# Article information:

Less money and more fear: what’s going on with tech - The Verge
<https://www.theverge.com/23598517/interest-rates-tech-vc-sea-change>

# Article summary:

1. The Federal Reserve's decision to raise interest rates in November 2021 has had a significant impact on the tech industry, which has been booming in the low interest rate environment.

2. Low interest rates have enabled venture capitalists to raise money easily and allowed companies like Uber to engage in 'blitzscaling' strategies.

3. Companies are now having to maximize their profits due to the higher cost of borrowing, leading to changes such as more interstitial ads and audio/video quality drops.

# Article rating:

May be slightly imbalanced: The article presents the information in a generally reliable way, but there are minor points of consideration that could be explored further or claims that are not fully backed by appropriate evidence. Some perspectives may also be omitted, and you are encouraged to use the research topics section to explore the topic further.

# Article analysis:

The article “Less Money and More Fear: What’s Going On With Tech” by The Verge is an informative piece that provides insight into how the Federal Reserve’s decision to raise interest rates has impacted the tech industry. The article does a good job of providing background information on how low interest rates have enabled venture capitalists to raise money easily and allowed companies like Uber to engage in ‘blitzscaling’ strategies. It also explains how companies are now having to maximize their profits due to the higher cost of borrowing, leading to changes such as more interstitial ads and audio/video quality drops.

The article is generally reliable and trustworthy, as it provides evidence for its claims with quotes from experts such as Robert Eric Siegel, a lecturer in management at Stanford Graduate School of Business, and Itay Goldstein, a professor of finance at Wharton. Additionally, it provides context for its claims by citing examples such as Netflix taking out massive debt in order to supercharge its streaming strategy or Adam Neumann’s tenure at Wework being a product of this era of easy money.

However, there are some potential biases present in the article that should be noted. For example, while it does provide evidence for its claims from experts in the field, it does not explore any counterarguments or present both sides equally when discussing topics such as blitzscaling or corporate debt becoming expensive. Additionally, while it does provide some insight into what this high-interest rate future looks like for consumers (e.g., more interstitial ads), it fails to mention any possible risks associated with these changes (e.g., privacy concerns).

In conclusion, while “Less Money and More Fear: What’s Going On With Tech” by The Verge is generally reliable and trustworthy overall, there are some potential biases present that should be noted when reading this article.

# Topics for further research:

* Impact of high interest rates on venture capital
* Blitzscaling strategies and risks
* Corporate debt and implications
* Interstitial ads and consumer privacy
* Adam Neumann and Wework
* Stanford Graduate School of Business and finance

# Report location:

<https://www.fullpicture.app/item/890d19f926f20997c960e5a931460da8>