Chapter Seven

HIGH PRIESTS OF TECHNO-SOLUTIONISM

Throughout this book, I've stressed that handing the reins of our financial system to Silicon Valley inevitably means signing up for the values and beliefs of the Silicon Valley elite. This is the chapter where I tell you a bit about those values and beliefs and, dear reader, things are about to get weird. Some of the belief systems I discuss in this chapter may in fact defy belief, but – to quote Dave Barry, one of my favorite humor persons of yesteryear – I am not making this up. In fact, I am so not making this up that this chapter will feature lots of quotes straight from the various horses' mouths (also, some of these pro-"free-speech" horses can be quite litigious, so it's probably wise to just let them use their own words...).

Buckle up, and let's explore the origin stories of the Silicon Valley elite, the values they hold, and what they mean for the rest of us. The journey is both deeply disturbing and darkly funny.

As seen on TV

In 2014, a new show called <u>Silicon Valley</u> premiered on HBO. It ran for six seasons, and if you watched the full run (which I highly recommend, because it's hilarious), then you might be able to skip some parts of this chapter. In a way, you've already seen it all: the socially awkward, hoodie-wearing startup founders who struggle to relate to other humans; the montages of business pitches proposing internet fixes that will make bazillions of dollars while still "making the world a better place;" eccentric VCs funding the founders who look most like them and nursing grudges against other VCs who screwed them in the past; and the extremely bizarre fetishes of the tech billionaires who could not be more out of touch with reality.

But many of you won't have seen the show. And some of you who *have* watched it might think it's an extreme parody, bearing little resemblance to the real Silicon Valley. My job here is to show that the show's writers were not making this up. Anecdotally, I've spoken to Silicon Valley-employed software engineers who cringe at the thought of watching *Silicon Valley* – even though they think it's hilarious – because it hits too close to home. A marginally more scientific barometer of the show's accuracy comes from a <u>poll</u> of 101 Silicon Valley industry insiders that The Atlantic conducted in 2015. In response to the question, "Which TV show or movie of the last decade best captured the culture of Silicon Valley?," the HBO series was the clear favorite.

According to a <u>profile</u> in the New Yorker, a VC serving as a consultant to the show's writers once voiced suspicions that those writers were leaving a lot of true stuff out – because the true

stuff would have made the show seem too implausible to viewers. My favorite story that got left on the cutting room floor?

During one visit to Google's headquarters, in Mountain View, about six writers sat in a conference room with Astro Teller, the head of GoogleX...the company's "moonshot factory," devoted to projects, such as self-driving cars, that are difficult to build but might have monumental impact. "He claimed he hadn't seen the show, and then he referred many times to specific things that had happened on the show," [one writer] said. "His message was, 'We don't do stupid things here. We do things that actually are going to change the world, whether you choose to make fun of that or not."...Teller ended the meeting by standing up in a huff, but his attempt at a dramatic exit was marred by the fact that he was wearing Rollerblades. He wobbled to the door in silence.

That's hilarious, but there's also something important at work here. The excesses of Silicon Valley culture can work as a defense – they can seem so outlandish that critiques of Silicon Valley can come across as cartoonish and unrealistic, and end up being dismissed as a result. As you read this chapter, you might find yourself dismissing *my* descriptions of the values held by many of the Silicon Valley elite, because they just seem too weird to be true. But as Maya Angelou famously said "when someone shows you who they are, believe them the first time." To riff a little, when the Silicon Valley elite tell you about their values, in their own words, believe that these are indeed the values we're unconsciously opting into when we embrace their technosolutions. As Marietje Schaake describes in her book *The Tech Coup*:

Many modern corporate tech leaders believe deeply that they can serve their users better than governments can serve their citizens. Emboldened tech billionaires, in the grips of this belief, brazenly articulate the outsize role they can — and believe they should — play in shaping society and building companies that skirt existing regulation while seeking to replace government capabilities.

The Silicon Valley elite I'm talking about here comprises the billionaires who lead the largest tech companies, and the billionaire (and sometimes just multi-millionaire) VCs who choose which tech startups to fund. I would *not* include the rank-and-file Silicon Valley workforce in that elite group. Tech workers who may have thought of themselves as "founders-in-waiting" when HBO's *Silicon Valley* first hit the airwaves have increasingly realized that their opportunities are drying up. As razor-sharp industry observer Cory Doctorow put it in 2024:

This [billionaire-in-waiting] ethos encouraged tech workers to view themselves as an ascetic priesthood on a mission to digitize the world, even at the cost of sleep and family. Meanwhile, as workers' conditions deteriorated, their bosses' wealth soared. But tech workers are no fools. Their prospects have diminished so significantly within a single generation that it is no wonder that many now view themselves as employees, leading them to pen manifestos, walk off the job, and form unions.

The deterioration of relations between tech workers and their bosses accelerated in 2025. Amidst return-to-office

mandates and layoffs (and thinly veiled layoffs in the form of return-to-office mandates for employees who live a plane ride away from their office), the perks and even basic job security of Silicon Valley employment are not what they once were. Remember when we were telling all the children they needed to learn to code? Well let me offer you just one headline from May 2025: "Microsoft Layoffs Hit Coders Hardest with AI Costs on the Rise." Although we learned last chapter that it's perilous to replace human software engineers with AI-generated code, tech bosses who have been infected by what tech blogger Anil Dash has called the "AI-first mind virus" are increasingly seeing software engineers as unnecessary expenses. So yeah, rank-andfile tech workers are not the ones calling the shots here, and this chapter focuses on the Silicon Valley bosses. Who are they, and are they really the men (and yes, they're almost exclusively men) you want taking over our financial system?

The who's who of Silicon Valley (and their memetic descendants)

You're probably already familiar with some Silicon Valley billionaires. Names we've already seen in this book, and more to the point, names that are inescapable in today's society: Mark Zuckerberg, Jeff Bezos, Elon Musk. You've heard of these men, you saw pictures of them sitting in pole position at President Trump's 2025 inauguration, and you more or less know what their businesses are (Zuckerberg, social media; Bezos, online shopping; Musk, cars and social media and rockets and brain implants). OpenAI's Sam Altman has also been inescapable lately. There are, however, other tech billionaires who may not necessarily be household names but have still been extremely

influential in developing and spreading the values that permeate Silicon Valley's techno-solutions.

