

TECH

Read the full transcript of Mark Zuckerberg's leaked internal Facebook meetings

Highlights from two hours of leaked audio from recent Q&A sessions with Facebook's CEO

By **Casey Newton**, a contributing editor who has been writing about tech for over 10 years. He founded Platformer, a newsletter about Big Tech and democracy.

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On October 1st, *The Verge* published text and audio from recent internal meetings at Facebook where CEO Mark Zuckerberg answered tough questions from employees who are concerned about the company's future. In two July meetings, Zuckerberg rallied his employees against critics, competitors, and Sen. Elizabeth Warren, among others.

To provide more context around Zuckerberg's remarks, *The Verge* is publishing expanded transcripts from the two meetings below. In them, Zuckerberg discussed his plan to beat TikTok, why he wants to keep absolute control of the company, and what employees should tell friends who have a dim view of Facebook. Each question below was asked by a different Facebook employee.

We'll be publishing more from the transcriptions in the coming days in *The Interface*, *The Verge's* newsletter about social networks and democracy. [You can subscribe here.](#)

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On the potential breakup of Facebook

Question: With the recent FCC fine, investigation, and with the rise of politicians like Sen. Warren, I was wondering how personally worried you are about regulators coming in and breaking up Facebook?

Mark Zuckerberg: Well, I think you want to separate out a couple of things. I'm certainly more worried that someone is going to *try* to break up our company. Now, there's a separate question about, at the end of the day, there is the rule of law — which, for all of the concern about the direction the country is going in, as someone running a company that operates in a lot of different countries, I have to say one of

the things that I love and appreciate about our country the most is that we have a really solid rule of law, which is very different from a lot of other places around the world.

“If she gets elected president, then I would bet that we will have a legal challenge, and I would bet that we will win”

So there might be a political movement where people are angry at the tech companies or are worried about concentration or worried about different issues and worried that they're not being handled well. That doesn't mean that, even if there's anger and that you have someone like Elizabeth Warren who thinks that the right answer is to break up the companies ... I mean, if she gets elected president, then I would bet that we will have a legal challenge, and I would bet that we will win the legal challenge. And does that still suck for us? Yeah. I mean, I don't want to have a major lawsuit against our own government. I mean, that's not the position that you want to be in when you're, you know, I mean ... it's like, we care about our country and want to work with our government and do good things. But look, at the end of the day, if someone's going to try to threaten something that existential, you go to the mat and you fight.

And I just think the case is not particularly strong on this ... It's just that breaking up these companies, whether it's Facebook or Google or Amazon, is not actually going

to solve the issues. And, you know, it doesn't make election interference less likely. It makes it *more* likely because now the companies can't coordinate and work together. It doesn't make any of the hate speech or issues like that less likely. It makes it *more* likely because now ... all the processes that we're putting in place and investing in, now we're more fragmented.

It's why Twitter can't do as good of a job as we can. I mean, they face, qualitatively, the same types of issues. But they can't put in the investment. Our investment on safety is bigger than the whole revenue of their company. *[laughter]* And yeah, we're operating on a bigger scale, but it's not like they face qualitatively different questions. They have all the same types of issues that we do.

So yes, I think that the direction of the discussion is concerning. I at least believe, I think, there are real issues. I don't think that the antitrust remedies are going to solve them. But I understand that if we don't help address those issues and help put in place a regulatory framework where people feel like there's real accountability, and the government can govern our sector, then yeah, people are just going to keep on getting angrier and angrier. And they're going to demand more extreme measures, and, eventually, people just say, "Screw it, take a hammer to the whole thing." And that's when the rule of law comes in, and I'm very grateful that we have it.

On the plan to launch Libra

MZ: There's a bunch of other regulatory news this week. I mean, we had a couple of folks in DC on different hearings. [Facebook VP of messaging products] David Marcus talking [about] Libra and the work that we're doing there. We basically put out this big idea for enabling through our networks, through WhatsApp and Messenger, the ability for people to send money hopefully as easily as you can send a photo or other content across the world to different folks. But we want to work with traditional currencies. So we have a test going in India. We're working in Mexico and a bunch of other countries to have this rolled out broadly. The hope is to get that rolled out in a lot of places with existing currencies before the end of this year.

