarians. He's an ethical maximalist in an industry that's overwhelmingly populated with ethical minimalists. I'm a Nozick man myself, but I know who I'd rather trust my money with: SBF, hands-down. And if he does end up saving the world as a side effect of being my banker, all the better.

> *"If you plot dollars-donated on the X axis, and Y is how-much-good-I-do-in-the-world, then what does that curve look like? It's definitely not linear—it does tail off, but I think it tails off pretty slowly. But I think that, even at a trillion, there's still really significant marginal utility to dollars donated."*
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>
> *sam bankman-fried*

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As the success of FTX seems like a foregone conclusion, my interest gravitates to SBF the person. He's like no other billionaire I've ever met, and I've hung out with quite a few. It's like the brain of Spock has been transplanted into the shambolic body of Fozzie Bear. He's a bit of both: instantly lovable—with the guilelessness, kindness, and openness of a Muppet—and so abstract that he seems more like a super-advanced AI than flesh and blood. I want to know what makes SBF so unusual, so, as we both pack up in the conference room (me coiling up the long cord that leads to my lapel mic, him folding up his laptop), I decide to just ask him about his evident weirdness directly.

"So, you are obviously what they call 'neurodiverse,' but you are not spectrum-y or Asperger-y," I observe.

"No," he agrees.

"So—what's your diagnosis, doctor?"

"There's certainly some ADD there. I get distracted very easily if something is not engaging enough. And, so, I find myself doing things to occupy myself."

It makes sense, yet it doesn't—so I follow up with another question.

"I grew up kind of like you"—SBF and I went to rival high schools in Silicon Valley, albeit decades apart—"and while there were a lot of rich fuckups in high school, there were a lot of really smart kids, too. And, yet, no one was ever like this. ADD wasn't a thing. But now it's everywhere. What is your theory of why?"

"Part of it's probably social media retraining our brains how to think and act," he says. "But I think that some amount of boredom with things that are dumb or not productive or not very useful is healthy. And, along with this sort of move toward lower attention spans, people just become more productive. And that is important and good."

I nod. Certainly that's true in the case of FTX, I think, remembering the ten-minute all-hands meeting.

Sensing an opportunity for connection, I chip in with my own two satoshi: "I don't pay any attention to social media—not because I have any moral case against it," I say, "but because, for me, reading books is the highest-bandwidth way I know to get quality information into my brain, which just craves the stimulation. I'm addicted to reading, which explains how I ended up being a writer."

"Oh, yeah?" says SBF. "I would never read a book."

I'm not sure what to say. I've read a book a week for my entire adult life and have written three of my own.

"I'm very skeptical of books. I don't want to say no book is ever worth reading, but I actually do believe something pretty close to that," explains SBF. "I think, if you wrote a book, you fucked up, and it should have been a six-paragraph blog post."

So there you have it: Books are for losers.

Does he really believe it? Do I believe it? Is the price of SBF's genius boredom in the face of literature, literary nonfiction—books in general?

Whatever the case, I find myself sad for the man. And it occurs to me that my reaction is exactly what might be expected from a beta in the brave new world crypto is creating.

So, I think again. What, I wonder, does he think I think? Wouldn't someone with IQ points to spare realize that dismissing books—all books—as essentially worthless might rile a writer? Was he playing with me? Is this fun? Is this humor?

I'm satisfied with my meta-analysis until I realize that one can always increment the level of strategic play in this sort of game. It's like poker. Level one is just thinking about how to strengthen your own hand. Level two is thinking about what your opponent's hand is. Level three is thinking about what your opponent thinks your hand is. And so on. And, since SBF is obviously a genius, I should simply assume that, compared with me, SBF will always be playing at level N+1. Which makes my analysis of the intent behind SBF's "books are for losers" idea spiral into infinity and crash, like a computer program stuck in a loop.

That evening, I spend some time sitting on a beautiful Bahamian beach, watching the sun set and interrogating my own confused thoughts and feelings. The answer comes to me like the final reel of a so-bad-it's-good apocalyptic teen comedy from the '80s:

GREETINGS PROFESSOR FALKEN

HELLO

A STRANGE GAME.

THE ONLY WINNING MOVE IS NOT TO PLAY.