In particular, there are the billionaires who emerged from what's been dubbed the "PayPal Mafia," a network with Peter Thiel at the apex. We already spoke briefly about PayPal in Chapter 3, as an early Silicon Valley attempt to disrupt the financial industry. The company rose to prominence in the late 1990s by deploying a "blitzscaling" strategy to achieve a burst of exponential growth that allowed it to establish dominance in the market. In his book The Contrarian: Peter Thiel and Silicon Valley's Pursuit of Power, journalist Max Chafkin identifies several key features of this blitzscaling playbook. First, the PayPal founders' lack of knowledge about the industry they wanted to disrupt was not seen as an impediment (it did, however, cause problems for PayPal, which didn't anticipate costs associated with fraudulent checks and chargebacks that would have been obvious to anyone who knew the banking business). Second, PayPal's founders were willing to flout the laws on the books in order to grow their business quickly, playing fast and loose with bank chartering requirements, customer verification, and anti-money laundering compliance. Third, PayPal's founders reportedly lobbied heavily in Washington to protect their business from regulatory crackdowns. And finally, PayPal subsidized prices and even paid customers to adopt PayPal and refer other users: the company went from a few thousand to over a million users in under six months, but spent \$20 million of its \$28 million funding on incentives to attract those users.

The reason why I wanted to draw attention to PayPal's blitzscaling playbook here is that it has since become common practice in Silicon Valley, including for many of the fintech

businesses we discussed earlier in the book. As Chafkin relates, Peter Thiel and the rest of the PayPal Mafia have been enormously influential in popularizing this playbook, and more generally, in perpetuating the ideology "that technological progress should be pursued relentlessly – with little, if any, regard for potential costs or dangers to society." To help understand how these ideas were propagated through Silicon Valley, we'll walk through a who's who of the tight-knit network of people that make up the PayPal Mafia, and some of their most influential ideological progeny.

In the 1990s, Thiel raised money from friends and family to start an investment fund. One of the businesses he invested in was a cryptography business pitched to him by Max Levchin after a chance meeting in a nearly empty Stanford lecture hall (Levchin now leads the Buy Now Pay Later fintech Affirm). Levchin's business would go on to become PayPal. Across the hallway from PayPal's office, Elon Musk led another startup called X, which would eventually be folded into PayPal. David Sacks, Thiel's close friend from Stanford, became PayPal's COO (Sacks now serves as Donald Trump's AI and crypto czar). When PayPal went public, they all made bazillions of dollars. Armed with these proceeds, Musk made an early investment in Tesla, later becoming its CEO. Thiel went on to be an early investor in Facebook (making him a bazillion more dollars) and became a mentor to Facebook's founder, Mark Zuckerberg. Thiel later corporation providing founded Palantir. a surveillance technologies that plays a key role as an immigration and defense government contractor - including supporting deportations by ICE offices

It's easy to see how people in such close proximity to one another could start to think the same way. Most of us think of "memes" as a very online thing – funny pictures and jokes that go viral and spawn endless imitations and variations – but the word "meme" was first coined by British scientist Richard Dawkins back in the 1970s to describe how ideas and behaviors spread from person to person through imitation (in other words, go viral). One of Peter Thiel's intellectual mentors at Stanford was Rene Girard, a professor known for his work on this kind of mimetic transmission, and Thiel is presumably well aware of how powerful a force it can be.

We, too, can use the concept of mimetic transmission to help us make sense of how prevailing ideologies and values have taken root in Silicon Valley. Despite its iconoclastic reputation, Silicon Valley is often a very conformist place. One disturbing illustration identified by Chafkin is a conformist willingness to "deploy (or hint at) sexism and racism to showcase their [ostensible] independence of thought," which has been mimetically transmitted through Peter Thiel's network. My favorite illustration of conformity in Silicon Valley, though, is the preference for the color grey. In San Francisco, you can't swing a dead cat without hitting a grey supercar being driven by a man in a matching grey hoodie. It seems that spending hundreds of thousands of dollars on a car is just fine, but having that car be colorful would just be too flashy and gauche. \(\subseteq(\mathcal{Y})_{\subseteq}\)

The values and ideologies of the Silicon Valley elite are also informed by billionaire VCs. Peter Thiel is now a VC himself, through his Founder's Fund, and Mithril Capital (where Vice President JD Vance <u>was employed</u> from 2016-2017). The most high-profile VC right now, though, is probably Marc

Andreessen. Andreessen made his fortune by founding the company Netscape, the provider of an early web browser modeled on the Mosaic browser that Andreessen had helped develop as a student at the University of Illinois. Writing about Andreessen's success in 1996, Time Magazine opined that Silicon Valley would "reward the people capitalism is supposed to reward – dynamic entrepreneurs, not rapacious monopolists or financial card-sharks." The zeitgeist was shifting from Wall Street to Silicon Valley at that time, and venture capital was seen as a more noble calling than the "greed is good" finance practiced in New York at the time (I guess that's why all the sports cars in San Francisco have to be grey).

In 2009, Andreessen founded his own VC firm with Ben Horowitz (son of David Horowitz, the anti-immigration activist who mentored Trump advisor Stephen Miller). Fast forward a few years and Andreessen Horowitz – often abbreviated to "a162" – was funding and supporting almost every fintech business model we've talked about in this book, as well as a slew of AI startups. Since 2020, Marc Andreessen has been uniquely influential in spreading ideas among the Silicon Valley elite by virtue of being the epicenter of so many group chats. One article described the culture of these group chats as "male-dominated, time-consuming, and veering between silly and brilliant, windy and addictive," and noted their "substantial" influence, with participants often spending all their waking hours on the chats.

In addition to influencing the current Silicon Valley elite, Andreessen is able to use his position as a leading VC to select for and imprint his values on startups seeking funding (i.e. the Silicon Valley elite-in-training). And then the cycle continues: Andreessen Horowitz's first crypto investment was in the crypto exchange CoinBase led by Brian Armstrong, which then spawned its own fund CoinBase Ventures. Tokens issued by the crypto projects funded by CoinBase Ventures can be sold to the public through the CoinBase exchange, so Armstrong can exert influence through offering funding on the front end, as well as offering an exit path on the back end if he likes the cut of a project's jib.

Before Andreessen Horowitz invested in CoinBase, though, CoinBase got its start in the famed Y Combinator startup incubator where the lucky few founders (selection is based on one-minute elevator pitches) receive funding, coaching, and the Y Combinator seal of approval. Y Combinator's modus operandi has also left its mark on Silicon Valley culture, emphasizing that the sexiness and audacity of the pitch are what matter for startups, not how well thought out or grounded in expertise their business plan is. As one WIRED article put it, Y Combinator isn't "necessarily betting on a business model, they're just putting a few chips on the founders, some of whom might have come up with their ideas just days or even hours before interviewing." Sam Altman (who now leads OpenAI, which he initially cochaired with Elon Musk) graduated from Y Combinator, then he led it for a while. It's now led by Gary Tan, who used to be an employee at Peter Thiel's Palantir. And yes, this really is all rather insular (some have suggested the term "circle jerk," but I wouldn't be that crass).

Do you feel lucky?

With the benefit of hindsight, it looks like Time Magazine was overly optimistic about Silicon Valley back in 1996 – rapacious monopolists and financial card-sharks often seem to be

the very startups that VCs and incubators are looking to fund. As we'll explore in the next few chapters, most VCs just want to find internet-based businesses that can blitzscale within a few years and then be sold to generate returns in that magical moment known as "exit."

