

**Silicon Valley Society:
Social Implications**

AN ESSAY

PRESENTED TO

**THE CALIFORNIA PIONEERS
OF SANTA CLARA COUNTY**

BY

Huy Nguyen

**3145 Ensaimo Ave
San Jose, CA 95118**

(408) 265-8073

SAN JOSE PUBLIC LIBRARY

Table of Contents

Introduction	3
Speed of Life in the Valley	4
Family Life	4-5
IPOs	5
Smaller World.....	6
Competition	6-7
Personal Freedoms	7
Parallel Entrepreneurism	7
Headhunters	8
Ideology	9
Opportunity	9
Equality	9
Faith	10
Money's Affect	11
Enjoyment	11
Philanthropy	11
Digital Divides	11
Conclusion	12

Introduction

In the Bay Area, society has undergone a change; the simplicity that once was held by farming communities is now being transformed into a battleground of ideas. This new ideology has sped up daily life, increased competition, and changed the way citizens of the Silicon Valley think. The Silicon Valley ideology has changed the way people live and work under the technological boom. Everyone seems to be increasingly trying harder to prove their worth and existence in the high tech revolution. The attraction of the Santa Clara Valley and surrounding cities is not so much greed, as one would believe. Most people that come to the Silicon Valley are trying to achieve a dream. They believe that if they work hard enough they will succeed. It often takes so long, however, for people to become successful that many people lose sight of how to enjoy themselves after they reach the high success. The attitudes of the valley are no longer conservative; they are wild and free. The employers can no longer afford to be contemptuous; they must seek the talent because it is scarce and if they do not hire talented workers, someone else will. Trying to view this high paced, money-oriented society is like looking through a prism. It is fractured into so many different aspects that it is hard to comprehend them all. Therefore, this paper will attempt to give the reader a montage of social dilemmas that are apparent in today's society.

The Social Implications of Silicon Valley Society

The speed of daily life has increased dramatically. People now seem to be so involved in their work that they have little time for anything else. The billionaires are busy maintaining their billions and the entrepreneurs are trying to make their billions. The hectic lives these people lead give them no time for anything else. People expect billionaires to be really special; they expect them to lead their lives in a fashionable way. In a way that is true, but not in the way one would perceive because their life has become their work. For example, David Filo of “Yahoo!” in Santa Clara was still sleeping under his desk after the IPO (Initial Placement Offer) made him a billionaire¹. The only reason he stopped was because he no longer had any room. For many Silicon Valley employees, the office has for many become their second home, their home away from home. It is not uncommon for people to work eighteen-hour days here. Many programmers have sleeping bags inside their offices. Family values and lifestyles have been dramatically affected by the increasing time constraints of this newfound society. Children are often the victims of this problem (being neglected, but not intentionally) which may result in the child harboring a subconsciously abandoned feeling. When parents miss out on the Little League games or ballet recitals it makes the child think the parents do not care. Research has shown that the first five years of child development are the most crucial in a child’s life and if a parent can not bond with the child it will have negative impacts in the future relationships². More and more parents are placing their children in the watch of others creating a rift between parent and child. One example of this is demonstrated by the Church of Jesus Christ of Latter-day Saints’ radio commercial on many radio stations like 95.7 FM, where a father does not even recognize his own children.

The complexity of time in this valley is not based so much on the things required to do, but that each decision and moment has so much at stake. Millions of dollars are gained or lost on a whim, which increases the pressure of life. Nothing exemplifies the true speed of this valley more than a company's pre-IPO. This increasingly complex process of going public is the true test of those wishing to prove themselves and make something of themselves. Here they can either succeed or fail in one day and millions of dollars hang on every decision. People believe the most stressful times are the pre-IPO days. A typical Cinderella story has been painted over the true demand that an IPO causes. It is commonly believed that all that is necessary to become a success is to go public with your company and watch the stock market soar, making people millions. The real IPO, however, usually falls in the footsteps of failure. Even successful IPOs require tremendous time and effort.

