

The Wide Angle: Peter Thiel and the American Apocalypse

by Dave Troy

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Between the attempted assassination of Donald Trump, Joe Biden's withdrawal from the race, and the rapid coalescence around Kamala Harris as the presumptive Democratic nominee, everyone's rushing to update their political calculus. But there's one recurring thread that haunts us that people aren't yet talking about: the debt ceiling, which must be addressed once again by January 2nd, 2025.

As I've reported in *The Washington Spectator* [previously](#), any default on US debt would be unprecedented, sparking a global catastrophe with unpredictable outcomes. How soon we forget — in 2021 Moody's [estimated](#) that default could mean the loss of at least 6 million jobs and the destruction of \$15 trillion in wealth. (The COVID [bailout packages](#) amounted to about \$4 trillion, by comparison.)



We got lucky in 2021, when Congress [passed](#) a \$2.5 trillion increase right before the Christmas break. That kicked the can down the road to January 19, 2023, when we hit the limit once again. Janet Yellen enacted "extraordinary measures" to stretch available cash until [June 5](#); House Speaker Kevin McCarthy and President Biden struck a deal which was [passed](#) just days before default, or "X-Date."

That deal (which really only registered with political and finance nerds) bought us until January 2025. If sane people are elected to Congress and the Presidency, that shouldn't be a problem: just sort out some kind of deal, pass it, and live to fight another day. But these are not sane times. It's wise to plan for the worst, which unfortunately is quite a plausible eventuality.

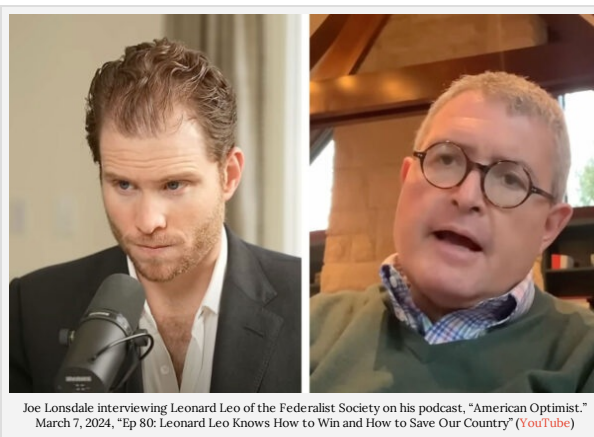
J. D. Vance's selection as Trump's running mate [suggests](#) that Vance's benefactor, Peter Thiel, is [running the show](#), reprising an aborted effort to run the show from 2016. He seems to have learned from his mistakes. Thiel's main hook into the first Trump administration was Steve Bannon, and their efforts were largely stymied by Ivanka Trump and Jared Kushner and other advisors; Bannon was ultimately forced out and left the administration after the deadly white supremacist "Unite the Right" rally in Charlottesville in August 2017.

In *The Contrarian*, a 2021 biography of Thiel, author Max Chafkin describes Vance as an "extension" of Thiel, who was a primary funder of Vance's victorious 2022 race for Senate in Ohio. If Trump wins, Vance will be a heartbeat away from the presidency — and that should give everyone palpitations of their own.

A new Congress will be sworn in on January 3, 2025 — one day after we hit the debt ceiling. The Treasury Secretary (presumably Janet Yellen) will then again have to enact "extraordinary measures" to avoid default. That may buy us anywhere from a few weeks to a few months, depending on who is elected President, and who is appointed Treasury Secretary.

President Biden must try to prevail on Congress to put together another debt ceiling deal before the end of the year. If that doesn't happen, that task will fall to the next President. Depending on who is in control of the House

and the Senate after the election, the current Congress may decline to act and wait for the next Congress to take this up, adding to the drama. And if Mike Johnson retains his status as Speaker of the House, it's possible that the House will not introduce a bill at all — or if they do, it might be coupled with draconian measures, like a return to pre-COVID budget levels, as the [Cato Institute](#) and others have proposed.