This version of the VC story is a much less inspiring tale than "cradle of innovation," but it *has* made a lot of investors and VCs a lot of money. That begs the question, though: even putting aside any aspirations towards innovation and social benefit, are Silicon Valley's VCs really any better than your average bear at picking financial winners? In his book *Thinking Fast and Slow*, Daniel Kahneman expresses skepticism about supposed "expert intuition" among those who pick investments, and notes that unless the experts in question work in "an environment that is sufficiently regular to be predictable" and have had "an opportunity to learn these regularities through prolonged practice," any intuitive "hits" those experts generate are either "due to luck or lies."

VC investing is anything but regular and predictable – changing economic conditions, unpredictable founders, technological fads and more ensure that VCs don't get to practice choosing startups in a repetitive environment. VCs also aren't expert in all the technologies whose development they fund. Some VCs have no tech skills to speak of; others do, but it is simply not possible to have an understanding across all the fields and all the technologies that would enable a VC to develop the intuition needed to reliably distinguish a good tech business from a bad one. Going back to the quote from our potty-mouthed quasi-anonymous data scientist from the introduction, actual experts do not have "the ability to trivially switch fields the

moment the gold rush is over, due to the sad fact that we actually need to study things and build experience." That same data scientist noted, though, that the skill of being a hype man is highly transferable. If a VC's job is more to build winners according to an established formula of hype and lobbying than it is to pick good ideas in the first place, then luck in picking investments will be less important. But the ability to build winners in this way requires an extensive network, a credible reputation, and money to burn: doesn't luck play an important role in establishing *those* baseline conditions for VCs?

What about the tech billionaires who have built enormously successful companies – haven't they benefitted from some luck too? Silicon Valley is particularly prone to "winner-takes-all" markets where there are no points for coming in second place; these are the very markets where slight variations in luck can make all the difference in the world. Describing the rise of Google, Kahneman explains that "because every critical decision turned out well, the record suggests almost flawless prescience – but bad luck could have disrupted any one of the successful steps."

The origin stories of the Silicon Valley elite that we just discussed are rife with serendipity. Peter Thiel scraped together the capital for his first fund, the one he used to invest in PayPal, from friends and family – while \$1 million is not all that much seed capital, not everyone is lucky enough to have a network that can cough up \$1 million (having attended Stanford probably helped in building this network – and so Thiel was fortunate to have "parents, who made a Stanford education possible," as he noted in the dedication to his book *The Diversity Myth*). It was by chance that Thiel and Levchin both found themselves in that

almost empty Stanford lecture hall; it was happenstance that Thiel's startup office was across the landing from Musk's startup office. There was little interest in Levchin's and Musk's original visions until they stumbled into a use case with eBay sellers – without that eBay connection, PayPal could well have been another casualty of the bursting dot.com bubble, joining protofintech companies like Beenz and Flooz in the dustbin of history.

Many of the other PayPal Mafiosi, who became fabulously wealthy as a result of their early employment at PayPal, got those jobs because they knew Thiel from editing the conservative Stanford Review newspaper together. Andreessen just happened to be enrolled at the University of Illinois at the precise time that university was participating in a Science Foundation program National that funded development of the Mosaic web browser. Mark Zuckerberg just happened to be living in the Harvard dorms at the exact moment that social media networks were taking off among Ivy League students. It is clear that being in the right place at the right time - particularly at the right college at the right time - played an important role in so many of these stories. Which is not to say that these men weren't smart and didn't work hard. It is only to say that we can't ignore the role that luck played, and that we shouldn't necessarily assume that something singularly special distinguishes these men from others who have not been quite so lucky.

The usual hagiography, though, is that the Silicon Valley elite are technical geniuses, brilliant original thinkers, and/or once-in-a-generation business leaders. As we discussed in the last chapter, it's often easier for our brains to process these kinds of merit-driven narratives than it is to accept explanations that

attribute success to a degree of randomness. I see this firsthand when I discuss Elon Musk with my father: Dad simply can't conceive of Elon Musk's success being explained by anything other than brilliance. And Dad's not alone. As journalist Charlie Warzel describes it:

people had fallen hard for a cultivated image of Musk as a Thomas Edison or Tony Stark type, a great man of history who is single-handedly pushing the bounds of progress. Musk has had great success popularizing electric vehicles and building new rockets (though many still debate his direct involvement in the engineering). These supporters might have been fans of his companies, but they seem to have also fallen for the myth of his genius, a story born out of years of hagiographic books, news articles reporting his hyperbolic claims, and Musk's own ability to command attention.

Full disclosure, I don't really care for the words "genius" and "brilliant." I've spent enough time in universities to notice that those words are often used as excuses for antisocial behavior – or for simply being unintelligible – and tend to be followed by the word "but..." So let's use the word "smart" instead. There are lots of ways of being smart and Musk is surely smart in some way or other, but it's at least plausible that his path to success was launched by: (a) starting with some money and therefore having the luxury of being able to take risks (in Walter Isaacson's biography, Musk is described as a person "with an exceedingly high tolerance for risk"); and (b) being lucky enough to have early risks pay off. That kind of "getting lucky" explanation doesn't sit well, though, with the idea of Ayn Randian meritocracy that animates much of Silicon Valley.

Acknowledging the importance of luck can really piss some people off. Back in 2009, Fox News host Stuart Varney interviewed Cornell economics professor Robert Frank about a New York Times editorial Frank had written on the topic of luck and success. Frank had written:

talent and hard work are neither necessary nor sufficient for economic success. It helps to be talented and hardworking, of course, yet some people enjoy spectacular success despite having neither attribute. Far more numerous are talented people who work very hard, only to achieve modest earnings. There are hundreds of them for every skilled, perseverant person who strikes it rich – disparities that often stem from random events.

That seems like a pretty uncontroversial statement to me, and one that very much accords with my own life experience of working hard to "be ready when the luck happens" (I borrowed that phrase from the title of my idol Ina Garten's autobiography. Why do I – and so many others – love her recipes? Because they *just work*. I guess that in the cookbook world, as in the world of technological solutions, *just work*ing is a rarer commodity than one would hope. But I digress...). Stuart Varney was having none of it, though. His visible rage – at being asked to confront the possibility that even a modicum of luck had played *any* role in his own success – left an indelible impression on me.

Frank ended up writing a book called <u>Success and Luck:</u> <u>Good Fortune and the Myth of the Meritocracy</u> and one of the points it makes is that "success often results from positive feedback loops that amplify tiny initial variations into enormous

differences in final outcomes." Once someone has been lucky enough to succeed on a spectacular scale, then they are in a position to parlay that success into more successes – whether through lobbying for favorable tax and regulatory treatment, or using the halo of their reputation to convince people that they are so brilliant/exceptional/supply-your-own-superlative that everything else they touch will also turn to gold. But the precondition is to succeed on a spectacular scale in the first place, which requires being lucky.

