

How did the 2001 dotCom bubble burst lead to the 2008 housing crisis and how did it impact the technology markets? And some talk about the OpenAI coup.

SHOW: 774

CLOUD NEWS OF THE WEEK - <http://bit.ly/cloudcast-cnotw>

CHECK OUT OUR NEW PODCAST - "CLOUDCAST BASICS"

SHOW SPONSORS:

- [Learn More About Azure Offerings](#) : Learn more about Azure Migrate and Modernize & Azure Innovate!
- [Azure Free Cloud Resource Kit](#) : Step-by-step guidance, resources and expert advice, from migration to innovation.
- [Code Comments](#) - An original podcast from Red Hat (Season 2)
- [Adjusting to new technology, from teams that have been through it](#)
- Find "Breaking Analysis Podcast with Dave Vellante" on [Apple](#), [Google](#) and [Spotify](#)
- Keep up to data with Enterprise Tech with [theCUBE](#)

SHOW NOTES:

- [2001 - a dotCom Bubble Odyssey](#) (Eps.772)
- [Telecom companies crash after 2001](#)
- The Big Short (Michael Lewis, Housing Crash 2008) - [book](#), [movie](#)
- [Amazon Web Services launches](#) (2006)
- [Microsoft launches Windows Azure](#) (2008)
- [Google launches AppEngine in beta](#) (2008)
- [History of Google Ads](#) (since 2000)
- [The Fiber Optics market crashed](#) (2001)
- NetSuite created 1998, Salesforce 1999, LinkedIn 2002
- Wikipedia created 2001
- Napster launched 1999; Apple launches iPod 2001
- Second Life created in 2003 (Metaverse 1.0)
- MySpace 2003, Facebook 2004, Twitter 2006
- Gmail 2004, Maps 2005, Earth 2005, Docs/Sheets 2006, Calendar 2006, Android 2008
- Cisco acquires Linksys, home networking (2003), WebEx (2007)
- [iPhone launches](#) (2007)
- [Massive competition to be the "hosting service provider"](#) (pre-2010)
- The Big Short (Michael Lewis, Housing Crash 2008) - [book](#), [movie](#)

A BRIEF SUMMARY OF THE OPEN AI COUP ATTEMPT

- [OpenAI DevDay 2023](#)
- Sam Altman (CEO) got fired by the board for undisclosed reasons
- Microsoft offered to hire all of OpenAI
- OpenAI Chief Scientist apologized for the coup
- Various people tried to get Sam Altman back to OpenAI
- Sam Altman back as CEO with a new board
- Lots of unanswered questions remain.

HOW DID DOTCOM BUBBLE LEAD TO HOUSING CRASH AND CLOUD PROVIDERS?

- People lost faith in the stock market and technology, looked for alternative investments
- Interest rates dropped as governments attempted to recover the economy
- Housing was deemed to be a “safe” investment
- Google figured out how to making Internet advertising available to every business
- SaaS companies were beginning to emerge, to replace core business functions
- The “sharing economy” was starting to take off (music, pictures, blogs, etc.)
- Aggregating platforms started consuming companies that were just “features”
- Shadow IT and Consumer Tech was causing problems for Corporate IT
- Vowels in company names were an endangered species (Twtr, Flickr, etc.)
- Interest Rates (2001 - 1.5%, 2008 - 6%), then 10-12 years of very low rates

LESSONS LEARNED

- Everyone was becoming tech savvy (Shadow IT, etc.)
- Cloud services emerge (cheaper OS, compute, bandwidth)
- SaaS becomes normalized (better UI, flexible pricing, outside IT control)
- New technologies emerging behind the scenes (scaling databases, etc.)
- Advertising starts to become the funding model for many Internet services

FEEDBACK?

- Email: show at the cloudcast dot net
- Twitter: [@thecloudcastnet](#)