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Fred Wilson on why the collapse of venture capital is good

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2012 Programming Highlights

- Eytan Baksky and Andrew Fiore, data scientists at Facebook, on the social implications of our growing connections online
- Rodney Brooks, founder of Rethink Robotics, on retooling manufacturing with a new generation of industrial robots
- Charles Dages, executive vice president for emerging technology at Warner Brothers, on surprising ways that technology is enabling a more engaging entertainment experience
- Steve Herrod, CTO of VMWare, on redefining networking and the future of cloud computing
- Nathan Myhrvold, founder of Intellectual Ventures, on investing in scalable alternative energy sources

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By THE EDITORS

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The fear that our devices are somehow altering our brains is nothing really new.

WHY TODAY'S SMARTEST SYSTEMS

The good news is IT solutions are now more sophisticated. The bad news is they're also more complicated. And all this complexity is taking its toll.

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1. Based on a 2011 commissioned study conducted by Forester Consulting on behalf of IBM 2. Based upon testing of the IBM PureApplication System W1500-96 with time measured from powering on the system to when it is ready to support application deployments and based upon testing of the IBM PureFlex System Express & Standard models containing on e chassis and one compute node with the time measured from powering on the system to when it is ready to support a virtual image deployment 3. Up to 2X application density based upon simulations of virtualized applications on an IBM Flex System x240 Compute Node is available in IBM PureFlex System and IBM PureApplication System. The IBM Flex System X240 Compute Node is available in IBM PureFlex System and IBM PureApplication System. IBM to 2X performance of business applications based upon testing of IBM Storwize v7000 "Easy Tier" on previous generation IBM system x240 Compute Node is a trainable in IBM PureFlex System and IBM PureApplication System. IBM to 2X performance of business applications based upon testing of IBM Storwize v7000 "Easy Tier" on previous generation IBM system x240 Compute Node is a trainable in IBM PureFlex System and IBM PureApplication System. IBM to Qx performance of business applications based upon testing of IBM Storwize v7000 "Easy Tier" on previous generation IBM system x240 Compute Node is a trainable and the Mathematic Compared to a trainable and the Mathematic Compared to a trainable and the Mathematic Compared to a trainable and the Mathematica Store Compared to a trainable and the Mathematica Stor list of IBM trademarks is available on the Web at www.ibm.com/legal/copytrade.shtml. © International Business Machines Corporation 2012

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feedback

"What Facebook Knows," July/August 2012

"There can be no concern for privacy when you voluntarily give up your personal information."

Peter Glassman, Schaumburg, Illinois

FACE FACTS Michael Wolff's takedown of Facebook's advertising strategy ("The Facebook Fallacy") wasn't the only piece from our July/August issue to draw hundreds of letters and comments-but it was the one

with the most passionate objections. "Wow, what an incredibly ignorant understatement of Facebook's raw power in numbers," wrote Fremitus in an online comment. "To actually think that they will just use 10-year-old concepts (popups and banners) as their big idea is ludicrous. The biggest reason to go public is to have cash on hand. and for what? For buying

smaller companies that are doing innovative things. That's the big idea, someone else's. Just like Google and everyone else."

AnsonA4 wrote in to thank Wolff for the article and claimed. "It made me think deeply about the situation. In the end, however, I think you are absolutely wrong about the demise of Facebook. Right now the majority of Facebook's revenues come from display advertisements, yes, but that will change in the future. They will start selling products similar to Amazon-you will be able to buy movies and music, and advertising will become much more rich. You're almost completely ignoring the power and value of the information that Facebook already has and is gaining every day. There really is no clear way of stopping Facebook at this point-the information they have is too valuable and marketable."

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Our related cover story on Facebook's use of our personal data, "What Facebook Knows," by senior IT editor Tom Simonite, inspired Peter Glassman of Schaumburg, Illinois, to wonder if we have any right to



July/August 2012

demand our privacy with regard to Facebook in the first place. "There can be no concern for privacy when you voluntarily give up your personal information. And for what? It's not like giving your personal info to a bank and they give you a credit card in return. What does Facebook give you? More advertising."

CHEAPLY GREEN In "The

Great German Energy Experiment," our chief correspondent, David Talbot, investigated Germany's ambitious plans to slash its greenhouse-gas output. One online commenter, Elidyl, took a look at the cost of those plans and found them downright cheap. "Talbot writes: 'Various economic think tanks predict that the country will spend somewhere between \$125 billion and \$250 billion on infrastructure expansion and subsidies in the next eight years. Another way to look at it: initial projections

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