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Who Has JD Vance's Ear on AI and Should We Be Concerned?



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Takeaways

Former President Donald Trump's past views on AI and crypto have been wary, at best. In February he called AI "maybe the most dangerous thing out there." ¹ As for crypto, Trump said it is "very dangerous. It's very dangerous. One day you don't have any money in your account. It can be a very dangerous thing." ²

But since his remarks, he has named one of the Senate's strongest believers in unfettered AI and crypto as his VP candidate: JD Vance. Vance and Trump have recently met with and raised money from some of America's most prominent artificial intelligence pioneers and cryptocurrency enthusiasts. With Trump's views on these tech issues evolving and given his advanced age and likely lack of personal experience with either, should he win in November, JD Vance could have an outsized role in the future regulation of AI.

In this paper we look at who has JD Vance's ear on tech issues and what it could mean.

- Donald Trump has unformed views on AI, while JD Vance is an acolyte with definitive views and mentors.
- Before running for Senate, Vance was a venture capitalist with relationships to the AI industry's most prominent figures, including Marc Andreessen and Peter Thiel. Each were strong Vance boosters for the VP slot, going so far as to lobby for his selection.
- Broadly speaking, Thiel and Andreessen believe AI will provide unparalleled benefits and believe AI guardrails and regulation hinder innovation.
- Vance's support for antitrust action against "Big Tech" echoes that of Thiel and Andreessen and may be principled or self-serving based on his allies' views and investment portfolios.
- While Vance has called to break up Google, he also has had a financial relationship with its former CEO Eric Schmidt, which paints a more complicated picture.
- Based on his views, investments, and network, JD Vance may also be the most pro-crypto major party vice presidential candidate in history. ³

Peter Thiel



Peter Thiel (“teal”) is perhaps the most influential venture capitalist in Silicon Valley. He rose to prominence as a co-founder of PayPal in the late ’90s, the vanguard of a small group of entrepreneurs that would become known as the PayPal Mafia. After leaving PayPal as CEO, Thiel went on to invest early in Facebook and cofound the data intelligence company Palantir (named after the *palantíri* seeing-stones in *Lord of the Rings*).

You may have first heard of Thiel from his 2016 Republican National Convention speech, where he endorsed Donald Trump and came out as gay.⁴ Thiel is a contrarian, arguably even a provocateur, but he is not an intellectual lightweight seeking attention. He is a devoted proponent of René Girard’s philosophy of mimetic desire – the theory that human desires are not determined internally but externally, through social cues like envy and rivalry.⁵ In Thiel’s worldview, the best entrepreneur does not simply make what people want; he invents something previously unimagined that is so compelling that it *generates demand anew*.

Thiel first met law student JD Vance in 2011 while giving a talk at Yale where he decried America’s “technological stagnation” – its myopic focus on social media and satisfying popular demand rather than tackling societal problems with truly novel innovation.⁶ Vance went on to work for Thiel at Mithril Capital (named after a precious metal in *Lord of the Rings*), beginning his venture capital career, during which he also published *Hillbilly Elegy*.

Peter Thiel is the epitome of a Silicon Valley disruptor, which suits his pocketbook as a prolific venture capitalist. Transformative technology, in Thiel’s view, doesn’t come from well-resourced tech behemoths preoccupied with their public perception, but from scrappy new arrivals swimming against the current. OpenAI CEO Sam Altman, whom Thiel has mentored and invested in,⁷ is a formidable example.

It is under these pretenses that Vance and Thiel are united in their antipathy toward “Big Tech” (which seemingly never includes Elon Musk). This explains why JD Vance is to the left of many Democrats in his support for the FTC’s antitrust battles with Big Tech under Lina Khan.⁸ Vance’s beef with tech giants isn’t reducible to a culture war over shadowbans and DEI – he thinks these companies are an intransigent obstacle to genuine innovation.

