

From VC to VP: How Thiel-verse exert its influence on Trump 2.0 admin

Peiqi Jia

School of International Studies,
Renmin University of China,
Beijing, China

Abstract:

Trump 2.0's MAGA is a coalition formed between the nationalists and the globalist tech firms. While this uneasy joint force of both sides put Trump into power, sharp division between these two factions is a huge factor influencing Trump's policy. Despite the broader chaos brought by Trump's presidency, his technology policy remained relatively consistent, largely characterized by a hands-off approach that delegate Silicon Valley leaders the power to make decisions in their own industry. Therefore, this paper aims to distinguish Peter Thiel's influence as one of the core figures with Silicon Valley background through the lens of investigative journalism. Thiel's investment portfolio is deeply embedded in the high-tech sectors of defense and military-industrial infrastructure through firms such as Palantir, Clearview AI, and Anduril granting him long-term institutional influence. The looming future of AI-tocracy where technological elites hold disproportionate sway over governance has already come into preliminary existence in America and it is going to last for a long period of time.

Keywords: Trump 2.0, Peter Thiel, Accelerationism

1 INTRODUCTION

The internalization of entrepreneurs and businessmen into government has become a normal practice in US policymaking. This trend has offered a channel for key figures without bureaucratic background to exert indirect influence over the process of decision making (McCormick, 1995). In other words, as Clausewitz famously put, 'We can only treat policy as representative of all interests of the community.' (Clausewitz, 1993). Yet, in practice, some people are being more representative than the others. Thus, it is important to figure out the personnel composition

inside the policy formulation process.

The infiltration of Silicon Valley elites into the federal government appears increasingly conspicuous, as Elon Musk was appointed the director of DOGE (Department of Government Efficiency). Moreover, despite those inside techies hold various background, yet their early experiences share a surprising similarity: the recurring presence of Peter Thiel (Mathews & Mathews, 2024). Therefore, this paper draws on the most widely recognized biography of Peter Thiel, *The Contrarian*, as the starting point for this article (Chafkin, 2021). By systematically analyzing a wide range of follow-up reports and public posts, this pa-

per aims to form a outline of Peter Thiel's influence on Trump 2.0 administration.

The structure is as follows: first, it offers an overview of Peter Thiel's complex background and early experiences. Second, it examines some key figures that were arranged by Thiel into both terms of Trump's administration and analyzes the mechanisms through which he acquired such influence. Third, it explores his deeper connections with the U.S. military which will remain strong regardless who is in the white house. Finally, it argues that Peter Thiel, as a prominent representative of accelerationism, has gained unprecedentedly influence raising alarms for the potential future of AI-tocracy.

2 A TRINITY OF ENTREPRENEUR, IDEOLOGUE AND STRATEGIST

Peter Thiel is not merely a superficial billionaire seeking political influence. He owns key companies like Palantir, possesses a systematic intellectual foundation, and strategizes for long-term influence aiming to promote and realize his own future projection. Therefore, to understand Thiel, one must grapple with his complex identity -- a trinity of entrepreneur, ideologue and strategist.

2.1 Entrepreneur

In terms of entrepreneurship, Thiel did not began as a founder in his own garage building a world-changing startup, nor end as a product-obsessed, hippie style hermit. Rather, he has never fully embraced the role of entrepreneur at all, positioning himself instead as an investor deliberately avoids long-term CEO position.

The making of Thiel's entrepreneurship could be traced back to 1987 when Thiel and Norman book founded a student newspaper called the *Stanford Review*. The paper presented a radical critique of woke culture and PC (political correctness) serving as the first platform where Thiel expressed his own political stance. It has since become one of the surest paths to success in Silicon Valley as it has served as an ideological testament for Thiel in selecting his employees (Mathews, 2023).