One example is of a company named Actuate of San Mateo. The CEO Nico Nierenberg, spent three days at a speech preparation class taught by Jerry Weisman, a sixty-two year old novelist and TV producer, who is the founder and President of Power Presentations, which specializes in preparing executives for their road show. Here he learned how to speak to get investors to buy his company's stock. Subsequently, he delivered that speech to seventy-five groups in twelve days on two continents. Even then he had to hope that the market would be having a 'good day'. He got about two to three hours of sleep during that time, but he had to go on. Stopping would not only destroy him but his company and those employed there. Due to a filing fee error he had to make a decision as to whether or not to open his stock that day or wait. If he waited he would probably miss the opening market high, but if he went public that day he would lose three

million dollars on the spot. He made the decision to open and lose three million dollars with only a few minutes remaining before investors would drop out³.

Another reason we seem to lose time here in Silicon Valley is that technology is also making our world smaller. When the phone was invented, it shortened the gap in communication. In current times, however, people are so wired and connected that they seek escape from being so connected with their work. Communications, especially the Internet, have made our world a smaller place. Many people believe it is causing more and more people to lose physical contact. As a result of being so totally wired, people are always aware of what is going on in the world and feel a constant need to catch up to those changes. This complicates life because if people are aware that if you slack off even a little bit someone will be there to seize the opportunity. As a result people constantly feel they are wasting time compared to other people. Being connected in this way is not necessarily a good thing; this new level of connectedness gives one no time for oneself and will adversely affect his perception of time. With so much going on for a typical Silicon Valley worker it is no surprise that recent studies show that there are an overwhelming number of male bachelors in Silicon Valley. They simple are involved with other things and cannot carry on a stable relationship⁴.

The competition that allows workers so much freedom here in the Santa Clara Valley is amazing. The principle of this valley states that if you have talent you are valuable. This is something rarely found ten years ago anywhere. People with talent had to go find a job and if an employer had enough talent that was it, no more would be accepted. In those days the workers had to compete with each other. Now the demand for talented workers is so high that the employers are competing for workers. Talent is so

scarce that geeks are now slowly gaining power in the social world. Here in the Silicon Valley we can see that many of the talented, but antisocial geeks are in control of everything despite most having an abnormal behavior. They are secure in their job places because employers can no longer afford to be contemptuous. Even the dress code has been slackening off in the corporate culture due to Silicon Valley exposure. People no longer care if one is the perfect model-working drone. It is all about results now; the emerging trend leans toward allowing workers to behave and do whatever they want as long as they get the job done. A famous example of this is David Coons of Pixar animations⁵. He is so able and talented that he is able to work in the nude after 10:00 P.M. By then most everyone who would mind has gone home; only the animators and programmers on a deadline remain and they are open-minded and could not care less. One day he misread the clock and took off his clothes too early. He walked to the CGI-Department and a union worker who was not accustomed to this saw him. The union management yelled at him, but they could not fire him. He was too valuable; he would probably be able to get another job within the hour. The freedom he has is due to the fact that he's doing what needs to be done and employers realize this. Talented workers in Silicon Valley do not need to leave and search opportunities. They can remain sitting at their table and listen; they do not even need to listen, simply wait for opportunity to come knocking on their door. The world will offer itself to those who have talent. In the old days major corporations would acquire little start-ups. However, a new trend from an emerging market is breaking the traditional linear tactics. As a result of scarce talent and competition something called parallel entrepreneurship is developing. This is now taking on the standpoint of little garage-startups playing the acquisition game with other garage

startups. The competition is so fierce that companies employ aggressive recruitment tactics. Jobs are being offered to complete strangers if they recognize the company. Po Bronson, a writer, was once offered a job at a pickup soccer game because he recognized the company⁶. When he said he was not a programmer, he was offered a job as a technical writer. He declined and stated he was not looking for a job, but the recruiter would not give up. He asked if Bronson had any programmer friends and when he pointed them out the recruiter's eyes shot wide open. He immediately dispatched a blond lady to go talk with the group of programmers on Po's team. Oftentimes the competition seems more like war. If it were the equivalent of war, headhunters would be the spies. The job of a headhunter is to find talent and try to persuade them to join another company. They will use espionage-like tactics to try and complete their objectives. They will go to enemy companies and pretend they are the press, or an event organizer, or even a co-worker and try to get names and numbers of any highly skilled technical worker⁷. Sometimes they call in pretending they are from another department of the company or workers will be called from Radio Stations promising free trips to all his co-workers. First contact with a headhunter is often flattering, it helps establish the feeling of importance of value, but pretty soon the greater you are, the more hounded you are. Headhunters are paid by the headful so they will continue to pursue anyone and everyone. The Bay Area is probably the most competitive place on the planet. It draws the most competitive people from every nook of the world. It is a declaration to everyone that if you can succeed here against all these other people you can succeed anywhere.