And we have this bigger, or at least more exotic, project around Libra, which is to try to stand up a new kind of digital money that can work globally, [and] that will be stable ... But it's a big idea, and it's a new type of system, especially to be implemented by big companies. We're not the only ones doing this. We've led that the thinking and development on it so far, but the idea is to do this as an independent association, which is what we announced with about 27 other companies. By the time it launches, we expect we'll have 100 or more companies as part of it.

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But part of what we're trying to do overall on these big projects now that touch very socially important aspects of society is have a more consultative approach. So not just show up and say, "Alright, here we're launching this. here's a product, your app got updated, now you can start buying Libras and sending them around." We want to make sure. We get that there are real issues. Finance is a very heavily regulated space. There's a lot of important issues that need to be dealt with in preventing money laundering, preventing financing of terrorists and people who the different governments say you can't do business with. There are a lot of requirements on knowing who your customers are. We already focus a lot on real identity, across especially Facebook, so there's even more that we need to do in order to have this kind of a product. And we're committed to doing that well, and part of doing that well is not just building the internal tools and showing up and saying, "Hey, we think

we've solved this," but addressing and meeting with all the regulators up front, hearing their concerns, hearing what they think we should be doing, making sure other folks in the consortium are handling this appropriately.

Part of the process is going to be public, like the hearings that David did over the last couple of days. The public things, I think, tend to be a little more dramatic. But a bigger part of it is private engagement with regulators around the world, and those, I think, often are more substantive and less dramatic. And those meetings aren't being played for the camera, but that's where a lot of the discussions and details get hashed out on things. So this is going to be a long road. We kind of expected this — that this is what big engagement looks like.

I actually wouldn't be surprised if we end up having similar engagements like this on other socially important things that we're trying to move, like our big push to get towards more encryption across our messaging apps. That will, over time, be very sensitive when we get closer to rolling it out. Law enforcement, obviously, is not going to be psyched about that. But we think it's the right thing to protect people's privacy more, so we'll go defend that when the time is right. But I think that there will be more things like this, and this is a lot of what being public — trying to make our case publicly and engaging in a more consultative approach — what that looks like.

On a rising competitor

Are we concerned about TikTok's growing cultural clout among teens and Gen Z, and what is our plan of attack?

MZ: So yeah. I mean, TikTok is doing well. One of the things that's especially notable about TikTok is, for a while, the internet landscape was kind of a bunch of internet companies that were primarily American companies. And then there was this parallel universe of Chinese companies that pretty much only were offering their services in China. And we had Tencent who was trying to spread some of their services into Southeast Asia. Alibaba has spread a bunch of their payment services to Southeast Asia. Broadly, in terms of global expansion, that had been pretty limited, and TikTok, which is built by this company Beijing ByteDance, is really the first consumer internet product built by one of the Chinese tech giants that is doing quite well around the world. It's starting to do well in the US, especially with young folks. It's growing really quickly in India. I think it's past Instagram now in India in terms of scale. So yeah, it's a very interesting phenomenon.

“TikTok is really the first consumer internet product built by one of the Chinese tech giants that is doing quite well around the world”

And the way that we kind of think about it is: it's married short-form, immersive video with browse. So it's almost like the Explore Tab that we have on Instagram, which is today primarily about feed posts and highlighting different feed posts. I kind of think about TikTok as if it were Explore for stories, and that were the whole app. And then you had creators who were specifically working on making that stuff. So we have a number of approaches that we're going to take towards this, and we have a product called Lasso that's a standalone app that we're working on, trying to get product-market fit in countries like Mexico, is I think one of the first initial ones. We're trying to first see if we can get it to work in countries where TikTok is not already big before we go and compete with TikTok in countries where they are big.