In 1998, Thiel and Max Levchin co-founded the Confinity, the precursor of PayPal. Although the company's financial framework is so successful that it could even be an alternative currency system, its own commercial model did not generate enough profit for the company to last. Thus, Paypal is then amalgamated by X.com as Elon Musk appointed himself as the new CEO, while Thiel decided not to stay in the new Paypal. However, Musk was secretly couped by Thiel's believers after his laissez-faire attitude

eventually leads to a huge fiscal deficit (Chafkin, 2021). Thiel's return to power was not accidental, but rooted in an organizational blueprint he first tested at PayPal. More than a tech startup, PayPal served as a proving ground for his model of institutional control. One that emphasized narrative construction, internal loyalty, and the strategic exclusion of dissent just as Trump 2.0 admin. His unique path of leadership could also be seen in the subsequent Founders Fund and Palantir.

Aiming to achieve grander objectives, Thiel sold Paypal to Ebay, earning 55 million dollar himself in 2002 and left the enterprise at the same time. His Venture capital career started later, including founding Clarium Capital in 2002 and Founders Fund in 2005. He holds a penchant of fostering potential juniors including Mark Zuckerberg with his Facebook in 2004, or more recent Palmer Luckey with his Oculus VR headset in around 2011 and, of course, Anduril in 2017. As his VC career developed, Peter Thiel and his several Stanford friends (Hompson, 2018). Co-founded Palantir in 2003 specifically focusing on big data scraping and analyzing, which pivotally reshaped the surveillance ecosystem (Lyon, 2003).

2.2 Ideologue

In terms of political view, the most fundamental part of his ideas that subsumes the rest of the other is his accelerationist prospect on human future. His techno-optimist ideology ending up defining Silicon Valley and now, the US government: "that technological progress should be pursued relentlessly—with little, if any, regard for potential costs or dangers to society." (Chafkin, 2021). Palantir's products has perfectly exemplifies his own condescending ideology as a tech mogul who sees little value in the democratic agency of the 'peasants' that meant to be governed through cutting-edge technological systems. Honduras government set up a surveillance system with Palantir products designed to help the government to track dissidents, rebel and criminals. Yet, in practice, it functioned as a secret police apparatus safeguarding the interest of drug-trafficking elite while enabling large scale social control (Brigida, 2023).

Moreover, Peter Thiel is a libertarian down to his heart. He has the conviction that no control or restriction should be exerted on individuals. For that reason, the sensitivity towards normalized control made him extremely against PC and woke culture. *Stanford Review* was his ideological propaganda tool, and so did Paypal where he expressed his growing skepticism of democracy, of immigration, and of all other forms of globalization (Chafkin, 2021). At the same time, he cherished his privilege of

being white, man and American citizen even it is derived from a historical exploitative structure. Although there are always critiques on the PayPal Mafia's complete whiteness and manhood, Thiel stick to his strong conservative view.

Besides, Thiel is not in favor of democracy, as he put it, "I no longer believe that freedom and democracy are compatible" (Chafkin, 2021). He aligned himself with Curtis Yarwin, who is considered as the mentor of Accelerationism behind the scene. Yarwin argues that the American people is too afraid of an authoritarianism government, and the whole democratic system should be replaced by what he calls a "monarchy" run by what he has called a "C.E.O." (Marchese, 2025). In other words, to run state as an enterprise. In his perspective, a power-centralized government is way efficient than a similar sized democratic one which uses democracy as an excuse for inefficiency.

2.3 Strategist

Thiel's strategic genius not only can be found in his leadership of PayPal, Founders Fund and Palantir, but also in coping with perceived enemies both on personal level and grand level. Thiel has a thinking preference featuring covert, patient, and indirect warfare which can be seen in real cases.