Silicon Valley's extraordinary culture is based on creativity, where irresistible ideas are born, and the future is being spun out of the past. The real work of the Silicon

Valley occurs in the mind. People arrive in this opportunity-rich atmosphere of Silicon Valley almost daily. They have dropped everything in their lives elsewhere just to come here, because they believe that there are few places where one can succeed with talent, initiative and a good idea. They come because they believe that this Valley is the great equalizer; it enables people regardless of age, sex, color, and affluence to come and succeed. Many come to build the history that is already changing; they want to be a part of the place where technology will shape the lives of everyone, how they live and work. Some come for the excitement because the success stories they see are making the young and restless raise the stakes instead of plodding on through life.

The entrepreneur represents the hope and ideology of the new social revolution. They are the movers and shakers of this valley. They shape and dictate how the world will interact with technology by innovating ideas that change the world. Programmers are the workforces that shape the ideas and focus those ideas into a single application that can be realized by everyone. Salespeople are the ones actually going forth to the consumer and making money, turning vapor into solid profit. What drives people to things like that is the firm belief it can happen. In Silicon Valley nothing seems impossible; stories of overnight success are so seductive and within reach which causes people to strive further and work harder. An immigrant programmer named Luis is able to buy a \$550,000 house. He is so firm in his belief of this new social system of being able to be supported by talent alone that he quits his job because he does not like it. His monthly mortgage payment is \$3,845, but he is not worried. He is not worried because he has talent and when asked how he could be so sure, he simply responded he just knew. Another such example of such optimistic faith and unconditional belief is the story of

Thierry Levy, a French native with an idea. After a San Diego Internet showcase, which he had botched up, and his plane leaving within the hour, Thierry had to decide his future then and there. He would either stay in the U.S. and fly to the Silicon Valley to make his fortune and see if he could or could not make it, or go back where he knew he could never make it and would regret his decision for the rest of his life. He believed he could make it in the valley and become successful in business with only seventy days left before the tourist stamp on his passport expired. It is one thing to have faith in the far off future when you have a paycheck coming in every month. What really takes guts is when you can have faith in the near future, to believe with absolute confidence in the next thirty days, like Luis and Thierry⁸.

After achieving their success, people in Silicon Valley often forget how to enjoy it. Even before achieving success people think that they can at least enjoy the weather out here in Sunny California; however, most never get around to enjoying it. They get caught up in trying to succeed. Even workers in high tech industry living five minutes from the beach have been known to spend two days on the beach in perhaps four months. Misconceptions abound about a money-oriented culture existing within the valley to outsiders. However, nothing could be farther from the truth. The money the people make here has for the most part not gone straight to the heads of most people. The level of philanthropy in the Silicon Valley is one of the highest in the country⁹. In spite of the fact that some of the millionaires work seventy-hour weeks to develop new technology meant to empower the world, they still try to give. The many giving people of Santa Clara Valley are still so competitive they fight to raise more money. They make games in which they can compete to raise money because the spirit of rivalry is so entwined within

them. One such event is the annual Sandhill Challenge in Menlo Park sponsored by Jamis MacNiven, the owner of Buck's restaurant in Woodside, it is a soap box derby competition against teenage drunk driving. The minimum fee is one thousand dollars, but for those that participate it is well worth it for a day of competition, gadgetry, and fun¹⁰.

There is no arrogance to the rich in this valley; they are so tied up they can not float up to a lofty arrogance. People who earned their fortune in the Santa Clara area cannot forget the effort it takes to get where they are today. It is not possible for them to distance themselves from the people striving to make their dreams come true. Also to play a condescending attitude on a valley that is so dynamic would be simply foolish; a person could become fabulously rich in a blink of an eye. These down to earth millionaires and billionaires also believe that this truly is the place to offer an equal chance for anyone which is why many companies now are trying to battle the digital divide.