We're taking a number of approaches with Instagram, including making it so that Explore is more focused on stories, which is increasingly becoming the primary way that people consume content on Instagram, as well as a couple of other things there. But yeah, I think that it's not only one of the more interesting new phenomena and products that are growing. But in terms of the geopolitical implications of what they're doing, I think it is quite interesting. I think we have time to learn and understand and get ahead of the trend. It is growing, but they're spending a huge amount of money promoting it. What we've found is that their retention is actually not that strong after they stop advertising. So the space is still fairly nascent, and there's time for us to kind of figure out what we want to do here. But I think this is a real thing. It's good.

On refusing to testify before other governments

So it appears that a lot of the controversy around Facebook actually doesn't revolve around what Facebook does but around, like, your personal life. For example, real estate purchases or skipping hearings or even most recently the attempted ouster by 68 percent of the outside shareholders of you as chairman. So what steps are you taking personally, like just over your personal life as the face of Facebook, to feed the media, like, less smoked meat?

MZ: I think a lot of the concerns are that people think that our company is very powerful. And within that, the fact that I have voting control of the company really does focus a lot of the attention on that, that concentration. It's a concentration within the company, concentration within a person. I think, historically, it's been very valuable ... In 2006, when Yahoo wanted to buy our company, I probably would've been fired, and we would have sold the company. We wouldn't even be here if I didn't have control. And then throughout, we've just been able to focus on the right things over the long term, whether it was going through our IPO and focusing on building the right mobile products instead of just focusing on monetizing and putting ads in quickly. When our stock price got cut in half. We've had the ability to focus on doing what we think are the right things over a multiyear

period, instead of just having to be beholden to the quarter-to-quarter demands that a lot of public companies have to struggle with.

“I’m not going to go to every single hearing around the world”

But the flip side of this is, like, it’s a big concentration, and I think that that’s something that people can latch on to and they can criticize. So I mean, the reality on the hearings thing is, I’m not going to go to every single hearing around the world. A lot of different people want to do that. When the issues came up last year around Cambridge Analytica, I did hearings in the US. I did hearings in the EU. It just doesn’t really make sense for me to go to hearings in every single country that wants to have me show up and, frankly, doesn’t have jurisdiction to demand that. But people are going to use the position of the company and me to criticize us. I think that that’s, to some degree, that’s like a normal thing that we just need to deal with and expect that that’s going to happen.

I mean, certainly, I take very seriously what my personal conduct is and how it reflects on the company. But I think, overall, the structure that we’ve had has served the company and the community well ... But we will have a lot of criticism. Whether it’s because of that or just because of the concentration of the tech companies overall, I think we need to internalize that if it weren’t that, it would be something else. Just because people rightfully have concerns about, “Alright, there’s five big tech companies that are the biggest companies in the world, and are they being regulated appropriately?” That’s a lot of the social discussion that’s going on, and there’s a lot of merit to that discussion. And we need to engage in it humbly.

On what employees should tell friends who don’t like Facebook

What can we do to help improve Facebook’s self-image to our peers and friends that might have a negative opinion of the company?

MZ: Well, look, I think humanizing stuff is always really important. So I've always focused more on the substance and trying to deliver things, and a little bit less on the perception. And I think we don't have that luxury anymore. You know, for the first 10 years of the company or so, we got more glowing press than I think any company deserves. And it wasn't just Facebook; it was the whole tech industry. And then I think a lot changed in the last few years, and especially since the 2016 elections. And people are just more aware of a lot of these issues, and the pendulum in terms of perception is swinging, or has swung, towards focusing more on issues.

“It's tough to break down these perceptions and build trust”

But I think some of the most devastating critique is not around substance in terms of what the companies do. It's around a motive. So either we don't care because we just care about making money because we're a business. Or we don't care about certain issues because we're biased to not care about them. And I think it's tough to break down these perceptions and build trust until you get to a place where people know that you have their best interests at heart. So that's one thing that you all will be well-suited to do as ambassadors, if you choose to be, having spent time here, as I think you know the heart of this place at this point. And you don't know every single technical project, but you have a sense of what we care about and what people here think about and what the conversations are on a day-to-day basis. And in the conversations that I have, even with some of our biggest critics, I just find that sitting down and talking to people and having them know that you care about the problems and acknowledge that there are issues and that you're working through them ... I think it just makes a big difference.