In his book, Frank points out several problems that arise when successful people are unwilling or unable to acknowledge that they've benefitted from some luck along the way. First, they are "more reluctant to underwrite the investments necessary to sustain environments that support material success" (i.e. pay taxes). To provide just one illustration, Max Chafkin reports that Peter Thiel used a Roth IRA to ensure that he would never have to pay taxes on billions of dollars of his investments – something that "many in Thiel's network saw...as a scandal in the making."

It's often hard to get data on just how little tax billionaires pay, but ProPublica reviewed some confidential IRS documents for billionaires like Elon Musk and Jeff Bezos, and if you haven't already seen their reporting, it's going to make you big mad. In 2007, Jeff Bezos paid no federal income tax, and in 2011, he made so little traditional income that he claimed and received the Child Tax Credit (which at the time was only available to households with less than \$150,000 in income). In 2018, Elon Musk also paid no federal income tax. For the period between 2014-2018, ProPublica compared the taxes these billionaires paid each year to the amount Forbes estimated their

wealth grew during that year. Overall, Bezos paid 0.98% of his accumulating wealth in taxes and Elon Musk paid 3.27%. During her 2024 presidential campaign, Kamala Harris floated the idea of tax on unrealized gains for the extremely wealthy. Elon Musk's response was to post "Eventually, they run out of other people's money and then they come for you." Andreessen said that it was "the final straw for me. This is the thing that tipped me hard." Both backed Harris' opponent.

In addition to being more likely to pull the ladder up behind them, Frank points to psychological research indicating that those who don't acknowledge the role of luck in their own success may be more prone to unhappiness than those who are grateful for their good fortune (recognizing the role of luck and feeling grateful, on the other hand, have been shown to reduce anxiety and aggression and increase empathy). Elon Musk recently said on a <u>podcast</u> that "the fundamental weakness of Western civilization is empathy," and given the outsized impact that techno-solutions have on all of our lives, lack of empathy and unhappiness amongst the Silicon Valley elite may become a problem for all of us.

Some have theorized that the rightward leanings of some members of the Silicon Valley elite can be explained in part by them feeling unappreciated and persecuted. That sense of persecution was perhaps most pithily epitomized in a 2014 <u>letter</u> to the Wall Street Journal written by billionaire VC Tom Perkins: "Writing from the epicenter of progressive thought, San Francisco, I would call attention to the parallels of fascist Nazi Germany to its war on its 'one percent,' namely its Jews, to the progressive war on the American one percent, namely the 'rich.'"

But most people are more interested in the <u>trajectories</u> of tech elites like Elon Musk, Marc Andreessen, and Ben Horowitz who had previously been viewed as (at least superficially) more liberal until they committed to supporting Donald Trump in the 2024 election – a radicalization that was <u>apparently</u> encouraged by right-wing activists participating in Andreessen's group chats.

One <u>newspaper article</u> quoted a founder funded by Andreessen Horowitz as saying "the firm's two founding partners "feel like they are these bullied victims who are making a lone stand...They've had this mentality and this experience that they're under siege for a long time." Another journalist <u>described</u> Andreessen's Techno-Optimist Manifesto as "driven in part by his sense of resentment that the technologies he and his predecessors have advanced are no longer "properly glorified." In late 2024, Andreessen sat down with Bari Weiss to <u>explain</u> his journey:

There was basically something that was never, nobody ever wrote down, but everybody understood, which I call the deal. And the deal was somebody like me basically could start a company, you could invent a new technology in this case web browsers and all the other things that Netscape did. Everybody would think that that was great....And then at the end of your career, you would be left with this giant pot of money. And then what you would do is donate it to philanthropy that washes away all of your sins, you know, reclassifies you as from a sort of, you know, suspect business mogul to a, you know, virtuous philanthropist. And, and, and that's the arc. And it's, it's all great, wonderful. You get honor degrees at all the universities. You get invited to all the great parties, you

get invited to Davos, you get invited to Aspen, you get to come in and you know, sit with the New York Times editorial board, the dinner parties are spectacular...And, and basically what happened, what I experienced was they, the people in charge of all this basically broke the deal in basically every way that you possibly can. So basically every single thing I just said is, you know, for the last decade has been now held to be presumptively evil. Everything from, you know, just the whole idea that there are certain people who were, you know, merit a greater economic outcome than others is itself. Evil technology of course is held to be presumptively, evil tech companies are held to be presumptively, evil tech people are, are held to be this, you know, this evil class. Anybody who's rich is evil.

Feeling unappreciated and persecuted isn't necessarily restricted to the tippy-top of the Silicon Valley food chain, either. WIRED has <u>observed</u> that among the Y Combinator community, "founders and their enablers—entrepreneurs, investors, and tech cheerleaders in general—see themselves as victims of envious criticism from the press and policymakers."

I'm trying (and failing) to resist the urge to engage in some armchair psychology here: my pet theory is that insecurity (in the sense of not feeling comfortable in one's own skin) is at the root of all the world's problems. I'm sure that, like the rest of us, members of the Silicon Valley elite sometimes have the creeping sensation that they're not good enough. If they won't acknowledge that their past success was built partly on luck, though, then when they can't force a repeat of the luck that made them successful in the first place, I suspect that exacerbates those

feelings of insecurity, and they need something else to <u>fill the hole</u>. Maybe that something is public adulation; maybe it's the sense of playing the hero in some epic sci-fi story. Which brings us to...

TESCREAL

Extreme unwillingness to pay taxes might be described as a general ultrarich people thing, but there are some other ideologies that are more peculiar to the Silicon Valley elite. These ideologies have been described as the "TESCREAL bundle," and I will unbundle them for you in just a moment.

When the Silicon Valley elite depart from cynical blitzscaling and put their money where their mouth is – making investments in things that require long-term infrastructural investment like AI, or biotech, or space travel – the projects they choose certainly seem to be driven by the values reflected in these TESCREAL ideologies. Cards on the table, I find these ideologies deeply unserious and weird. In fact, they are so antisocial and bizarre that many people find it hard to believe that some of the most celebrated figures in Silicon Valley could possibly ascribe to them. When talking to friends about this kind of stuff, I always find myself prefacing my comments with "I know that this sounds like a ridiculous conspiracy theory, but...." ...but I am not making any of this up.

Peter Thiel, for one, knows the benefit of hiding behind things that sound like conspiracy theories. As Ava Kaufman reports, Thiel <u>wrote</u> to his friend Curtis Yarvin: "One reassuring thought: one of our hidden advantages is that these people"—social-justice warriors—"wouldn't

believe in a conspiracy if it hit them over the head (this is perhaps the best measure of the decline of the Left). Linkages make them sound really crazy, and they kinda know it."