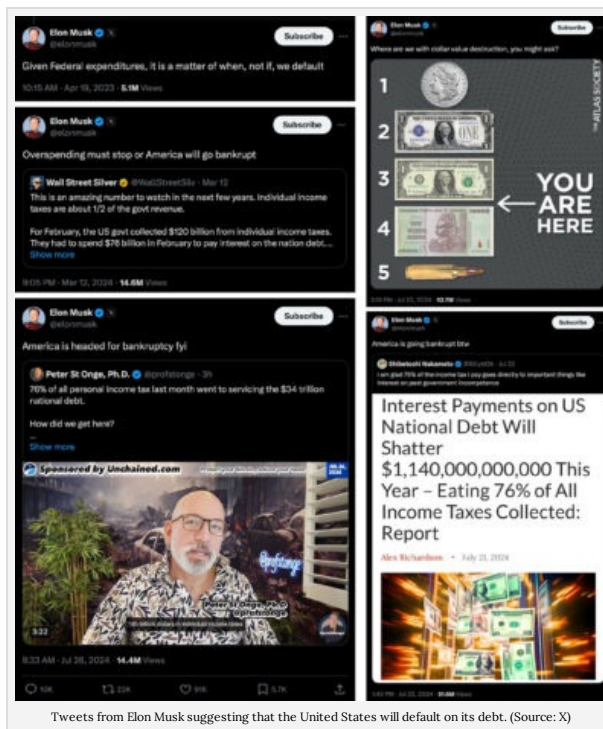


The biggest concern, however, is that Thiel is coordinating with his old “PayPal Mafia” colleagues including David Sacks, Elon Musk, and Joe Lonsdale. While Thiel runs Vance, Sacks is [bundling contributions](#) and running his own propaganda effort in support of the Republican campaign. Musk and Lonsdale have recently teamed up to create a “Super PAC” in support of the Trump/Vance ticket, which has been buffeted almost daily by revelations of Vance’s earlier denunciations of Trump, and his own bizarre views of women and human sexuality.

The Wall Street Journal [reported](#) that Musk might support that PAC to the tune of around \$45 million per month. Musk has denied that specific claim since, but the America PAC, which is run by Lonsdale, appears to be created to support the “PayPal Mafia” worldview — which includes (and indeed depends on) the bankruptcy of the United States (see below).

Another secretive group called [The Rockbridge Network](#), founded in 2019 by Vance, Thiel, and Chris Buskirk (publisher of the pro-Trump outlet [American Greatness](#)) may have helped provide Vance with the necessary momentum to become a favorite for VP. According to [Puck News](#), the group’s network has included Republican donors Harlan Crow, Rebekah Mercer, David Sacks, and other familiar names.

According to Chafkin, Thiel believes that the 2008 financial crisis should have led to a depression. Indeed, it was the investment thesis of his firm, Clarium Capital, that this would happen. But low interest rates and other bailout measures kept Thiel’s “bet against the United States” from working out. Now, he’s out for revenge.



Tweets from Elon Musk suggesting that the United States will default on its debt. (Source: X)

Musk has expressed similar views in connection to last year’s debt ceiling standoff. In April 2023, he said, “Given Federal expenditures, it is a matter of when, not if, we default.” And he’s taken up a similar line more recently. This week, Musk tweeted “America is going bankrupt btw,” citing a story that claims interest debt is “eating 76% of all income taxes collected.”

However one may feel about the national debt and the need to curb budget deficits, one thing is certain: a default will launch a global catastrophe from which recovery will be difficult or even impossible. And unfortunately, this seems to be their plan, and it is aligned with similar ideas expressed by Christian Nationalists and Putin-aligned actors.

James Scaminaci, a scholar of Christian Nationalism, has [warned](#) about the “North-Paul Strategy,” a scheme

dreamed up by Christian firebrand Gary North and the Libertarian ideologue Ron Paul. Their plan envisions taking control of the United States through bankruptcy, asserting that “God’s judgment, which is pro-revolution, will produce a cataclysmic collapse of the American political-economic system.” In 2013, North predicted a “Great Default on \$205 trillion dollars of unfunded liabilities.”

