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## Trump's tech adviser Peter Thiel backs utopian technology, less sure democracy

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It's odd that a contrarian intellectual moneybags, the billionaire Peter Thiel, remains silent on his biggest idea about government when it comes to endorsing his new best friend – US President-elect Donald Trump.

Alone among Silicon Valley's liberal-minded moneymen and innovators, the 49-year-old Thiel spoke Trump's language in an uber-conventional political speech to Republicans in Cleveland in July; and again when he spoke at the National Press Club in Washington in the days before the presidential election.

Who is Peter Thiel?

It took nine years for billionaire tech investor Peter Thiel to get his revenge on gossip site Gawker, after it published an article on his sexual orientation in 2007.

And in return for a \$US1.25 million donation to Trump's winning election campaign, Thiel has landed the big prize – a seat at Trump's right hand, as a member of the tight executive committee overseeing Trump's transition team.

So the outsider Thiel gets to have a hand in building the outsider candidate's administration – from the ground up.

As a co-founder of PayPal, which was intended to get around government interference and taxation, Thiel made out like a bandit in 2002, when eBay bought the internet bill pay company for \$US1.5 billion. He was the first outside investor in Facebook – his 2004 investment of \$US500,000 was valued at about \$US10 billion in 2012. He has big stakes in the likes of LinkedIn, Spotify, SpaceX and AirBnB.

He's a co-founder of Palantir, a highly secret data mining company recently valued at \$US20 billion, that tracks terrorists and fraudsters and has big contracts with government intelligence agencies and the financial sector.

Silicon Valley still lives in awe of a bunch of start-up guys known as the PayPal mafia – all were in on the ground floor at PayPal; Thiel is their mentor.

He threw money at the Seasteading Institute, which wanted to build man-made island colonies on which people like himself might live in international waters, beyond the reach of meddling governments. He donated \$US3.5 million to the Methuselah Foundation, which researches extending the human lifespan – because he is determined to live well beyond his biblical three score years and 10.

In a single-finger gesture to higher education, Thiel set up scholarships for would-be entrepreneurs, consisting of \$100,000 grants for them to skip university and get on with their start-up. He's helped a start-up that takes animal skin tissue and "grows" leather from it in vitro. Between times he clerked to a Federal Court judge; became a New York lawyer; ran a hedge fund; and became a venture capitalist.

Thiel is as thin-skinned as Trump. To get back at Gawker Media for outing him as gay in 2007 and for generally mocking him, Thiel funded the successful breach-of-privacy action by the wrestler Hulk Hogan, who won a \$US140 million judgment in May 2016 that drove Gawker into bankruptcy.

Like Trump, Thiel believes in creative disruption or destruction. And despite being hailed by *The New Yorker* as possibly the world's most successful technology investor, Thiel is ambivalent about this thing called the information age – hasn't created enough new jobs, he says; didn't produce revolutionary improvements in manufacturing and productivity.

Some cast Thiel as a Medici; others as more Machiavellian. An outspoken and extreme libertarian who is gay and Christian, the German-born Thiel immerses himself in philosophy, history, economics, anthropology and culture. The magazine *Fortune* bills him as "America's leading public intellectual".

But, as *The New Yorker's* George Packer wrote in a profile in 2011, "his main lament is that America – the country that invented the modern assembly line, the skyscraper, the airplane and the personal computer – has lost its belief in the future. Thiel believes that Americans who are beguiled by gadgetry have forgotten how expansive technological change can be."

The manifesto of Thiel's venture capital firm, Founders Fund, was once subtitled: "We wanted flying cars, instead we got 140 characters."

He blames much of what ails the US on this failure of imagination – from wage stagnation to the collapse of manufacturing to a bloated financial sector.

That biggest idea about government that Thiel hasn't shared with the Trump crowd is that he's dead set against some of the fundamentals of democracy: "I no longer believe that freedom and democracy are compatible," he wrote in a 2009 essay; he believes in monopolies but denounces multiculturalism as "exist[ing] to destroy Western culture".