TESCREAL is an acronym that sounds like the worst cheerleader chant ever. Give me a "T" for transhumanism; an "E" for extropianism; an "S" for singulatarianism; a "C" for cosmism; an "R" for rationalism; an "EA" for effective altruism; and an "L" for longtermism. What does it spell? Some of the values that animate techno-solutions! Shake those pom poms! Only maybe don't shake those pom poms, because AI ethicist Timnit Gebru and former adherent-turned critic Emile Torres trace TESCREAL's ideological lineage back to the eugenics movements of yesteryear.

These eugenics movements were characterized by support for public policies designed to improve the "quality" of a country's genetic stock – particularly "intelligence" as measured by IQ tests. To give you a sense of what these eugenicists viewed as "quality," Carl Brigham, a psychologist and eugenicist involved in developing the SAT test, reviewed IQ data and concluded in 1923:

The decline of American intelligence will be more rapid than the decline of the intelligence of European national groups, owing to the presence here of the negro. These are the plain, if somewhat ugly, facts that our study shows. The deterioration of American intelligence is not inevitable, however, if public action can be aroused to prevent it. Policies favored by eugenicists "to prevent it" ranged from encouraging "good" people to breed, to forcing sterilization for those with genetic traits considered undesirable. While this kind of in-your-face eugenics movement largely faded away by the end of the 1970s, Gebru and Torres have documented a "second wave" of eugenics that subsequently became popular in some circles.

This second wave is marketed as less problematic than earlier forms of eugenics, focusing on "new technological possibilities associated with genetic engineering and biotechnology" that can enhance human beings or even create a new "posthuman" species. But Gebru and Torres argue that if you scratch beneath the surface, these ideologies are ones that "harm marginalized groups and centralize power, while using the language of "safety" and "benefiting humanity" to evade accountability." In other words, for all their talk of the future, these ideologies are inherently reactionary, hearkening back to a time of feudal obedience to our betters — only now, our "betters" are not the ones with ancestral bloodlines but instead they're the "high IQ people." But the idea of "high IQ" can't be divorced from controversies about biases baked into standardized testing and its historical role in eugenics.

One of the founders of Silicon Valley, William Shockley, is largely spoken about in disparaging terms because, according to <u>WIRED</u>, "he spent the second half of his career, from the 1960s on, espousing a racist eugenics agenda, taking occasional breaks to help promote a high-IQ sperm bank." But some variants of his ideas have been resurgent lately. Elon Musk is well known for talking about "high IQ people:" for example, in recruiting for the so-called "Department of Government Efficiency" or "DOGE"

on his X platform, he <u>advertised</u> for "super high-IQ small-government revolutionaries" (in the end, Musk's existing networks seem to have <u>supplied</u> DOGE with much of its staff, as many former interns and junior employees from X, Tesla, and Palantir joined up). Musk (the sire of <u>at least fourteen</u> children) also <u>reportedly</u> believes that the superintelligent have a special duty to reproduce.

Marc Andreessen has also espoused the view that "smarter people have better outcomes in almost every domain of activity" and that our goal should be to use AI to make everyone Along these lines, transhumanists (the "T" in TESCREAL) and extropians (the "E") seek to transcend the boundaries of being human by using technology to develop ways of radically enhancing the intelligence and other "desirable" qualities of human beings. If these values are incorporated into artificial intelligence and biotechnology tools, though, then we are letting the transhumanists and extropians decide what characteristics of humanity to enhance, and which to try to delete. As political scientist Francis Fukuyama put it, "transhumanism's advocates think they understand what constitutes a good human being, and they are happy to leave behind the limited, mortal, natural beings they see around them in favor of something better." But the Silicon Valley elite know nothing about sociology, or anthropology. Have they ever stopped to think how a society made up only of selfish, risk-seeking clones would actually function, even if they were all "smart"?

Although Fukuyama quipped that "transhumanists are just about the last group I'd like to see live forever," transhumanism adherents and extropians are also very into extending human lifetimes. This is why we see Honduras' blockchain-based Prospera (which we discussed in Chapter 4) being used as a base for unregulated gene therapy trials: according to Prospera CEO Erick Brimen, the plan is to ensure the "best of us in society; the entrepreneurs, the inventors, the innovators" can have "flying cars" and "live to 200." Peter Thiel was introduced to extropianism in his youth, and has invested in a variety of related biotech startups, including the longevity biotech Minicircle alongside Sam Altman. When the infamous "blood boy" scene in HBO's Silicon Valley showed fictional tech billionaire Gavin Belson receiving a blood infusion straight from the arm of a very hot dude (while explaining "regular transfusions of the blood of a younger physically fit donor can significantly retard the aging process...Look at him, he looks like a Nazi propaganda poster!"), it was widely understood to be poking fun at Thiel.

Turning to singulatarianism (TESCREAL's "S") and cosmism ("C"), these reflect beliefs that technological progress will result in humans merging with machines and/or machines becoming sentient, or being able to live in space and therefore colonize the universe. Think Mark Zuckerberg's plans for us to spend most of our time in a Metaverse intermediated by screens and VR goggles rather than actually connecting with other human beings, or Elon Musk's Neuralink company which is working to implant computers in our brains. Or Jeff Bezos' plans for people to live in free-floating space stations, or Elon Musk's plans to terraform Mars for human habitation. "Either we spread Earth to other planets, or we risk going extinct," Musk proclaims, but here's what the experts at the Carl Sagan-founded Planetary Society have to say about that:

To truly terraform Mars, we would need to restore its magnetic field. While we don't have the technology to churn the core of a planet faster to revive its magnetic field, an artificial magnetic field placed between the Sun and Mars could in theory encompass Mars and protect it from the solar wind. If this idea sounds like something out of science fiction, it's because we are nowhere close to having the technology to make it happen.

Notwithstanding the huge gaping unaddressed scientific problems with these plans, Marc Andreessen is also <u>technooptimist</u> enough to share the dream that "our descendents [sic] will live in the stars."

Rationalism ("R") is a movement dedicated to improving the world by "improving human reasoning and decision-making." This kind of philosophical approach, ascribed to by Peter Thiel and Ethereum blockchain founder Vitalik Buterin among others, can invite the post hoc rationalization of whatever it is you wanted to do anyway by sprinkling some kind of improvement justification on top of it. When rationalism is applied to ethics, you get effective altruism ("EA") - now you're sprinkling some "thus making the world a better place" on whatever it is you wanted to do anyway (at least, that's my cynical take). Effective altruism advocates for accumulating as many resources as possible and using those resources in the way that generates the greatest long-term benefit – but benefit is conveniently in the eyes of the effective altruist beholder. Plus, because the ends always justify the means, EAs are absolved of any guilt they might feel about unscrupulous methods for accumulating their resources. Maybe that's a consolation for Sam Bankman-Fried, perhaps the most famous effective altruist, now serving a jail sentence for fraud in connection with the operations of his FTX crypto exchange.

