

To the Honorable Commissioners of the Commodity Futures Trading Commission,

My name is Dustin Moskovitz. I am a co-founder of the work management platform Asana, as well as a co-founder of Facebook. I've also founded several nonprofits including Good Ventures in 2011 and Open Philanthropy in 2014, which was founded as a partnership between Good Ventures and GiveWell. In 2021, OpenPhil gave over \$400 million in grants, with over \$300 million allocated to public health efforts in the developing world. I am writing in support of Kalshi's submission to the CFTC to be allowed to offer a prediction market on Congressional control and to express my general belief that prediction markets (including from other providers such as PredictIt) can provide important benefits to society.

A core tenet of Open Philanthropy is our belief in the importance of improving our judgment. All private action—from business decisions to nonprofit grant allocation—requires making forecasts about the future. A business deciding whether to expand into a new market is implicitly making a forecast about the tax and regulatory environment in the future. A nonprofit deciding which cause areas are most tractable need to make forecasts about what the political environment will soon look like. Consider a grantmaking body trying to decide which groups to give money to. That grantmaking body will consider several factors, such as how important the cause they are considering is as well as the expected effectiveness of the potential recipient of the money at furthering that cause. But efficacy is often downstream of political control. A group trying to lobby Congress to change criminal justice laws, for instance, needs to adopt very different strategies if Republicans are in power or Democrats. In many cases, a grant may simply not be worth it if one party or another gains power, as the probability of reform in a given area may just be too remote.

As such, it is highly important to have *precise and accurate information* about the probability of different parties controlling Congress. We know from the academic literature on forecasting (such as the work from Philip Tetlock) that the sayings of pundits and experts are not the most accurate at estimating event probabilities. Liquid prediction markets can do much better, by not just aggregating the opinions of the masses but giving them a profit incentive to do as much research as possible to get the answer correct. By giving forecasters skin in the game, the price on the market would represent the most accurate election probabilities available. While many other commenters have spoken about the ways these markets could be used for hedging, or the way it could be used to price other financial instruments, I wanted to use this comment to explain how—in my own experience as both a corporate CEO and a major participant in the world of charity—accurate forecasting is critical to making good judgments. In this sense, prediction markets on Congressional control are indubitably in the public interest.

I know there are a number of prediction markets seeking CFTC recognition - Kalshi, PredictIt, Polymarket - and more that would if there were a clear path to operation. I support a simple and

open path to regulation, that protects consumers whilst providing the public access to this valuable and unbiased source of information.

Of course, it's important to validate that these contracts would not conflict with the public interest, and specifically the integrity of our elections. I am confident, however, they would not do so. Similar markets not only exist in many liberal democracies like the UK, but create a thriving scene that actually encourages voter participation and engagement. Moreover, the relatively low position limits make it such that no one would have the financial incentive (let alone the means) to attempt to manipulate elections in order to receive a payout. Elections are multi-billion dollar affairs with millions of interested parties attempting to influence people's vote—the resources necessary to make a dent far outstrip the \$25,000 by several degrees of magnitude. These contracts will enhance the integrity of our elections by providing the news media with an accurate estimate about the state of the race. Rather than listen to pundits with a less-than-ideal track record and perceived partisan biases, the broader public can be informed by the unbiased market. That can help to enhance public understanding of how our elections work, and enhance voter trust in the overall process.

Thank you for your consideration.