



Rand Paul's Mission to Save Silicon Valley from the Government

By: Grace Wyler – June 11, 2013

On a recent Thursday afternoon in California, Kentucky's filibustering Republican Senator Rand Paul arrived on Google's sprawling Mountain View campus with what turned out to be a prescient warning about online privacy.

"I don't have anything to tell you about computers or code," Paul told a lecture hall packed with more than 200 Google engineers and employees.

"I'm not going to lecture you on matters that you know better than I do. But I am an advocate of privacy, and I would like to make a plea to those who are here, who are active, who are interested in the issue of privacy: Google, the entity, and you, as part of Google, need to be great advocates of privacy."

"One of the reasons why I believe this is that there may come a day when people see Gmail and think that stands for Government Mail," he continued. "At the point when that is the public perception, you have lost a great war. You will then be at the mercy of people who say, 'Oh, we need privacy controls, we need regulation.' When people think that Google is the same as government, you will be lumped into that."

The timing of Paul's message was impeccable. Just one week after his visit to Google, a pair of bombshell reports revealed that the search giant, along with at least seven other Big Tech companies, have already given the government access to their user data under the secret PRISM program, which gives the NSA virtually free reign to mine emails, Facebook messages, Google Hangouts, Skype chats, and nearly everything else people do online.

For libertarians like Paul, the extent of the NSA's Internet surveillance is unsurprising, confirming long-held suspicions about the government's encroachment on civil liberties in the name of national security.

But the PRISM revelations—and subsequent public outrage—also present a rare, high-profile opportunity to solidify the libertarian foothold among young Silicon Valley techies who are increasingly mistrustful of government meddling online.

"I think there's room for the Republican Party in the high-tech industries. We just need to convince them that we're the party that's not going to regulate the Internet, we're the party that's going to protect privacy, we're the party that's appreciative innovation that comes from there," Paul said in an interview with Motherboard. "I don't think they fit neatly into either party, and that's why some people call many of them libertarians."

At first glance, Paul's Tea Party brand of libertarianism might not seem like an easy sell in Silicon Valley, a reliable progressive stronghold. In 2012, Barack Obama took 70 percent of the vote in Santa Clara County, and won by even larger margins in San Francisco and Alameda counties. Obama also received nearly 97 percent of the political donations made by Google employees last year, as well as 91 percent of those made by employees at Apple and 89 percent of those made by employees at eBay.

But those numbers mask a deep, if not yet pervasive, libertarian strain that runs through Silicon Valley—a peculiar techno-political philosophy that took root in the late 1990s and continues to inform the tech community's increasingly frequent interactions with the U.S. government, even when it doesn't translate into political behavior.

“It's not inevitable that Democrats will win with the tech community—there is a very strong libertarian streak online,” said Jon Henke, a libertarian blogger and digital communications consultant. “I think the technology world is instinctually libertarian in that they have a ‘leave us alone’ ethos, but it's not a political label.”

As Henke points out, Silicon Valley's unique breed of techno-libertarianism is largely focused on operating outside the political system, rather than within it—a philosophy embodied by PayPal founder Peter Thiel, a billionaire tech investor with iconic status in Silicon Valley circles.

Thiel's career has been driven, at least in part, by what the *New Yorker's* George Packer called “libertarian futurism”—the idea that technological progress, rather than government, will “create a new space for personal freedom,” as Thiel put it in his 2009 essay “The Education of a Libertarian.”

With PayPal, Thiel wanted to create an online global currency that could exist outside of government control and taxation. Although that dream didn't pan out, Thiel's venture capital firm Founders Fund invests in technology companies with similar utopian-futurist visions, like commercial space exploration and biotech that aims to stop cancer and aging.

Offline, Thiel has given money to similarly quixotic libertarian pursuits, including \$2.6 million to a pro-Ron Paul SuperPAC in 2012 and \$1.25 million to the Seasteading Institute, a Bay Area think tank that wants to colonize the ocean with floating autonomous city-states.

But Thiel has also indirectly facilitated the government encroachment that he has tried so hard to escape. An early investor in Facebook, he played a key role in the creation of one of the biggest collections of personal data in human history, and one of the top targets of the NSA's PRISM program.