The "L" in TESCREAL stands for longtermism - a philosophy of prioritizing the long-run future – of which Elon Musk is probably the most famous adherent (he has described it as "a close match for my philosophy"). Really a cocktail of all of the "TESCREA," longtermism is techno-solutionism taken to the extreme - essentially, walking away from addressing the problems facing humanity today in favor of fixating on some shiny hypothetical future. This is the "exit" ethos of Silicon Valley's VC culture on steroids: whether it's the Metaverse or Mars, the Silicon Valley elite plan to leave the rest of the world with the problems they have caused as they exit with impunity into space or some augmented reality (or maybe just a bunker in New Zealand). Little thought is given to what will be left for the mere mortals left behind (especially after natural resources have been plundered in attempts to realize longtermist dreams). As law professor Julie Cohen snarkily summarizes,

for longtermist true believers, business models encoding [social reengineering] schemes represent far more than the mere potential for jawdropping profit; they also represent a path toward enlightenment that mediocre, benighted politicians, anal-retentive regulators, and endlessly yapping social justice activists are incapable of understanding.

Hello my name is Hilary, and I guess I'm just a mediocre, anally-retentive yapper who doesn't believe in sci-fi enlightenment.

TESCREALites have been particularly preoccupied with the kind of "artificial general intelligence" or "AGI" imagined in sci-fi stories and movies – although most of their conversations conveniently skip over the preliminary question of "can we actually achieve AGI?" To descend to earth for a moment, there's zero indication that scaling up our existing generative AI models will get us anywhere near AGI, but most TESCREALites have accepted the inevitable coming of AGI as an article of faith – they just disagree about what that coming means. Some think it will usher in a new era of limitless bounty and salvation. In fact, Marc Andreessen believes that "any deceleration of AI will cost lives. Deaths that were preventable by the AI that was prevented from existing is a form of murder." Others worry about the "probability of doom" that AGI will kill us all, and therefore pursue "AI safety" with all the fervor of doomsday preppers.

Is it just me, or is everyone unusually preoccupied with murder here?

Anyway, "AI safety" was the original goal of the non-profit OpenAI when it was founded in 2015 by a group including Musk, Thiel and Altman (the latter of whom has <u>posted</u> that "agi safety is a great thing to care an immense about and future galaxies are indeed at risk"). Then came a Drake vs Kendrick Lamar-level <u>beef</u> between Altman and Musk, Altman taking charge of OpenAI, a more for-profit orientation, the release of ChatGPT, Altman losing charge of OpenAI and then getting it back again – and of course opportunities for jawdropping profit.

The Wall Street Journal has <u>reported</u> that Altman has made personal investments in AI-related startups (often alongside Thiel and Andreesen Horowitz) that are worth billions of dollars, in part because of very lucrative contracts with OpenAI. That all seems rather conflicted to me, but I guess that's just me being a yapper again. After all, if every other problem on earth is

subsidiary to making sure that AGI doesn't exterminate the human race, why am I bothering to care about Altman's conflicts of interest? Or OpenAI's environmental footprint, for that matter? I mean, from that perspective, I've wasted decades of my life worrying about people blowing up our financial system – who cares about the global economy imploding WHEN THERE ARE GALAXIES AT RISK FROM SENTIENT ROBOTS!

Exiting democracies

Excuse me, let me catch my breath for a second. What I hoped to demonstrate there was that depending on Silicon Valley to frame and solve our problems can involve implicitly buying-in to some highly unusual and problematic sci-fi-style TESCREAL values (and also that the Silicon Valley elite do not give a crap about preventing another global financial crash because — with apologies to Ilsa and Rick — the problems of little humans don't amount to a hill of beans in this crazy galaxy). What I want to show now is that depending on Silicon Valley-style technosolutions also tends to involve implicit buy-in to libertarianism.

While there are many different ways of being a libertarian, Ayn Rand's book <u>Atlas Shrugged</u> is typically considered a foundational text. It preaches the power of the individual and the undesirability of government intervention because it impinges on individual freedoms. Generally speaking, libertarians believe that the state should not be relied upon to take care of their fellow humans, and that they should not have to support such state actions by paying taxes. Private sector techno-solutions fit right into the libertarian project because they are designed to supplant the need for government intervention or support – and crypto fits in particularly well because it aims to undermine government

control of money and finance. Aspirations to use technology to these ends go back at least to the 1990s: until the dotcom bust put their ambitions on ice, the online gift card startup Flooz and digital currency startup Beenz also aspired to create private monies beyond the reach of state control.

We got a preview of all of this last chapter, when we discussed rank-and-file libertarians lining up to worship technological solutions because it means not having to rely on the government to fix things. Now I want to talk about how libertarian tendencies manifest in the Silicon Valley elite. I don't want to overstate the Silicon Valley elite's commitment to libertarianism: even among the PayPal mafia, there are individuals like Reid Hoffman with very different political leanings, and for those who do espouse libertarian beliefs, it's more of an à la carte approach than an all-binding commitment. Libertarians ostensibly dislike regulation, for example, but as we'll see in the next chapter, many Silicon Valley business models depend on favorable regulation for their market share and profitability. Also, when the chips are down, the Silicon Valley elite can quickly shed their libertarian bona fides.

Let me tell you a little story about the run on Silicon Valley's favorite bank – the uninspiringly named Silicon Valley Bank or "SVB" – in March of 2023. SVB was a bank that had built its business around serving VC firms and the startups they invested in, but by March of 2023, both the bank and its customers were suffering from rising interest rates. Some VCs – including, notably, Peter Thiel's Founders Fund – became nervous about the bank's condition and started to withdraw their own funds as well as advising their startups to do so. Once SVB publicly

announced that it needed to raise new capital as a result of these withdrawals, all hell broke loose. SVB was placed into receivership on Friday, March 10, once it became clear that the bank would never survive the run that followed that announcement.

What still wasn't clear on that Friday, though, was whether uninsured deposits (i.e. billions of dollars of VC and startup money, as well as \$3.3 billion dollars of the Circle stablecoin's reserves) would be protected. That's when David Sacks – a PayPal mafioso who used to write for Stanford University's libertarian paper alongside Peter Thiel – got going on Twitter. His most notable post? "Where is [Federal Reserve Chair] Powell? Where is [Treasury Secretary] Yellen? Stop this crisis NOW. Announce that all depositors will be safe. Place SVB with a Top 4 bank. Do this before Monday open or there will be contagion and the crisis will spread." I saw someone quip at the time that just as there are no atheists in foxholes, there are no libertarians during bank runs.

If you're on the edge of your seat wondering if those Silicon Valley billionaires and crypto companies made out ok, don't you worry your pretty little head. All of their money was protected by the government in the end. And fair-weather libertarian Peter Thiel seems to have learned an important lesson – that even if banks adopt ridiculously risky business models, the government will step in if enough rich people scream loudly enough when those risks blow up in their faces. Thiel is now backing a new "Erebor Bank," which proposes to serve "businesses that [are] part of the US "innovation"

economy", in particular tech companies focused on virtual currencies, artificial intelligence, defence and manufacturing." On behalf of Americans everywhere, let me say preemptively that we do not look forward to bailing out Erebor.