On The Verge's content moderation stories

As we all know, Facebook receives a lot of content, millions of posts every hour. Because of this, Facebook has recently started outsourcing some of its

moderation capabilities to different companies. Well, an article earlier this summer came out by *The Verge* exposing some of the mental / emotional abuses experienced by these outside contractors. I was wondering what is Facebook's plan to protect these contractors from what can be seen as the worst the internet has to offer?

MZ: Yeah, this is an important area that we're focused on ... We work with different outside firms so, that way, we can scale up and down and work quickly and be more flexible on that. It's one of the main reasons we do it around the world in different places, get people to work in all the different languages. But there are the challenges that you're saying, which is we want to make sure that these folks who are affiliated with the company and very much part of our family as a company are treated well and have the same kind of support that employees would have when dealing with difficult jobs which a lot of people here have.

“Some of the reports, I think, are a little overdramatic”

Some of the reports, I think, are a little overdramatic. From digging into them and understanding what's going on, it's not that most people are just looking at just terrible things all day long. But there are really bad things that people have to deal with, and making sure that people get the right counseling and space and ability to take breaks and get the mental health support that they need is a really important thing. It's something we've worked on for years and are always trying to probe and understand how we can do a better job to support that.

I think we have more than 30,000 people who are doing content moderation. It's a huge effort. If you look across all the different types of content that people share on our services, including messaging, it's more than 100 billion pieces of content a day. So the volume is huge, and the need for people to go do this work is really important. Within a population of 30,000 people, there's going to be a distribution of experiences that people have. We want to do everything we can to make sure that even the people who are having the worst experiences, that we're making sure that

we support them as well as possible. And this is going to be something we keep on focusing on.

Mike “Shrep” Schroepfer, Facebook CTO: I just wanted to add one thing. This is a key area of focus for the product and engineering teams who are building all the tools and technology that help with this ... For example, improving the near-duplicate detection technology. So if someone labels something as particularly awful, we catch all of the things that look very similar to it automatically without having to have people review every single version of this thing. It also includes improvement to the toolings to do things like blurring out parts of the image, showing it in black and white, blurring out the faces in the image. We’ve done a lot of research to show how can we still get the appropriate decisions on the content without having the same sort of emotional impact on the person viewing it. So there’s a ton of work that I can’t represent in 30 seconds here, but it is a key focus for all the tools teams to sort of reduce dramatically the human impact it would have by looking at this terrible stuff.

MZ: Yes. So both minimizing upfront, but then we’re not going to eliminate it completely. So just making sure that people have the support that they need, especially those who are having the worst experiences, is something that is an ongoing thing. This isn’t new. It’s an ongoing thing we need to make sure we get right.

On why he wants to retain absolute control of Facebook

So my question is: how are you able to balance your financial responsibility to Facebook’s shareholders with your moral responsibility to the larger society?

MZ: You know, it’s actually not that hard. *[laughter]* ... So one of the things that I’ve been lucky about in building this company is, you know, I kind of have voting control of the company, and that’s something I focused on early on. And it was important because, without that, there were several points where I would’ve been fired. For sure, for sure...

Going back to 2006 when we were just a college service, and we were about to roll out open registration so everyone can sign up, and we were about to launch News Feed, which didn't exist yet. And like Yahoo came in with this big offer for a billion dollars, which is, like, was going to, like, fulfill everyone's financial dreams for the company. And I was like, "I don't really think we should do this." And everyone was like "What?" *[laughter]* And at the time, we had 10 million people using Facebook, and Myspace had 100 million people, and it was growing faster. And if you believe all the arguments about network effects, there's no chance that we should've been able to compete.

"One of the things that I've been lucky about in building this company is, you know, I kind of have voting control"

So, you know, it's really about the quality of what you do, not just the scale. But we'd taken a couple of cuts, you know. We tried expanding from colleges into high schools, it was "ehh." I mean, high schools have never been the strongest thing for Facebook, including back then. So a lot of our investors and our team were like, "I don't know if this open registration thing is going to work. I don't know what this News Feed thing is. A billion dollars is a lot of money."