In that 2009 essay, "The Education of a Libertarian", published by the Washington-based Cato Institute, Thiel writes: "The 1920s was the last decade in American history during which one could be genuinely optimistic about politics. Since 1920, the vast increase in welfare beneficiaries and the extension of the franchise to women – two constituencies that are notoriously tough for libertarians – have rendered the notion of 'capitalist democracy' into an oxymoron."

But if Thiel sounded hopeless or resigned in 2009, he sees Trump as a bridge to somewhere - possibly to his sense that to protect capitalism the democracy must be shrunk; get the vote back from those damned women and welfare recipients, and capitalism has a better chance in a tighter democracy of more sympathetic voters.

Thiel's argument against democracy as we've known it reads like the web-based Dark Enlightenment or Neo-reaction movement, sometimes abbreviated to NRx, a key element of which is described as a post-libertarian futurism – it touts authoritarianism, even some kind of monarch-and-subjects rule, as preferable to democracy because libertarians are unlikely ever to windemocratic elections.

With an eye to a future in which there would be the highly productive few and a great many unemployables who will have been marooned by new technology - the contours of which can be seen already in the American Rust Belt- neo-reactive thinking asks why should the moneyed elites be obliged, as in a conventional democracy, to defer to the voices of the poor and the jobless in deciding how to run the country?

In his endorsements of Trump, Thiel would have his audience believe that he views the social fabric through the prism of conventional democracy – and certainly nothing seriously revolutionary or neo-reactionary.

Here he is in his GOP convention speech: "[Donald Trump] is a builder – and it's time to rebuild America. Across the country wages are flat. Americans get paid less today than 10 years ago. But healthcare and college tuition cost more every year. Meanwhile Wall Street bankers inflate bubbles in everything from government bonds to Hillary Clinton's speaking fees. Our economy is broken.

"Our government is broken. Our nuclear bases still use floppy discs. Our newest fighter jets can't even fly in the rain. And it would be kind to say that government software works poorly, because much of the time it doesn't even work at all. That is a staggering decline for the country that completed the Manhattan Project [which produced the first nuclear weapons].

"Instead of going to Mars, we have invaded the Middle East. We don't need to see Hillary Clinton's emails – her incompetence is in plain sight. She pushed for a war in Libya, and today it's a training ground for ISIS ... When I was a kid, the great debate was about how to defeat the Soviet Union. And we won. Now we're told that the great debate is about who gets to use which bathroom."

At the National Press Club, he spoke of the US as a passenger on the Titanic – "and we're going to sink". Praising Trump for daring to question the lofty notion of American exceptionalism, he said the Trump agenda was about making the US a normal country – no trade deficit, not fighting wars and having a government that "actually does its job".

Some slick lines in there, but nothing more than a tidy version of what Trump spouted on the stump. But here's a funny thing – just as Thiel does, Trump also has a big idea about government that he implies, but never articulates. It's this: white Americans are his "real" Americans and African-Americans, migrants and Muslims, the black and brown "others", are stealing the jobs and terrorising the lives of his "real" American core followers.

Deconstructed, it's another iteration of Thiel's "get rid of the welfare beneficiaries and women" argument. Trump's talk of deporting as many as 12 million undocumented migrants and creating a database of Muslim Americans sets native-born white Americans above the rest – "'real' Americans get to enjoy the rights and privileges of citizenship; racial outsiders and internal enemies do not", as *The Guardian's* Ben Tarnoff puts it.

This is the objective of the white supremacists and ultranationalists who are falling over themselves to cheer Trump on, with the Ku Klux Klan endorsing him before the election and a number of their fellow travellers concluding in the wake of the election that Trump's success is proof that they too have become electable.

If Trump can delegitimise and disempower the "others", he's on his way to achieving the Thiel objective of the smaller democracy.

Thiel is the American rarity sketched in so many media profiles. And because he's a self-sustaining multi-billionaire he should be watched for what he might do next, sitting as he does at the right hand of the country's next president.