Sergey Glazyev, an economist leading the idea of a BRICS currency as an alternative to the US dollar, wrote a book in 2016 called “The Last World War: The U.S. to Move and Lose,” describing much the same scenario. He wrote, “The financial and information hegemony of the U.S. is threatened by the ever-growing likelihood of collapse of the pyramid of debt obligations denominated in dollars.”

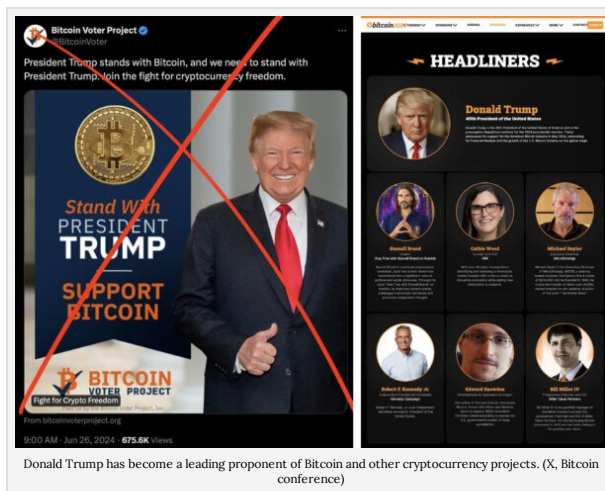
Glazyev was also very close to crank political theorist Lyndon Larouche and his wife, Helga Zepp Larouche, who now runs Larouche’s organization, the Schiller Institute, which has published many papers along the same lines. The Schiller Institute was deeply involved in the “Rage Against the War Machine” rally in Washington D.C. in February 2023, has also promoted voluminous material about the “Noosphere” concept — one basis of Putin’s policy agenda.

In May, Rep. Thomas Massie (R-KY) introduced H.R. 8421, the “Federal Reserve Abolition Act” which aims to “abolish the Board of Governors of the Federal Reserve and the Federal Reserve banks” and repeals the 1913 Federal Reserve Act, the law that created the Federal Reserve System. What would happen after that is unclear, but this bill, as designed, would end the current dollar system and introduce a new financial system rooted in a gold-backed dollar and cryptocurrencies. It should be obvious that this may have catastrophic consequences for individuals, potentially obliterating their life savings.



While Donald Trump has tried to distance himself from Project 2025, the controversial policy package developed by the Heritage Foundation, J.D. Vance has become closely associated with the scheme. Kevin Roberts, like Leonard Leo a member of the secretive extremist Catholic organization Opus Dei and one of the principal architects of Project 2025, wrote a book called “Dawn’s Early Light: Burning Down Washington to Save America,” with J.D. Vance supplying the foreword. The title was subsequently changed to replace “burning down Washington” with “taking back Washington,” to avoid the obvious and literally incendiary implications of the former. Vance wrote of Roberts’ book, “We are now all realizing that it’s time to circle the wagons and load the muskets. In the fights that lay ahead, these ideas are an essential weapon.”

Project 2025 also contains recommendations for terminating the Federal Reserve, echoing Rep. Massie’s H.R. 8421, specifically on page 694, “that the next Administration should think about proposing legislation that would “effectively abolish” the Federal Reserve and replace it with “free banking,” whereby “neither interest rates nor the supply of money” would be “controlled by government.”