Despite these lapses, though, I still think it's fair to say that – so long as they aren't directly benefitting from government largesse – many of the Silicon Valley elite favor private sector solutions over government programs as an ideological matter (Elon Musk once unironically <u>reposted</u> a meme that called beneficiaries of U.S. federal programs "the parasite class"). And as we've already discussed, the Silicon Valley elite particularly don't like being taxed to pay for said government programs.

Many of these men live in the San Francisco Bay Area, and progressive local government in San Francisco has become a particular bête noir. When David Sacks spoke at the 2024 Republican National Convention, he complained that "In my hometown of San Francisco, Democrat rule has turned the streets of our beautiful city into a cesspool of crime, homeless encampments, and open drug use." In January 2024, Y Combinator's Gary Tan posted a list of seven progressive members of San Francisco's Board of Supervisors followed by the words "Die slow motherfuckers" (and in case you're wondering, yes, they did start to receive death threats after that). But what's an elite techno-solutionist to do when faced with such abhorrent (to them) living conditions? Well, they can try and get control of the government (which we'll get to shortly). Or they can do what VCs do, and not stick around – in other words, they can exit.

There have been a number of Silicon Valley riffs on the idea of exiting the jurisdiction of democratically elected governments. There's been seasteading (habitation on cruise ships in international waters, backed at one point by Thiel), and space colonies (à la Musk and Bezos). And then there's the idea of the "Network State," which is deeply intertwined with our old friend crypto. One of the intellectual leaders of this Network State movement is Balaji Srinivasan, former Andreesen Horowitz partner and Chief Technology Officer of the crypto exchange Coinbase (fun fact #1: he once podcasted about his vision to have the police pledge loyalty to tech companies, and "ethnically cleanse" San Francisco to get rid of any liberal voters. Fun Fact #2: Peter Thiel tried to have Srinivasan appointed to lead the FDA during the first Trump Administration – was the goal perhaps to get some extropian-style experimental life extender technologies approved?).

Srinivasan authored a book titled <u>The Network State: How To Start a New Country</u>, which is effusively blurbed by Marc Andreessen, Ethereum co-founder Vitalik Buterin, and Coinbase CEO Brian Armstrong. In it, Srinivasan defines the Network State as (warning – technobabble ahead):

a social network with a moral innovation, a sense of national consciousness, a recognized founder, a capacity for collective action, an in-person level of civility, an integrated cryptocurrency, a consensual government limited by a social smart contract, an archipelago of crowdfunded physical territories, a virtual capital, and an on-chain census that proves a large enough population, income, and real-estate footprint to attain a measure of diplomatic recognition.

While Chapter 4 taught us that blockchain is not good for much, we know it can be pretty handy for regulatory arbitrage. Peter Thiel has long seen arbitraging financial regulation as a way of avoiding government control: according to Chafkin, he told a reporter back in the day that if PayPal took off, "it would make it impossible for governments to regulate their economies, leading to..."the erosion of the nation-state." Srinivasan sees the blockchain as the technology that will make opting out of democratically-elected governments possible.

Srinivasan's idea is to build a community that first exists in the ether, with cryptocurrencies and passports and other services like property registration all done through the blockchain. But lest you think that this is just a plan for a glorified social network, he makes clear that "A key concept is to go cloud first, land last — but not land never — by starting with an online community and then materializing it into the physical world." He says that this can create a new country without the "ugly" (his word) methods of election, revolution, or war, but I can't see how a network state can become land-based without either taking land from people who don't want to be involved in network states, or forcing those people to live in one against their will. Once the Network State's land has been populated from the cloud, Srinivasan glosses over the niceties of secession from the relevant governmental authorities (I guess he's assuming that exiting from a country is as easy as a VC exiting from an investment – and, you never know, it just might be with President Trump on board) - and yadda yadda, the final step is for the network state to gain diplomatic recognition from real nation states.

According to <u>Wikipedia</u>, this is by and large the plot of Ayn Rand's *Atlas Shrugged* (I'm quoting Wikipedia here because, if I'm being honest, I've never been able to get through that book).

The book depicts a dystopian United States in which heavy industry companies suffer under increasingly burdensome laws and regulations. Railroad executive Dagny Taggart and her lover, steel magnate Hank Rearden, struggle against "looters" who want to exploit their productivity. They discover that a mysterious figure called John Galt is persuading other business leaders to abandon their companies and disappear as a strike of productive individuals against the looters. The novel ends with the strikers planning to build a new capitalist society based on Galt's philosophy.

The libertarian bona fides of the Network State movement are also established by the involvement of Patri Friedman, grandson of Milton, and therefore a member of libertarian royalty if ever there were one (Patri went to Prospera to get his Tesla key implanted in his hand – something that wouldn't be legal very many other places).

Along with Prospera, another attempt to implement the Network State vision is Praxis, an online community you can join as a novitiate "Nomad" and then try to work up to "Steel Visa Citizenship" (yet another fun fact: in 2024, Praxis tried to buy Greenland to serve as a home base, in case you were wondering what might have inspired all of the sudden interest in Greenland). Funded by Andreessen, Srinivasan, Thiel, and Altman, among others, Praxis published a manifesto on the internet which begins,

"[i]n this world, the primary contested space is not land, but *the mind*. All follows from the mind – the minds of the masses and the minds of those who control strategic assets," and continues "[o]ur collective purpose is to restore Western Civilization and pursue our ultimate destiny of life among the stars."

I've said this before, but when I read statements like this, I can't help being reminded of my time in college listening to young dudes play-acting at sounding profound (often after having smoked a solid amount of pot). Most of those dudes grew out of it. But Peter Thiel still stands by the scathing Stanford Review articles he published in the 80s and 90s about changes to Stanford's compulsory "Western Culture" course, bemoaning "multiculturalism" and its more modern incarnations "diversity, equity, and inclusion." The grown men Elon Musk, Jeff Bezos, and Marc Andreessen still aspire to life among the stars (and at least one of them wants to get there in a rocket that looks a whole lot like a penis). And so these dreams of Praxis as techbrotopia, which to me seem juvenile and a convenient excuse for not fixing problems in the real world, have billions of dollars behind them. And because of those billions of dollars, when the Praxis manifesto lustily looks forward to the end of national governments – "as local communities dissolve and Nation States stumble;" "we'll watch the flippening of Network States over Nation States in real time" – it's more than a little disconcerting.

