Risk With No Exit: The Bad Logic of Silicon Valley's (Few) Trump Supporters

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Most of America's technology industry opposes Donald Trump. In an open letter, 145 industry leaders wrote that, "We have listened to Donald Trump over the past year and we have concluded: Trump would be a disaster for innovation." Such consensus is unusual; as the *Los Angeles Times* reported recently, "Donald Trump has done the unthinkable" by uniting much of the notoriously fractious and apolitical engineers, entrepreneurs and investors of Silicon Valley. Trump's relative weakness with this group was only made worse earlier this week when entrepreneurial billionaire and political independent Mike Bloomberg sharply criticized Trump and endorsed his rival Hillary Clinton.

Quite a few in Silicon Valley, however, remain open to Trump. Most famously, PayPal co-founder and billionaire Peter Thiel endorsed Donald Trump. In the wake of that endorsement, the *Washington Post's* Gregory Ferenstein interviewed many leaders in the Valley:

"I was shocked by how Trump's support had grown in Silicon Valley since he clinched the nomination, roughly quintupling from a similar poll I ran last January..."

Although these Trump supporters were still a small minority in Silicon Valley, their status as innovators and their financial influence make them relevant. So, what are these Technology Trumpsters thinking? In a nonscientific poll, I called some folks and asked them. I got three basic answers. First, they think that Trump may be a "disruptor." This is a compliment; in the world of technology innovation, a disruptor is someone who shakes things up for the better. Second, Trump supporters in the Valley believe that Trump's anti-innovation statements (such as racial hatred, restrictions on immigration, and hostility to trade) are not real. Third, they hate the idea of a consensus on *anything,* even opposition to Trump; indeed, they fear that excessive loyalty to Democrats represents a blind spot or groupthink.

Each of these claims is deeply unpersuasive.

Is Donald Trump A Disruptor Who Might Fix Government?

In broad brushes, the most common pro-Trump argument in the Valley goes as follows: The government is sclerotic, wastes money, protects incumbent monopolies, and privileges elites. As a result, the country is on the wrong track, and will get worse without a radical change. As one of Ferenstein's interviewees told him: "I feel trump is a huge gamble, but it's insane to keep putting these career politicians back in power. Something needs to change." I talked with folks who love that Trump is hated by elites in New York City and Washington DC.

This argument just goes to show that smart businesspeople can embrace really bad ideas. If this line of thinking were a technology startup, the startup would fail and the founders would have trouble getting future investors.

For starters, the fundamental diagnosis that America is getting worse is both factually incorrect and surprising coming from Silicon Valley. The libertarian website Human Progress provides enormous amounts of <u>factual information demonstrating the progress of humanity</u>, from literacy to income to norms. America in particular has been getting steadily better by most indicators, and companies from Silicon Valley have led the charge.

These guys were also disruptors who attacked the cosmopolitan city elites.

More importantly, things could get much worse. <u>Humanity has many examples of civilizations that have collapsed</u>, usually due to political and environmental stupidity. Put bluntly: disruption is not always good, even disruption that is hated by city elites. City elites have been disrupted by populist strongmen in country after country over the past century, from Juan Peron in Argentina, to Fidel Castro in Cuba, to Hugo Chavez in Venezuela. In each case, the disruption led to substantially more statism and corruption, substantially reducing innovation and national economic growth. Like these and other historical strongmen, <u>Trump wants substantial increases in government spending and federal power</u>. He has repeatedly demonstrated <u>authoritarian instincts on matters important to the technology industry</u>, from government coercion over individual companies to government suppression of the free movement of people and ideas.

Is Donald Trump Just Kidding?

The second common argument from pro-Trump businesspeople is that he won't actually enact any of his policies. As one Trump supporter said in an interview with Business Insider:

I do not agree with a blanket ban (and personally I think he never meant it) ... I have no doubt that Trump is a smart guy who won't be deporting massively millions of people.

The most generous interpretation of this argument is that it's a gamble. More likely, it's simply wrong. Trump has been especially open with the public as a presidential candidate. <u>His real-time reactions on issues demonstrate the same authoritarian and vindictive streak that his policies</u>

support. Experts in body language who have analyzed Trump's speeches conclude that he means what he says.

But Donald, how do you *really* feel?

More importantly, what if this is wrong? What is the exit strategy if Trump actually means what he says? Bankruptcy law won't work for the United States economy or international security, let alone protectionism and domestic racism. The checks and balances of United States civil society and government might reduce Trump's power, but a vote for Trump would go a long way toward weakening those checks and balances.

Trump As An Antidote To GroupThink

Finally, some folks who support Trump in the technology community simply yearn to be contrarians. The idea, roughly, is that too many technology people hate Trump, so diversity requires a few folks to have the courage to appreciate him, especially when almost half the electorate intends to vote for him.

I like contrarianism, but supporting Donald Trump is a really weird way for Silicon Valley to start worrying about its diversity problem. The leadership of the technology industry nationally, and in Silicon Valley, is overwhelmingly male and overwhelmingly white or Asian. This industry invests disproportionately in founders who share those demographics, and are also under 30 and live in large Western cities. If avoiding groupthink is the idea, maybe invest in older entrepreneurs, or make more women and people of color venture partners, or set up operations in rural areas or foreign nations. Or, if none of that is convenient, maybe vote for a presidential candidate who wants to maintain the free exchange of movement and ideas.