On an individual level, his revenge on Gawker is the most representative case. In 2007, the Valleywag column of Gawker media disclosed the fact of Thiel's homosexual preference, which immensely enraged Thiel claiming the post is a deep violation of his privacy. The feud between Thiel and Gawker media continues, while Gawker media criticizes Thiel's commercial decisions in a sarcastic tone. He has looked for ways to crash Gawker discreetly, but eventually nothing really worked well. Until Gawker released a sextape of Hulk Hogan, resulting in a lawsuit imposed by Hogan. Thiel managed to combine means of financial pressure and deception to secretly back Hogan's Lawyers who were working on multiple cases against Gawker (Fuchs, 2016). The case ends with the bankruptcy of Gawker Media which was unable to afford nor use insurance to cover subsequent compensation. Therefore, Thiel could be described as a disciple of Machiavelli who uses all he can use to defeat, destroy and conquer.

Thiel's same mindset of long-term planning and preference for indirect means also shape his approach to grand strategy, where clear objectives, consistent patience, and calculated moves are underscored. For example, Thiel is a thoroughly Hawk against China. He believes the competition between China and US is fundamentally caused

by the increasingly slow development of technology and economy. Therefore, his main strategic objective is "ending our decades-long technological and economic stagnation." (Mathews, 2023). Moreover, he presumes that the wider the technological leadership of US over China, the more stable the Sino-US relations. His technological determinism leads to his inclination on promoting technology cold war against China and his instrumental view on law as a tool to clear the path for technological progress.

As we've may come to conclusion: Thiel is a dangerous figure who has extreme confidence in what technological development could bring us. What is even more worrying is that, he has blueprinted the path to real political power, and succeed. Therefore, recognizing his influence in the process of policymaking seems urgent.

3 THIEL-VERSE IN TRUMP ADMIN: A BRIEF HISTORY

The trinity of Thiel's status plays an essential role in his ascent to power. His entrepreneurship and legendary experiences in Silicon Valley have established his credibility as a technological expert. His alt-right ideology, along with the network cultivated through Stanford Review has earned him influence in the conservative circle. Finally, His strategic alignment with Trump made him an ideal consultant to provide insights compatible with Trump's political framework. To illustrate his path to power and outline how profound is his influence, an outline of his path to power is needed.

3.1 Trump 1.0: Chuck Johnson, Stephen Bannon and the RNC

At a conference at the conservative Claremont Institute in 2010, Thiel encountered Chuck Johnson who was then a writer in Breitbart. There are rumors said that then Johnson bridged Thiel and his Breitbart boss Stephen Bannon who were the core consultant of Trump election at the time (Mac, 2017). Thiel was then incorporated into Trump's election team then as a key enabler of Trump's unexpected win. It is Thiel's firm support in 2016 RNC that brings "intellectual credibility and seriousness to a campaign that struggled at times to convey either." (Chafkin, 2021). In other words, Thiel's background has brought credibility to this campaign characterized by populism, disorder and an absence of coherent policy frameworks.

After that, Thiel has won himself a position based on his vast network of Silicon Valley connections, where he "has overseen many of the science and the technology appointments for the incoming administration." (Feldman, 2017).

Ajit Pai, who was recommended by Johnson and Thiel, then become the chair man of Federal Communications Commission. Pai shared the advocating view of deregulation with Thiel, promoting to abolish net neutrality. Without net neutrality, the internet traffic will only be allocated driven by market.

During this term, Thiel won Trump's firm trust and indirectly influenced technological policy by selecting like-minded candidates to practice his thought. Thiel's power on appointing important positions has only enlarged after since, resulting in his more profound influence in key technology realms like AI and Crypto.

3.2 Trump 2.0: JD Vance, David Sacks and Michael Kratsios

Although Thiel did not fund any candidates in 2024 president election, which he noted that "an extra \$1 million or \$10 million does not make any difference" (Matthews, 2023), he still played an essential role of Trump's ensured victory. The decision of picking J.D. Vance as Trump's vice presidential nominee, was largely promoted by Thiel and his dear pal David Sacks.