Entering autocracy

It's not just disconcerting that they're salivating over the end of the world as we know it; what they plan to replace it with is also deeply concerning. If taken to its extremes, technosolutionism can transition pretty seamlessly into the "I alone can

fix it" ideas that animate dictatorships. As one New Yorker article put it, "Silicon Valley is premised on the idea that its founders and engineers know better than anyone else: they can do better at disseminating information, at designing an office, at developing satellites and advancing space travel. By the same logic, they must be able to govern better than politicians and federal employees." There's no role for public participation or nuanced, independent expertise in such environment; instead, overly simplistic technical measures will be the order of the day. Ultimately, that's the goal of the Network State movement: at its 2023 annual conference (yes, the Network State movement has annual conferences), Y Combinator's Gary Tan said "we have parallel media now with Elon's Twitter, or X... Getting a parallel media was a key piece, and it wasn't through voting. It was done by building.... We need to replace the unelected parts of the system as well, building parallel education, nonprofits, media, unions."

As I've stressed again and again in this book, technology does nothing to constrain concentrations of power; it serves the interests of those who develop and deploy it. That's the Bezoses, Zuckerbergs, Musks, Thiels, Andreessens and Altmans of the world: lucky men who seem to have bought into their own hype cycle, and who don't always seem particularly fond of democracy. Look first at how they treat shareholder democracy: Silicon Valley lawyers have been at the vanguard of developing creative stock structures that ensure voting control of Amazon, Meta, Tesla, Palantir, Coinbase and their brethren will stay with their founders even if those founders sell off significant amounts of stock. Then look at their public statements: Peter Thiel proclaimed way back in 2009 that "I no longer believe that freedom and democracy are compatible" (there is no indication

that he has changed his views since). According to an Atlantic article, in 2024, Musk "reposted a claim that "a Republic of high status males" would be superior to our current democracy." To be sure, not all members of the Silicon Valley elite have made such extreme statements in public, but — to paraphrase the Declaration of Independence — a democracy derives its legitimacy from the consent of the governed, and the Silicon Valley elite don't seem to care much about the governed.

In his Techno-Optimist Manifesto, Andreessen rails "enemy" ideas like "sustainability," "social responsibility," "risk management," and "precaution" that are designed to protect the public from harm. Zuckerberg's and Musk's approaches to fact-checking on their social media platforms are, according to the Southern Poverty Law Center "undermining our democracy and threaten[ing] the safety of their users" by allowing "misinformation, disinformation and hate speech" to proliferate unchecked. While Zuckerberg and Musk have defended their approaches as promoting free speech, Silicon Valley's commitment to free speech is more honored in the breach than the observance. Take, for example, Musk's call for arrests and prosecutions in connection with anti-Tesla protests in 2025. Also in 2025, Jeff Bezos changed the editorial policy of the Washington Post newspaper (which he owns) to align more closely with his personal beliefs, saying that "We are going to be writing every day in support and defense of two pillars: personal liberties and free markets...viewpoints opposing those pillars will be left to be published by others."

And so the prognosis for a techbrotopia Network State is not particularly democratic. But Network States may not be necessary if *actual* states can be governed by techno-solutionist logic – or, as historian Janis Mimura calls it "techno-fascism." As she <u>describes</u> it, "you try to apply technical concepts and rationality to human beings and human society, and then you're getting into something almost totalitarian." To imagine what a techno-fascist state might look like, let's take a look at the musings of blogger Curtis Yarvin, who's mildly famous for <u>saying</u> that Americans need to get over their dictator phobia (he also <u>said</u> that Marc Andreessen would be a good candidate for the role of said dictator). You may not have heard of Yarvin, but his writings (unfortunately) matter because of the powerful friends in his orbit, <u>including</u> Peter Thiel and Vice President JD Vance. <u>Marc Andreessen</u> is also fan, funder, and friend, and <u>reportedly</u> used his many group chats to help mainstream Yarvin's views.

Since at least 2012, Yarvin has been espousing the need for "RAGE" – an acronym for "Retire All Government Employees" that sort of rhymes with "DOGE." RAGE is technosolutionism taken to the extreme: apparently, tech bros can do *everything* better with a little bit of coding knowledge and a few AI tools, including governing an entire country. And lest you think I'm engaging in hyperbole, here is Yarvin's <u>allegorical tale</u> of Mutopia, of the revolution needed against a society controlled by journalists and academics (whom Yarvin refers to collectively as the "cathedral"), and what should follow that revolution:

These rational peasants used the power of democracy—which is irresistible but unstable—to depose their old oligarchy and install a new monarchy. This is the right way to use democracy—one political force which is never an end, but always a means.

The new monarch—a man recognized by all as the outstanding visionary leader of the Mutopian "private sector," a master of not one but two groundbreaking companies—staffed his new regime, a startup state, with veterans of Mutopia's technology wars.

These hardcore West Coast thugs knew nothing at all of government—though they sometimes would hire some grizzled old front-line GS man, as a contractor, just for the transitional assistance—no Gordian knot ever stopped these hotshot punks.

As for the old oligarchy, the cathedral and civil service—they were simply liquidated—rounded up, shot, dumped in a ditch, soaked with gas and burned... No! What am I saying? That was a totally different timeline. Bad dream. Sorry. That would be a major bummer. Please definitely don't do that.

The Mutopian bureaucrats were some of the best people in the country, of course. Some were even rehired in new, entry-level positions. The rest were paid a generous severance and helped to find new, fulfilling work that lived up to their real talents. If they were math or science professors—they might even wind up with the same jobs ...

Within months, or at least years, Mutopia was a clean, humming, gleaming paradise, where everyone had not only the toys and conveniences they deserved, but also the genuinely meaningful and fulfilling work they deserved. And no one—no one at all—was still obsessed with race.

The peasants' gratitude toward their new monarch—also a highly progenitive man, with redundant budding heirs—is impossible to express. This new, functional Mutopia is run not by incompetent time-servers and eggheads with their heads in the clouds, but by its most capable and visionary doers—under the leadership not just of a new king, but of a new dynasty whose family mission is to make Mutopia great, not just on the scale of years, but on the scale of centuries—

In 2025, as the Elon Musk-spawned DOGE decimates the federal workforce and brings in AI tools to replace government workers, it sure looks like the kinds of ideas embraced by Yarvin, Thiel, Musk, and Andreessen have reached the implementation phase (although Yarvin is <u>apparently</u> disappointed because the disruption hasn't been authoritarian or violent enough).

You can probably guess that I view this kind of technofascist state – devised in an echo chamber by Silicon Valley types with no clue about how complex society is, no understanding of the challenges a government faces in supporting that complex society, and no empathy for average citizens – as wantonly destructive as well as terrifying. Even on a smaller scale, though, I want to emphasize that when we embrace oversimplistic technosolutions to our social problems, we are also embracing the antidemocratic ideals that animate them.

And so we're ending this chapter in a pretty dark place, but perhaps you now have a better feel for why I'm so troubled by the idea of the Silicon Valley elite wrapping their tentacles around our financial system, and using all the data and power that come with it to further their pet projects. I'm not gonna lie, the

next chapter's not going to be much lighter. We're going to explore how *your* money and *your* elected representatives are helping Silicon Valley ruin things...