So I turn it down, and our board was super upset. Our whole management team basically quit. *[laughter]* So once you can get through that, if you're like — when you're like 21 or 22 and all these experienced people around you say that you're going to regret the decision that you're making for the rest of your life, and they all quit and walk out and then you basically have no team and you get through that, that leaves you with a lot of confidence that you — *[laughter]* that you can make long-term decisions and that they can work out over time.

So I mean ... I think I am lucky because of the structure that we have. I think some people don't have the flexibility to focus on what they think is right over the long term because there really are near-term constraints...

So one of the social issues that I really care about is making sure that our products promote positive well-being. So we did a lot of research on well-being and what the research concluded was that there were basically two major uses of the internet. There's a big distinction between when you're connecting with people and interacting with people and when you're just passively consuming content. When you're just passively consuming content, if you're just kind of going through YouTube recommendations or you're browsing through a feed and you're not interacting with people, it's not that that's negative, but it's not associated with the same positive uplifts in well-being. And if you're taking a lot of time doing that instead of connecting with people, then of course there's an opportunity cost. So net it might be negative.

Okay, so we took this, and we had a bunch of feedback from our community, too, where people were like, "Alright, what we really want from Facebook is connection. We want to know more what's going on with our friends and family." ... But the amount of public content is unbounded. People can keep on producing more and more good public content. So we were going through this phase where the share of public content and video and news was growing really quickly, and the percentage which was friend content was decreasing. If you watch one video for a few minutes, you could have gone through a bunch of interactions that you would've had with friends during that time. So we decided to rebalance this and make it more focused on connecting with friends and family. So we made a series of changes, including one that took out 50 million hours of viral video watching a day.

For that and a number of other reasons, the next quarter when we reported earnings, we lost \$100 billion of market cap in a day, and it was the biggest single drop in business value of any company in the history of at least our country, maybe the world. To put it in perspective, going back to the Great Depression in the 1930s, on Black Tuesday, when the market crashed, the value that we lost on that one day was two-thirds of the total value that was lost in the Great Depression on that day, adjusted for today's dollars. So not like, "Oh no, money was worth less back then." So this was a really big thing. So again, would I've been able to do that if I didn't control the company? I don't know. maybe I would've been fired but ... *[laughter]* Over the long term, it really is profitable to do the right thing.

On the brain-computer interface


A company named Neuralink presented on their progress to develop a brain-computer interface, which they plan on human testing starting next year. First, do we have plans to integrate this kind of technology with our VR and AR products? And what do you think of privacy in a world where we could capture purchasing intent and deliver ads using a direct brain link?

MZ: Brain-computer interface is an exciting idea. The field quickly branches into two approaches: invasive and noninvasive. Invasive being things that require surgery or implants, but have the advantage that it's actually in your brain, so you can get more signal. Non-invasive is like, you wear a band or, for glasses, you shine an optical light and get a sense of blood flow in certain areas of the brain. You get less signal from noninvasive.

“I don't want to see the congressional hearings on that one”

We're more focused on — I think *completely* focused on non-invasive. *[laughter]* We're trying to make AR and VR a big thing in the next five years to 10 years ... I don't know, you think *Libra* is hard to launch. “Facebook wants to perform brain surgery,” I don't want to see the congressional hearings on that one.

Look, I think it's good that there's research. I am very excited about the brain-computer interfaces for non-invasive. What we hope to be able to do is just be able to pick up even a couple of bits. So you could do something like, you're looking at something in AR, and you can click with your brain. That's exciting ... Or a dialogue comes up, and you don't have to use your hands, you can just say yes or no. That's a bit of input. If you get to two bits, you can start controlling a menu, right, where basically you can scroll through a menu and tap. You get to a bunch more bits, you can start typing with your brain without having to use your hands or eyes or anything like that. And I think that's pretty exciting. So I think as part of AR and VR,

we'll end up having hand interfaces, we'll end up having voice, and I think we'll have a little bit of just direct brain ... But we're going for the non-invasive approach, and, actually, it's kind of exciting how much progress we're making. 

The Interface / Casey Newton's evening newsletter about Facebook, social networks, and democracy.

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