JD Vance, as a former Marine and Yale Law school graduate, started his VC career at Mithril Capital, a firm founded by Thiel. In 2016, his memoir *Hillbilly Elegy* was published. The work's special focus on the forgotten blue-collar working class has helped put Donald Trump in the White House (McKenna, 2024). After joining another firm and found his own firm Narya with Thiel and Eric Schmidt's investment, he decided to quit his VC career and run for senate. He was constantly pushed up by Silicon Valley billionaires aiming to foster him as a government insider. "When Vance sought Trump's counsel before announcing his Senate run in 2021, Thiel reportedly accompanied him to Mar-a-Lago." (McKenna, 2024) Then, When Vance ran for U.S. Senate in 2022, Thiel spent \$15 million on the campaign and persuaded Trump to endorse him even Vance was one of the most oppositional figure against trump among republicans. (Duran, 2024) During

the election, David Sacks even directly suggested Trump to pick Vance as his vice presidential nominee in an informal dinner (Conger, 2024). Vance was made to be the most suitable person for the position. Backed by massive financial investment and strategic political support from Silicon Valley elites, his rise to the vice presidency signals a profound entanglement between the new administration and the tech sector. It also marks the amplification of Thiel's influence, now backed by a pretege in the position of Vice president.

At the same time, key positions spreading from foreign affairs to health policy, are infiltrated by Thiel's network. David Sacks, the Paypal co-founder and Thiel's dear alliance, is appointed as crypto and AI tsar. Even Trump is unpredictable and unreliable, this appointment symbols his fulfillment of previous promises to lighter regulations on crypto and AI industry. Moreover, Michael Kratsios, former Chief of Staff at Thiel Capital and a board member of Scale AI, which is backed by Founders Fund, was appointed as the director of Office of Science and Technology Policy. Kratsios's recent speech reveals growing frustration over how excessive regulation has long hindered innovation while also emphasizing a sharpened strategic focus on China as the principle rivalry in the global tech race (Kratsios, 2025). What's more, Jim O'Neill, former CEO of the Thiel Foundation, was appointed as the U.S. Deputy Secretary of Health and Human Services. (Matthews, 2024) He holds a stance of strong opposition for FDA's excessive regulation on drug developing which he thinks is the direct cause of long overdue innovation (Galeon, 2017). Finally, Ken Howery, Paypal co-founder and former U.S Ambassador to Denmark, now nominated as Ambassador to Denmark, played a significant role in advancing the administration's proposal to acquire Greenland (Thrush, 2025). If the Greenland deal succeeds, the island could be used as a key chilling spot for heating massive data centers. Table 1 below summarizes key personnel appointments from Peter Thiel's network, along with their associated policy orientations.

Table 1. Key Appointments and Their Policy Orientations

Name	Position	Policy Orientation
David Sacks	Crypto and AI Tsar	Supports deregulation of the cryptocurrency and AI sectors
Michael Kratsios	Director of Office of Science and Technology Policy	Opposes excessive regulation; prioritizes strategic competition with China
Jim O'Neill	Deputy Secretary of Health and Human Services	Opposes FDA's excessive regulation on drug development
Ken Howery	Ambassador to Denmark	Supports territorial expansion (e.g., proposal to acquire Greenland)

3.3 Discreet monopolies: power of state sector dependence

In Thiel's startup course notes, he said that the best form of an enterprise is a monopoly, and the best monopoly is always a discreet one (Thiel & Masters, 2014). There are three similar monopolies connected with Thiel: Palantir was founded by himself, Clearview AI and Anduril both were built based on huge investment from Thiel (Pabst, 2023). These three companies share a mode of occupying an unique niche that no challengers could replace them. At the same time, their products are deeply embedded in military, national security, and government enforcement realms. For example, Palantir's AI-assisted decision-making systems, Anduril's armed drones, and Clearview AI's face recognition system based on huge sets of data. Those most advanced technologies have been equipped and practiced in the Russian-Ukrainian conflict. While those companies enable the US to sustain its technological leadership, they gain most of their profits from the state sector. Therefore, the formation of this reciprocal relationship between the private sector and the public sector makes them discreet monopolies with huge political influence regardless who is in the White House. As long as there remains demand for their products, their monopoly position will remain unshaken.