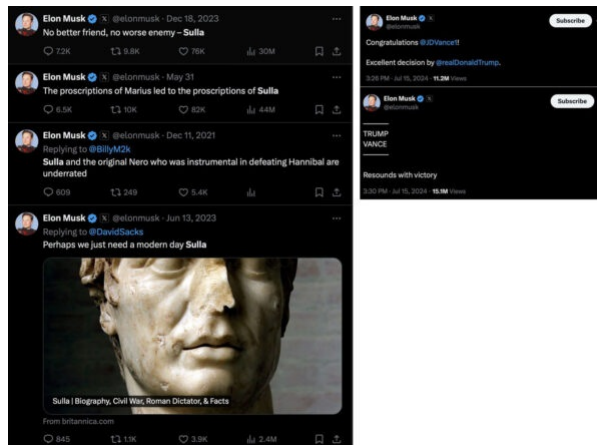


Donald Trump, who in 2021 said Bitcoin was a “scam against the dollar,” is now an ardent advocate of Bitcoin and NFTs (non-fungible tokens), both of which have provided him with a significant financial boost. Trump is a headliner at the annual Bitcoin conference in Nashville, along with Putin apologists Robert F. Kennedy, Jr., Russell Brand, and Edward Snowden. CNBC recently reported that Trump has raised more than \$4 million in Bitcoin and other digital assets since he began supporting cryptocurrencies. At that conference, Sen. Cynthia Lummis (R-WY) proposed establishing a “strategic Bitcoin reserve,” which she claims will “create a brighter future for generations of Americans by diversifying into Bitcoin.”

Vance is also a major backer of cryptocurrencies and disclosed in a recent filing that he held between \$100,001 and \$250,000 in Bitcoin. He has also gone on [record](#) in favor of devaluing the US dollar to boost exports.

A former adviser to Thiel recently suggested to me that his worldview was “largely self-referential,” and that of a “kid in high school who was picked on.” This source went on to assert that Musk’s America PAC amounted to the “neuro-atypical leading us into [a] business coup,” referencing the 1934 “Business Plot” (See: [Paranoia on Parade](#).) And given Vance’s role as an “extension” of Thiel, per Chafkin, this is cause for grave concern.

Michael Anton, another character from the Thielverse, wrote an essay describing the 2016 election as a “Flight 93 Election,” comparing Hillary Clinton to the 9/11 terrorists. Anton, who is connected to the conservative Hillsdale College and is a senior fellow at the Claremont Institute, more recently has called for a “[Red Caesar](#),” or a leader whose “post-Constitutional rule will restore the strength of his people,” with Vance now seemingly cast in that role. And as the Supreme Court recently ruled, if he manages to become president, he will now have immunity for any “official acts.”



Musk has made similar proclamations, calling for an American “Sulla,” famous for being the first Roman general to march his army on Rome, seizing control by force. Retired Lt. Gen. Michael T. Flynn seems ready to take up that role and has continued to call for various “black swan” events, and has made repeated warnings about potential assassinations, including of Donald Trump.

We have seen how rapidly public opinion can now shift based on the interplay between traditional media, social media, and authority figures. The Silicon Valley Bank run and the crisis of confidence in Joe Biden following his poor debate performance shared similarities. In early 2021, I circulated a memo privately in Washington suggesting that Musk and Thiel were aiming to do the same thing to the US dollar. And now we see that plan coming into place, with Thiel, Musk, Russia, and other right-wing media [planting](#) seeds of doubt in the dollar. Thiel ally Balaji Srinivasan just published an [article](#) arguing that default is unavoidable.

Trump-Vance Administration Could Herald New Era for Dollar

Both candidates on the Republican ticket have argued that the U.S. currency should be weaker to support American exports.

New York Times Headline, July 16, 2024. ([NY Times](#))

A Harris victory is a necessary but insufficient condition to avoid a catastrophe. Biden must act now to provoke Congress to resolve the debt ceiling situation, ideally permanently. A prospective Harris administration must educate itself on the [perils of gold-standard revanchism](#), and understand that cryptocurrencies are neither innovative nor neutral, but rather instruments of warfare which will be used by our adversaries to upend the world order. The system, as they say, is “blinking red,” and if there ever was a “Flight 93 election,” it’s this one. May we have both the wisdom and capacity to intercept these threats before it’s too late.

Dave Troy is an investigative journalist focused on exposing threats to democracy. Based in Baltimore, his background as a technologist with an interest in studying online extremism affords him a unique perspective. His work has appeared at MoMA in New York, and he is a fellow with New America Foundation’s Future Frontlines. Dave writes regularly about information warfare, history, and politics. He is the host of the podcast Dave Troy Presents, and speaks regularly at conferences on disinformation, extremism, and information warfare. Contact information is available at [davestroy.com](#).

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