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Peter Thiel Isn't a Supervillain

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Whatever else you might think about Peter Thiel, the Silicon Valley billionaire who went on record this week as the secret financier behind Hulk Hogan's devastating lawsuit against Gawker Media, he is a terrible literary critic. *The Lord of the Rings* is his favorite book, but he has apparently got no earthly idea what it is about. In a 2008 [interview in the libertarian magazine *Reason*](#), he explained breezily that "Tolkien and *The Lord of the Rings* expressed the ideas that absolute power corrupts absolutely, that the ideal world is one in which people enjoy more freedom, and that that's a world where you'll have the greatest amount of human prosperity and happiness and ultimately achievement."

The Lord of the Rings is the tale of the restitution of a just king to his rightful throne. It is absolutely a monarchist, militarist, authoritarian story, idealizing both the kings of Gondor and of Rohan to a romantic pitch understandable only in the context of the Second World War, during the course of which much of the book was written. I can't think of a single way in which Tolkien expresses the idea of individual political freedom; the politics of Middle-earth are manifestly, uniformly about submitting to those more wise and just than ourselves. (This might resonate a bit this week.) Even Gandalf is subject to the dictates of his own Order. There is the overthrow of the tyrant, Sauron, sure, but we see no evidence that his subjects are better off or more "free" after he is destroyed; indeed, most of them are destroyed with him.

Thiel goes around naming all his companies and groups after the artifacts and personages in Tolkien — Valar, Mithril, Lembas, etc. — but Palantir, the name of his secretive data-analysis company, is in a class of its own. In Tolkien's Middle-earth, the *palantír* (pl. *palantíri*) are like crystal balls that can show events far away and in different times. So far, so appropriate. But the palantír with which the book is principally concerned (the palantír of Anárion) is secretly controlled by the evil Sauron, and proves the eventual ruin of Denethor, Steward of Gondor. It's a deadly trick, a deceitful 'crystal ball' that drives its possessor mad. *Hmm*, we might say, stroking our chins.

But Thiel is not quite Sauron, though both have a fondness for working in secret to topple their enemies. He's not really even the Bond villain that his fondness for wild schemes like the anti-Gawker crusade and "seasteading" — the construction of man-made libertarian-paradise islands, to which Thiel has donated more than a million dollars — would have him seem. In truth, Thiel, a self-avowed Ayn Rand fan who thinks that women's [suffrage has undermined the greatness of](#)

capitalist democracy and that freedom and democracy are incompatible, is a rather more familiar figure: a man with a distaste for the messy realities of the political present, over-enamored with his own intellect, and unaware of his own blind spots. If you've spent enough time on Twitter, or in the great comments sections of the internet, you know this type depressingly well. In truth the only thing really scary about Peter Thiel is that he has enough money to buy his own seriousreception.

And money he has! While he considers his campaign against Gawker “one of my greater philanthropic things that I've done,” it's hardly the only “philanthropy” he participates in. Most well-known might be the Thiel Fellowship, a wheeze whereby the billionaire pays talented college students to drop out and work on their own projects instead. So far, there have been 80-odd graduates of this program, and they have come up with spray-on caffeine (also a cool solar-power device called SunSaluter designed by Eden Full, an engineer who went back to Princeton after her fellowship was completed).

He's donated more than a million dollars to the Seastead Institute to research the feasibility of its aforementioned floating government-free zones, and pumped money into research into artificial intelligence and life-extension technology, a somewhat peculiar obsession for a self-described Christian. (“Probably the most extreme form of inequality is between people who are alive and people who are dead,” he told *The New Yorker's* George Packer.)

Thiel was born in Germany but raised in California, a chess prodigy (ranking seventh among under-13s, at age 12; okay, that's pretty good) and brilliant student (valedictorian of San Mateo High School, California, okay). At Stanford he co-founded a libertarian journal, *The Stanford Review* (thanks to funds from the Collegiate Network, an Olin Foundation-funded group that nurtured and funded conservative/libertarian student publications from whence arose a startling number of right-wing pundits), went on to law school, failed to secure a Supreme Court clerkship (to be fair: a failure most of us share!), and spent much of the 1990s trading derivatives and running a hedge fund.

His career as one of tech's most revered investors began in 1998, when he founded PayPal with Max Levchin. Thiel seemed to initially see PayPal as the beginning stages of what was destined to become a bitcoin-like networked finance system — part tax shelter, part hedge against currency fluctuations, part mad high-libertarian scheme to free humanity. It failed to do any of those things, but it made Thiel enormously rich when it sold to eBay for \$1.5 billion, in 2002. His post-PayPal hedge fund, Clarium Capital, was somewhat less successful — by 2011, the value of investments had fallen 65 percent from their peak in 2008 — but a \$500,000 loan he made to Mark Zuckerberg has since turned into a 10 percent stake in Facebook, worth more than a billion dollars, and a seat on the company's board.

Those billions — and the consequent reputation as a tech-investor god — have translated into pure respect and reverence from certain quarters, even as Thiel's politics have become increasingly distant from the mainstream. Routinely described as a libertarian, Thiel's stated preferences, which he says have evolved since his college days, seem closer to the quasi-monarchical longings of the “Dark Enlightenment” set — a fear of the influence of “the masses,” and a firm belief in the supremacy of the strong-willed individual. “I no longer believe that freedom and democracy are compatible,” he wrote in the same Cato Institute essay in which he

lamented that “welfare beneficiaries” and women had been enfranchised, and expressed a desire to move “beyond” politics. Small wonder that he will serve as a delegate for Donald Trump at this summer’s Republican convention.

Still, though: It’s legal for Peter Thiel to use his money to make use of the public courts to silence a publication that he doesn’t like. The hundreds of people who work for that publication can go to hell, so far as Thiel is concerned, and so can its millions of readers; Peter Thiel doesn’t like Gawker, and therefore Gawker must go. It’s for our own good, he told the New York Times.

Not forgetting for an instant: As a board member and one of the earliest investors in Facebook, Thiel is in a particularly sensitive position with respect to limiting the media that Americans are able to read and see online. What one suspected, given the secrecy in which Facebook and other large digital media firms can operate now, is shown to be the case: The people in charge of these firms will not scruple to use their power for nakedly personal reasons that may badly harm the rest of us.

This as much as anything is what makes “libertarianism” seem inadequate to describe Thiel’s politics. Thiel is a donor to the Committee to Protect Journalists; as a libertarian he should surely support a free press — one of the great barriers to an all-powerful state. And if you support a free press, you support Gawker, no matter if they tell prurient stories, and even if they are forced to issue corrections or retractions sometimes. Freedom of press particularly means freedom for press you don’t like.

But the true beneficiaries of Thiel’s “philanthropy” against Gawker, as J.K. Trotter noted there yesterday, are not the common people he sees himself as defending (common people like the professional wrestler Hulk Hogan), but his fellow Silicon Valley Disruption Brigade: the self-regarding entrepreneurs who do not care to have their feet put to the fire by any pesky fact-finding, fact-publishing, “bullying” journalists. For one who has persistently championed unconventionality, fearlessness, and thinking for oneself in public, Thiel’s vicious secret enmity against journalists is telling. His behavior is itself bullying, taken to the utmost degree.