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Near the end of a long week, I notice a party shaping up in Building 30, on the edge of FTX's little corporate compound. I'm curious because even though Building 30 is kitted out as a lounge—filled with couches and big tables and board games—I'd never seen anyone actually lounging inside. I decide to check it out.

A cocktail party is in full swing, with about a dozen people I don't recognize standing around. It turns out to be a mixer for the local EA community that's been drawn to Nassau in the hopes that the FTX Foundation will fund its various altruistic ideas. The point of the party is to provide a friendly forum for the EAs who actually run EA-aligned nonprofits to meet the earn-to-give EAs at FTX who will fund them, and vice versa. The irony is that, while FTX hosts the weekly mixer—providing the venue and the beverages—it's rare for an actual FTX employee to ever show up and mix. Presumably, they're working too hard.

Perhaps it's the beer, but everyone I meet is smart, charismatic and funny. I end up mostly talking to Josh Morrison and Kat Woods, two OGs in the EA movement. Morrison is a serial nonprofit founder. Woods has a similar CV, but now she runs a meta-charity that incubates other charities. They tag-team as they try to explain the movement that drives them—and what drives them to the movement.

"Imagine nerds invented a religion or something," says Woods, stabbing at my question with vigor, "where people get to argue all day."

"It's… an ideology," counters Morrison. The argument has begun.

Woods amiably disagrees: "EA is *not* an ideology, it's a question: 'How do I do the most good?' And the cool thing about EA, compared to other cause areas, is that you can change your views constantly—and still be part of the movement."

I can't help but interrupt. I get the religion part. Morrison and Woods are nothing if not evangelists. But why nerds?

Woods serves up an answer to my question. (Fittingly, she's wearing tennis whites.) "EA attracts people who really care, but who are also really smart," she says. "If you are altruistic but not very smart, you just bounce off. And if you're smart but not very altruistic," she continues, "you can get nerd sniped!"

Nerd sniped? This is a new one to me. I'm intrigued.

"You can snipe a nerd by putting out an interesting puzzle in front of them, and they're like, 'I love this,' because not only is EA the most interesting puzzle in the world," Woods says, "it's also the most meaningful."

Nerd sniping, I learn, is the practice of attracting brainpower by presenting problems as puzzles.

"This ties into the way FTX is doing its foundation," Morrison says, helpfully knocking the ball back to my true interest. "The foundation wants to get a lot of money out there in order to try a lot of things quickly. And how can you do that effectively?" It's a rhetorical question, a move worthy of a preppy debate champ who went to a certain finishing school in Cambridge—which is exactly what Morrison is. "Part of the answer is to give money to someone in the EA community."

"Because EA is different from other communities," Woods continues, picking up right where Morrison left off. "They're like, 'This is the ethical thing, and this is the truth.' And we're like, 'What is the ethical thing? What is the truth?'"

Those are big questions, and I'll leave them to SBF and his fellow travelers to answer—they're too big for me. I resist the temptation to be nerd sniped. Besides, I have a different set of questions:

Who is SBF? And what is he made of?

Those are the questions that brought me to the Bahamas. And meeting him in person only deepened the mystery.

What makes him so different from anyone else I've ever met?

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There's no question that SBF was nerd sniped as a young man at MIT. Indeed, just before he got sniped, SBF had a personal blog where he wrote about his search for life's meaning. In the blog, he declares his allegiance to utilitarianism over and over, carefully outlining his reasoning before concluding, "And so I am a total utilitarian." Later writings refine that statement, making it clear that he's a utilitarian in its purest—Benthamite—form, and that there will be no saving himself from the implications of the Benthamite Way. Every action since then has been a principled puzzling-through of the implications of that philosophy. Even now, even when directly challenged, SBF maintains that he brooks no limit in following the philosophical implications to their logical end: "If I did, I would want to have a long, hard look at myself."

So when, that next summer, MacAskill sat with SBF in Harvard Square and carefully explained, in the way only an Oxford-educated philosopher can, that the practice of effective altruism boils down to "applied utilitarianism," Snipe's arrow hit SBF hard. He'd found his path. He would become a maximization engine. As he wrote in his blog, "If you've decided that some of your time—or money—can be better spent on others than on yourself, well, then, why not more of it? Why not all of it?"