And in a strange twist, Thiel is also a founder of Palantir Technologies, a data analysis company that provides intelligence agencies and law enforcement with the software needed to mine troves of disparate data, like the kind collected by PRISM. (Although Palantir sells a software called “Prism,” the firm has adamantly denied that its software is related to the NSA's PRISM program.)

This apparent aberration underscores the paradox of techno-libertarianism. As one Silicon Valley start-up founder put it, “Libertarianism is an active policy position—what's happening here is a political ideology that doesn't accept that government is a factor.”

“I think that the tech community is largely apolitical,” said Joe Lonsdale, a Thiel protege and founder of Palantir Technologies. “Many people are very skeptical that the way mass democracy works and that the way our political system functions that they can really have much of a voice. Unfortunately, mass democracy has historically not brought about libertarian values.”

Through Thiel and his acolytes, a group of rich, libertarian-leaning tech investors known as the PayPal Mafia, techno-libertarianism has gained steady influence over the Silicon Valley tech community—a trend evidenced by companies like Uber and Airbnb, who adhere to the Randian notion that government regulation is bad and the free market is all that the public needs to ensure its safety.

“Smart people in Silicon Valley have always been interested in these ideas, but more recently as our industry starts to interact more with government in various contexts, more people see just how broken and inefficient government can be,” Lonsdale told me.

“Importantly, people see how government power sounds good in theory but in practice the established players and people who have more wealth and power and connections pretty much always capture government regulation and government influence, and use it illegitimately to enrich themselves or to preserve their position in the market [and] to try to stop the new up and coming people from succeeding.”

But as the government increasingly invades the Silicon Valley bubble, tech companies are gradually coming to the realization that political isolation won't make regulations and subpoenas go away—and that there can be a high cost to not participating in the system.

“There has long been a strong libertarian thread here, but I think that what we're seeing that's new is that people are talking about political engagement more,” said Craig Montuori, founder of the Silicon Valley startup PolitiHacks, which aims to help start-up companies navigate Washington. “People are starting to think about their broader impact on society.”

We saw the first real display of the tech community's latent political power with the 2011 fight to stop SOPA, when, in a rare moment of solidarity, tech companies and Internet activists banded together, organizing an unprecedented Internet blackout that stopped lawmakers' in their tracks.

“If the tech community would have been at the table earlier, maybe SOPA wouldn't have become such an Internet cause célèbre,” said Julian Sanchez, a Cato Institute research fellow who focuses on tech policy issues. “Now you are seeing people who were not politically active realizing that what they do can be threatened by people who don't know what they do and don't understand it.”

The question now is whether Internet activists can gin up a SOPA moment for online privacy. While Sanchez thinks that is possible to replicate the SOPA “perfect storm,” it's hard to see how the tech community's interests align on the NSA surveillance issue, particularly in the absence of political leadership.

And that's where Rand Paul comes in. When news of the NSA's surveillance dropped last week, Paul took an early lead in criticizing PRISM and the national security state,

introducing a bill to restore the Fourth Amendment on Friday and calling the NSA's collection of phone records an "astounding assault on the Constitution."

Even OG Silicon Valley Republicans are cautiously optimistic that Paul can finally tap into the nascent political potential of the area's techno-libertarians.

"I was encouraged by Rand Paul," said T.J. Rodgers, the CEO of Cypress Semiconductor and an outspoken libertarian conservative. "He's getting air time, he says things that resonating with people who need something different. The values he talks about are basic American values and they all relate to the government controlling less of your money and less of your life."

"I'm happy to see that he's broken through the dualopoly," Rodgers added. "But I'm not sure that he won't just be another flash in the pan."

On Sunday, Paul announced that he plans to lead a class-action lawsuit against the Obama administration to force the Supreme Court to rule on the constitutionality of the NSA's surveillance. He is scheduled to meet with a legal team Tuesday to get the ball rolling on that project.

That message, combined with his 13-hour drone filibuster, makes Paul the most obvious leader in the opposition to the government's surveillance programs. Among civil libertarians, Paul also benefits from the legacy of his father, Ron Paul, who counted Peter Thiel and NSA-leaker Edward Snowden among his supporters.

"I don't want you to be droned, I don't want you to be detained, and I also don't want your email to be looked at by a politician's choice," Paul said at Google.

"That would be my plea to you. Remember the difference. Remember that you do deal with information, but there's nothing wrong with it. What you do is not an invasion of privacy, if we have a contract. Remember Gmail is not government mail."