4 CONCLUSION

Thiel's influence has become both direct and profound through the placement of close allies in key government positions. His advocacy for a technological Cold War aligns seamlessly with Trump's hardline stance on China, while his deep belief in deregulation as a catalyst for technological flourishing offers a strategic pathway to foster innovation and sustain U.S. technological hegemony. Cutting-edge companies connected with Thiel have deeply bonded with the military whose technological leading position increasingly relies on the products supplied by these enterprises. All of those phenomenon reflects Thiel's deep and institutional control of power, not only in terms of policy influence, but also in cognitive framing and strategic shaping. More importantly, this dynamic will be a normalized setting for understanding future US administration. Nevertheless, his influence still faces the restriction of division inside the accelerationists, the resistance of the public will, and the political agency of Trump himself which could be further analyzed.

REFERENCES

Brigida, A.C. 2023. How surveillance tech helped protect power

— and the drug trade — in Honduras. Coda Story. <https://www.codastory.com/surveillance-and-control/honduras-surveillance-drug-trade/>

Clausewitz, Carl von. 1993. On War. Trans. Michael Howard and Peter Paret. London: David Campbell Publishers Ltd., 606.

Chafkin, M. 2021. The Contrarian: Peter Thiel and Silicon Valley's Pursuit of Power. Penguin Press. 5, 6, 73, 112, 139.

Conger, K. 2024. How a network of tech billionaires helped J.D. Vance leap into power. The New York Times. <https://www.nytimes.com/2024/07/17/technology/jd-vance-tech-silicon-valley.html>

Duran, G. 2024. Where J.D. Vance gets his weird, terrifying techno-authoritarian ideas. *The New Republic*.

Feldman, B. 2017. Is notorious troll Chuck Johnson really helping pick the Trump administration? *Intelligencer*.

Fuchs, E. 2016. How Hulk Hogan partnered with Peter Thiel to nearly bankrupt Gawker. *Yahoo Finance*.

Galeon, D. 2017. The next head of the FDA may be a man who is fighting a war against aging. *Futurism*.

Hompson, N. 2018. Palmer Luckey is just getting started: The Oculus founder on virtual reality, defense tech, biohacking an injured toe. *Wired*.

Kratsios, M. 2025. Remarks by Director Kratsios at the Endless Frontiers Retreat. *The White House*.

Lyon, D. 2003. Surveillance after September 11. *Polity Press*, 5.

Mac, R. 2017. A troll outside Trump Tower is helping to pick your next government. *Forbes*.

Marchese, D. 2025. Curtis Yarvin says democracy is done. Powerful conservatives are listening. *The New York Times Magazine*.

Mathews, J. 2023. Peter Thiel launched a student newspaper 36 years ago. It has since become one of the surest paths to success in Silicon Valley. *Fortune*.

Mathews, J. 2023. Exclusive: Peter Thiel explains his decision not to fund any presidential candidates in 2024. *Fortune*.

Mathews, J. 2024. Peter Thiel's network is placing a new wing of techies in Trump's orbit. *Yahoo News*.

Mathews, J. 2024. How Peter Thiel's network of right-wing techies is infiltrating Donald Trump's White House. *Fortune*.

McCormick, T.J. 1995. America's Half-Century: United States Foreign Policy in the Cold War and After. *Johns Hopkins University Press*.13–14.

McKenna, G. 2024. Venture capitalists get one of their own with Trump's VP pick—what to know about J.D. Vance's VC career. *Fortune*.

Pabst, S. 2023. How Peter Thiel-linked tech is fueling the Ukraine war. *Unlimited Hangout*.

Thiel, P. & Masters, B. 2014. Zero to One: Notes on Startups, or How to Build the Future. *Crown Business*.

Thrush, G. 2025. Trump picks a jet-setting pal of Elon Musk to go get Greenland. *The New York Times*.