Why not all of it, indeed: SBF was under my microscope for a full week. There was never a moment when he wasn't actively involved in some sort of important meeting—with a key employee, a regulator, a business partner, a mentor—charting the future of FTX. I've seen SBF's own parents queue for a moment of his time, only to give up because the wait was too long.

In devoting every waking moment of his life to work, SBF doesn't feel he's doing anything unusual or extraordinary. He's doing what he feels every right-minded person should do—if they were big-hearted and clear-headed. He's attempting to maximize the amount of good in the world. Yet the same could be said of Woods and Morrison and, indeed, of all the EAs I've met in the Bahamas. Like SBF, they're all in love with the idea of saving the world in an efficient and rational manner —except they're obviously having a great time doing it. As one of them said to me, "I came for the cause, I stayed for the people." SBF, on the other hand, seems qualitatively different: He seems utterly driven, as if by a lash.

It's hard to see SBF in a clear light. The glitter of the self-made billions are blinding. His intellect is as awesome as it is intimidating. But, once I'd hacked past the piles of money and the IQ points to spare, I found something unexpected: impoverishment. In spending everything he has on others, SBF spends nothing, it would seem, pursuing his own pleasure.

It's not just that great books aren't worthwhile. The great movies aren't worth watching. *Citizen Kane,* he asserts, is "an unwatchably empty film." Food gets the same treatment. SBF favors bogus burgers and vegan fries. As for fine dining, he's never seen the point: "I really don't think of meals as that memorable." There's no pleasure taken in his own presentation—his affect—either. He didn't own a suit until he had to buy one to testify before Congress. He drives a Corolla. He's publicly sworn off ever owning a yacht. As for the more carnal pleasures (presumably SBF has a private life), he's so private that even his own parents don't even know who—or if—he's dating. It's a mystery.

SBF's rejection of pleasure is so profound it got me wondering if that absence of pleasure—as opposed to his philosophy—was the key to understanding him. Is he so deep in his head that he's incapable of feeling pleasure? Is SBF effectively being held hostage by his own frontal cortex, caught in a Stockholm syndrome of the mind? Or is he just anhedonic—at the sharp end of the normal human capacity-for-pleasure distribution? Is that what made SBF feel so different, so alien?

I don't know. But I did ask the people closest to him.

Ramnik Arora is the closest thing to a number two that SBF has: they've worked side by side for years. "Do you think," I ask Arora in a candid moment over lunch one day, "that SBF might actually be incapable of experiencing pleasure?"

Arora puts down his fork and thinks for a moment. "It's a fair question," he says, turning it over. "He's happy playing games," Arora says after a long pause, remembering a company padel tennis tournament a few weeks before. How did he do? I wonder. "Sam came in second," Arora reports. "He hated that."

Joe Bankman is a prominent tax lawyer who also happens to be a psychologist and therapist. He's also SBF's dad, and he's very close to his son. I ask him about SBF's capacity to experience pleasure.

Bankman rejects my theory, but not completely. "So, Sam doesn't take pleasure in the things some other people take pleasure in," Bankman concedes. "But I think Sam gets a lot of pleasure out of a lot of things—they're just all work-related." I push back. Satisfaction doesn't count, I say. By "pleasure," I mean something more primitive and hardwired: fleshly desires. "He wasn't always vegan," offers Bankman, "He loved a good steak as a kid, for example."

Arguably, the person who knows SBF the best is George Lerner, the FTX company therapist. Lerner's psychological services are available to everyone in the company, and he's on speed dial for more than a few. Lerner strikes me as an excellent shrink, the kind I'd want in my head, so I ask him about SBF's seeming rejection of earthly pleasures.

"It's interesting," Lerner says, "because I've spoken to Sam at length about this particular topic."

"It's not some pathological thing," he continues. "For some bizarre reason—and I don't get it—they want to help." We're talking about EAs in general, but also about SBF in particular. "They want to make a difference, and they want to devote their lives to doing that," says Lerner, who is definitely not an EA. "But that still doesn't clarify why, or if, that somehow diminishes the pleasure drive."

SBF is a mystery even to his own therapist.