Despite the fact that the digital divide usually refers to those with money as opposed to those without, there is another divide between the populace of the Internet. Males make up much of the percentage of online users, especially those between the ages of eighteen and thirty-six. However, with the valiant and admirable fighting of the philanthropists of the Silicon Valley, the number of women and senior citizens are slowly catching up¹¹.

Life in the Silicon Valley has changed in many ways; the social aspects are evident in everyday life. The debate on whether these implications are good or bad are still out. As technology continues to progress, social changes will become more apparent. The high paced lifestyle will continue to change and force people to adapt to the

conditions imposed by working in the most competitive, constantly changing, and fiercest place on the planet. The importance of the changes affecting the culture here is because Silicon Valley is in the forefront of whatever the information revolution will bring. Society should take heed and watch the many developing changes occurring in this so far contained testing state. The implications of technological changes in Santa Clara County are no longer local, because it is the capital of information, and it is where technology is melded into lives. It will have a global effect because the revolution has begun and it is not possible to stop it. One must simply hold on and ride out the conclusion. It began with San Jose and soon included Mountain View, Palo Alto, and Sunnyvale. It has not stopped there; the Silicon Valley has been continuously growing and because there is no defined state of where it begins and where it ends, it represents the change that is sweeping across the world. It would not be surprising to one-day find that Silicon Valley is talked about in reference to the entire world. Like light these changes are subtle, transparent and passive when focusing on one standpoint. When you break it up into its individual parts, however, you learn that these changes are dramatic and slowly changing the way we live.

End Notes

-
- ¹ Meri, Simons, "Sleepless in Silicon Valley" San Jose Mercury News 1997
- ² Sloan, P Alfred, "Details of the Families and Work in Silicon Valley Project"
<http://www.sjsu.edu/depts/anthropology/svcp/SVCPdcf.htm#DCFSV>, April 17,2000.
- ³ Po, Bronson, The Nudist on the Late Shift, 1999, p. 71.
- ⁴ Janelle Brown, "Silicon bachelors,"
<http://www.salon.com/tech/log/1999/06/29/bachelors/>, June 29, 1999.
- ⁵ Ibid_ p.xxxii
- ⁶ Ibid. p. xxvii
- ⁷ Michael, Hyman, PC Roadkill p. 18
- ⁸ Bronson, Op. Cit., p. 5.
- ⁹ Hewlett Packard Company, "Philanthropy" <http://www.corp.hp.com/grants/>,
1994-1999.
- ¹⁰ Bronson, Op. Cit., p. 224.
- ¹¹ "Who's playing Games," Yahoo Net Life p. 98

Bibliography

- Bronson, Po. The Nudist on the Late Shift. New York: Random House, Inc., 1999.
- Brown Janelle, "Silicon bachelors,"
<http://www.salon.com/tech/log/1999/06/29/bachelors/>, June 29, 1999.
- "Digital Culture: Theory of the Virtual Class,"
<http://www.rochester.edu/College/FS/Seminars/DigiCult/5aVirtual.html>, 1996.
- Gates, Bill. The Road Ahead. New York: Penguin Group, 1995.
- Hewlett Packard Company, "Philanthropy" <http://www.corp.hp.com/grants/>, 1994-1999.
- Hyman, Michael. PC Roadkill. Foster City: IDG Books Worldwide, 1995.
- Lueck, Dr, J.A. "The Silicon Valley Cultures Project,"
<http://www.sjsu.edu/depts/anthropology/svcp/>, April 18, 2000.
- Rhodes, Richard. Visions of Technology. New York: Simon & Schuster, 1999.
- Simon, Meri. "Sleepless in the Silicon Valley" San Jose Mercury News, 1997.
- Video: Silicon Valley at the Crossroads. Dir. Bob Gliner and Kristine Jensen. With Michael Malone. KTEH/San Jose Public Television, 1997.
- "Who's playing Games," Yahoo Net Life, May 2000, p. 98.

Willow Glen High School
Advisor: Mrs. Kathryn C. Philp