Peter Thiel personally supports another niche of the Silicon Valley economy: crypto. In his words, “crypto is libertarian; AI is communist”: ⁹ a decentralized, robust store of value vs. a centralized, politically workshopped pronouncer of truth. Founders Fund, his VC firm, invested hundreds of millions of dollars in cryptocurrency in 2023 alone. ¹⁰ Thiel has railed against institutional investors like Warren Buffett, Jamie Dimon, and Larry Fink for not recognizing Bitcoin’s inherent value, although critics question his sincerity given his own well-timed sale of crypto shortly before the FTX and broader crypto market collapse. ¹¹

David Sacks



David Sacks is another member of the PayPal Mafia: its first COO. ¹² Thiel introduced JD Vance to Sacks in 2021, ¹³ leading him to donate and fundraise for Vance. ¹⁴ This wasn’t Sacks’s first foray into partisan politics: he supported Mitt Romney in 2012 and Hillary Clinton in 2016, ¹⁵ and even fundraised for RFK Jr. ¹⁶ and donated to Ron DeSantis ¹⁷ this cycle.

While Sacks and Thiel are politically likeminded innovators, Sacks lacks Thiel’s intellectual sheen and kingmaker reputation.

In 1996 Thiel and Sacks, in their 20s, co-authored *The Diversity Myth*, a predictable litany of grievances against liberal university policies like affirmative action. (Two decades later, Sacks admitted he finds the book embarrassing.) ¹⁸ Thiel went on to write the seminal *Zero to One* on startups in 2014, infusing business advice with the perspective-shifting philosophy of Stanford professor René Girard. Sacks blogs sporadically ¹⁹ but does not have a comparable magnum opus synthesizing his views on business, technology, and philosophy.

David Sacks’s political views are a grab bag of conservative, libertarian, and populist perspectives, largely untethered from his expertise as a technology entrepreneur. He has garnered attention – both positive and negative – for supporting campaigns against progressive California district attorneys like San Francisco’s Chesa Boudin, ²⁰ who lost his recall election in 2022. He’s sympathetic to the liberal renegade Ruy Teixeira, who supports Democratic ideals but argues liberals’ “professional class hegemony” ²¹ has made them out of touch with the working class.

Sacks has only spoken out occasionally on techno-political issues. He has expressed concern that big tech companies like Meta and Google – specifically in the wake of January 6 – became *de facto* adjudicators of the First Amendment by indefinitely deplatforming Donald Trump. ²² He has also

published a nuanced call to reform Section 230 by only permitting social media companies to censor content that violates the US Constitution. ²³ He has no discernible stance on antitrust vis-à-vis Big Tech.

David Sacks is a crypto investor and advocate as well, saying it fulfills PayPal's original mission to build "the new world currency." ²⁴ In his view, Bitcoin serves a powerful macroeconomic role as a store of value that governments cannot debase. ²⁵ Sacks said that he prefers Trump's views on crypto to Biden's in May 2024, ²⁶ two months before endorsing Trump outright in the wake of his attempted assassination. ²⁷

Marc Andreessen



In his final VC role before the Senate, JD Vance founded his own firm: Narya Capital, named (of course!) after a ring from *Lord of the Rings*. One noteworthy investor in Narya is Marc Andreessen, ²⁸ one of the most prominent (and controversial) experts on AI, whom we profiled last year. Andreessen co-founded Netscape and sold it to AOL for \$4.2 billion ²⁹ before pivoting to venture capital, successfully investing in Facebook, LinkedIn, Twitter, and many more internet companies.

Marc Andreessen has aligned himself with a movement known as "effective accelerationism" or "e/acc." ³⁰ E/acc posits that technological advancement is a moral good and therefore obstacles to innovation like burdensome regulation or campaigns to pause AI development ³¹ are *immoral*, equivalent to denying future lifesaving healthcare solutions to patients. Its name is a fusion of effective altruism, the philanthropic philosophy of measuring impact in present and future lives impacted, ³² and accelerationism, a philosophy that the progression of technology and capitalism (and any associated upheaval) is unstoppable and should therefore be accelerated. ³³

Andreessen and his VC partner Ben Horowitz have also co-authored "The Little Tech Agenda," ³⁴ a manifesto extolling the virtues of tech startups over so-called "Big Tech." "The Little Tech Agenda" echoes Peter Thiel's business and political philosophy that incumbent tech giants like Amazon and Google are too beholden to public opinion to pursue truly disruptive and impactful innovation, and therefore any AI regulation that may entrench their dominant position should be disposed of.