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>
> *joe bankman*

It’s my last night in the Bahamas, and I spend it in Tetris, relaxing by the pool at the edge of the terrace, far above the marina below. The sun starts to set: a fiery ingot of gold, subsumed by the onrushing lip of the world. And as it does, my gaze is drawn to the tower closest to the water. Orchid is Albany’s flagship building, and its southern tip cuts toward the sandy beachfront like the prow of a ship through a wine-dark sea. Wraparound verandas provide views of both the harbor and the ocean. It’s a six-story layer cake, the entire mass wrapped with aluminum latticework, a sheath of laser-cut filigree, a historic facade but a modern building. The architect, Morris Adjmi, cites his upbringing in New Orleans, as well as sculptors like Rachel Whiteread and Do Ho Suh, as inspiration. The overall effect is nothing less than spectacular: a contemporary take on creole style.

The penthouse atop Orchid—Apartment V—is likely the most expensive condo in all of the Bahamas, and it's the home of Sam Bankman-Fried. He lives there* with nine roommates: fellow travelers in the EA movement. It's a dorm situation—but, to paraphrase Scott Fitzgerald, a billionaire's dorm is different from the ones familiar to you and me. V is palatial—11,500 square feet—with six bedrooms and spectacular views out every window. Two elevators service the apartment, opening directly into the space. Every bedroom has an en suite bath and opens directly onto the veranda. The common areas include the lobby, media room, dining room and a party room at the tip of the building: Curved glass walls slide away, opening up the entire space to the world outside.

After the sun sinks below the horizon, Apartment V lights up. Dramatic wash lighting bathes the veranda in blues and purples. The wraparound porch becomes a rainbow, a beacon. A party is under way, and the entire penthouse glimmers.

I imagine the scene. Board games. Laughter. An intimate crew. It's just SBF, his family (his mother, father and brother are all in town) and close friends. A small team dedicated to fixing the world—via the magic of quantitative reasoning and the overwhelming force of goodwill. All of them are united by the mission.

It's odd: the roommates, the dormlike life at the age of 30—an age when many have married, bought houses, had children. But I also think that I've tunneled far enough into SBF's head to understand it. I, like Fitzgerald, do think the very rich are different. Yes, because they have more money. But also, *pace* Hemingway, because they often have fewer friends. It's not worth the salt in one's tears to be sad for the plight of the oligarchy—but there is a downside to billions. Reciprocity becomes difficult between the post-economic and the merely civilian. What do you give a man who has everything and wants for nothing? What do you expect to get?

But within the inner circle at Apartment V—a community of family and friends united by a philosophy that's almost Pythagorean in its rule—there's no unit of account. Love is the currency. Love is infinite. And infinity is a problem.

I'll leave it to SBF to unpack the math: "As soon as you say, 'What are the odds that there's a way to be infinitely happy? What if infinite utility is a possibility?'" he explains, "now, all of a sudden, we're comparing hierarchies of infinity. Linearity breaks down."

But infinity is also the solution, because it provides a shield from the spartan logic of utilitarianism. There's no way to do an expected value calculation when one of the terms is infinite. The very incalculability of the love that exists in Apartment V makes it the one refuge from the whip that drives him. SBF can escape, if only for an evening. He can ditch the beanbag for an actual bed and fall blissfully asleep in the lap of superluxury.

Before I retreat to my own cloud nine, I take a long last look at Orchid's Apartment V. A figure emerges and stands at the rail on the deck regarding the silver pepper of stars in the balmy Bahamian night. He stretches out his arms toward the dark water in a curious way, and, far as I was from him, I could have sworn he was trembling.

Yet again, I'm reminded of a certain novel. In Fitzgerald's day, there was the real-life character of John Pierpont Morgan, who steered the nation as it made the transition from the 19th to the 20th centuries—the transition from an agricultural economy, powered by horses, to an industrial economy, run on rails. Who is going to do the same for us, in this new century?

Awakening from my reverie, I look back at Orchid for the last time. The figure I saw had gone, and I was alone again in the unquiet darkness.

* *SBF has since moved on, and currently lives without roommates.*

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> *sam bankman-fried*

Written by:

Adam Fisher is a private historian who specializes in documenting the lives and careers of technical and engineering types who have made a world of difference. His latest (publicly available) book is Yves Béhar: Designing Ideas, available from Thames & Hudson. (adamfisher.org)

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