Andreessen and Thiel's techno-political worldview is coherent and compelling, reclaiming the trust-busting mantle of Theodore Roosevelt for the 21st century. It is also self-serving: they are venture capitalists, meaning they make their living betting on the success of upstarts, not investing in the continued success of American companies that have become integral parts of the modern global economy. Upton Sinclair once said, "It is difficult to get a man to understand something, when his salary depends on his not understanding it." ³⁵ Do these VCs understand a socioeconomic truth the rest of us don't, or does proselytizing their belief simply help optimize their investment portfolios?

Marc Andreessen is a crypto supporter, too. His VC firm, Andreessen Horowitz (or a16z for short), has a designated crypto division: a16crypto. ³⁶ He sees blockchain, the foundational technology of cryptocurrencies, as offering trust and robustness on the internet that could only be imagined in the early years of the web. ³⁷

Eric Schmidt



Another notable investor in Vance's Narya Capital is Eric Schmidt, the former CEO of Google. ³⁸ Whereas Thiel and Andreessen exemplify the disruptive character of Silicon Valley's culture and innovation, Schmidt is the yang to that yin. ³⁹ He was selected to lead Google as CEO in 2001 for his steady hand at the helm to complement the disruption-oriented mindset of the legendarily innovative Google founders Sergey Brin and Larry Page." ⁴⁰

Schmidt served as Google's CEO from 2001 to 2011 and Executive Chairman from 2011 to 2017. ⁴¹ Post-Google, he has earned a reputation as DC's "AI matchmaker." ⁴² In 2021 he founded the Special Competitive Studies Project (SCSP) ⁴³ to develop strategic plans for the US to compete and lead amid the 21st century technological and geopolitical landscape. The SCSP is modeled after the Rockefeller Special Studies Project: ⁴⁴ a 1956 initiative launched by Nelson Rockefeller and led by Henry Kissinger in the context of the early Cold War.

Schmidt is passionate about modernizing the US government with advanced software, but wary of the profound obstacles in the way. ⁴⁵ At the request of Defense Secretary Ashton Carter, he sat on a board to review the Pentagon's processes for technology procurement, and what he saw was not encouraging. During that tenure, the Defense Department rejected a fully functional software

solution from Palantir because they had no existing relationship with the budding company, instead asking mainstays Raytheon, Northrop Grumman, and Lockheed Martin to build them the same tool *at a higher cost*. In response, Palantir sued the government, won, and secured the contract.

JD Vance is almost certainly familiar with Palantir's Kafkaesque Pentagon saga, and the differing roles of his Silicon Valley colleagues in the events may give us clues into how he thinks about innovation, AI, and government. Thiel, like Andreessen, might envision himself as a Galtian wrecking ball, forcing the US government to modernize against its self-defeating will. Eric Schmidt is surely familiar with this perspective, but he's not the wrecking ball: he's on the other side of the wall.

Conclusion

Trump and Vance both hold some unorthodox political views about technology. Trump is a garrulous dilettante with an amnesiac penchant for self-contradiction, but Vance is an experienced and impeccably educated investor with longstanding ties to the most elite figures in the industry. Currently, Vance appears to be the PayPal Mafia's consigliere within Trump's presidential campaign, and it is reasonable to infer he will continue this role in a Trump White House.

Of course, presidential campaigns have a way of making candidates' views "evolve." Will Vance's appetite to break up Big Tech persist? How aggressively will he support "Little Tech" through hands-off AI deregulation? It is too early to answer these questions, but we should expect Vance's influence on White House technology policy to be critical and unique in American history.

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