MEMORANDUM

Date: February 5, 2025

Subject: Capture of U.S. Critical Infrastructure by Neoreactionaries

Executive Summary

Following President Trump's Executive Order establishing the Department of Government Efficiency (DOGE), many have been shocked by the speed and scope of changes led by Elon Musk. While DOGE in theory aligns with longstanding conservative ambitions, the reality is that Musk has not limited government or dismantled the deep state; he has replaced it with himself. Under his radical restructuring of federal power, the White House is at risk of becoming **captive to Musk's demands.** This memo outlines four alarming developments that transcend partisanship.

- Musk-aligned operatives have seized control of the Office of Personnel Management (OPM), purging career civil servants and installing loyalists with ties to Musk's private ventures.
- II. DOGE has deployed unvetted hires—many under 25 years old—who now wield de facto control over sensitive government functions without security clearances. These individuals, drawn from Musk's orbit and Silicon Valley's neo-reactionary (NRx) network, operate without legal oversight or accountability.
- III. DOGE has gained read-write access over Treasury pipes and federal payment systems, granting Musk direct influence over the financial infrastructure of the U.S. government. This unprecedented control over money flows creates a national security risk and a personal power lever for Musk.
- IV. The congressionally mandated divestment of TikTok has been delayed, with reported Chinese interest in Musk as a buyer. If successful, Musk would control not just X (formerly Twitter) but also the largest platform shaping youth political discourse—further concentrating his influence over public opinion.

Rather than operating as an ally of the Trump administration, Musk has hijacked its ambitions for his own purposes. His rapid takeover of federal infrastructure mirrors the broader ambitions of the neoreactionary (NRx) movement—a small group of Silicon Valley elites who reject democracy and seek to install a "**CEO Monarch**" to rule by technological and financial dominance. This network includes Peter Thiel, Marc Andreessen, Balaji Srinivasan, David Sacks, and Curtis Yarvin, among others. Once considered fringe, purveyors of this ideology have now been embedded into the core of government operations.

Musk's maneuvering demonstrates a long-standing strategy of this elite class: **not dismantling government, but replacing its power structures with ones they control.** DOGE has not reduced bureaucracy—it has privatized it. Treasury has not been made more efficient—it has been placed under a billionaire's influence. TikTok has not been secured from foreign threats—it has been delayed so Musk can position himself as its gatekeeper. President Trump, far from asserting dominance over the administrative state, may now find himself hostage to Musk.

Congress Must Act to Prevent Private Takeover of Government. This memo calls for immediate congressional action to reassert democratic control and prevent Musk's further entrenchment into government infrastructure including launching urgent investigations into DOGE's hiring practices, Treasury access, and OPM purges; strengthening security and conflicts-of-interest laws; enforcing divestment measures; barring Musk from acquiring TikTok; and limiting Musk's influence over national security and diplomatic affairs.

The scale, speed, and opacity of Musk's actions demand urgent scrutiny—not just as a policy concern, but as a direct challenge to the constitutional order and the President's independence. If left unchecked, Musk's consolidation of power will shift control over critical U.S. infrastructure away from accountable governance and into the hands of a single private actor, setting a dangerous precedent for the future of American democracy. Congress must act now to prevent a private hostile takeover of public power.

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I. History & Present Challenges

The Role of Communication Infrastructure in Democratic Governance

The United States government relies on communication infrastructure as the backbone of governance, public accountability, and institutional coordination. From federal payroll systems and classified intelligence networks to emergency broadcasting and social media platforms, the ability to transmit, process, and secure information is foundational to national security and the democratic process.

Unlike authoritarian regimes, where the state seizes and monopolizes communication networks to suppress dissent and entrench power, the U.S. has historically maintained a system where communication infrastructure remains decentralized, accountable to oversight, and governed by legal frameworks that protect free speech and privacy. When communication systems are co-opted by unaccountable private interests, however, they can be wielded against transparency, the rule of law, and democratic accountability itself.

We are now witnessing a systematic effort to consolidate control over U.S. government communication infrastructure and digital platforms—not by the Trump administration, but by a single network of ideologically driven actors, with Elon Musk at its center. What began as an effort to streamline bureaucracy has morphed into a private power grab, with Musk capturing critical infrastructure to operate beyond traditional oversight. This mirrors an authoritarian model—not merely reducing government, but reconfiguring it into a privatized regime where Musk dictates the flow of information, controls political narratives, and wields unchecked influence over the machinery of the state. If this continues unchecked, President Trump will no longer be steering government policy—Musk will.

The Rise of the NRx Movement

The ongoing restructuring of U.S. digital and administrative systems must be understood in the broader context of the neoreactionary (NRx) movement, a "Dark Enlightenment" ideology advocating for the dismantling of democracy in favor of centralized corporate or monarchic rule. Nick Land and Curtis Yarvin are the foremost proponents of this ideology. Touted as the "godfather of accelerationism," Land has argued that democracy inherently leads to societal decline and proposed that societies should be run more like corporations, with competent elites at the top, akin to CEO-style governance rather than electoral politics. Similarly, Curtis Yarvin also known as "Mencius Moldbug," has extensively written about his vision for replacing democracy with an "efficient" autocratic regime controlled by a CEO and technocratic elite:

"If Americans want to change their government, they need to get rid of dictator phobia....One way of dealing with that is.... hire two executives, make sure they work together and there is really no other solution..."

"Assuming security and responsibility, how could we produce effective government in California? The answer: find the world's best CEO, and give him undivided control over budget, policy and personnel."²

"But—if you agree with me that democracy is the problem, not the solution—there's also nothing wrong with a military coup in which the military expresses this same realization...Therefore, it is justified in seizing, and either dissolving or privatizing according to its best judgment, all subsidized or officially supported information organs of the old mediocracy, including universities, newspapers, TV and radio stations, schools, etc. Probably the first option is the safest....In a post-mediocratic state, education is a purely parental responsibility. Young people will learn whatever their parents choose to teach them, or have

¹ BILtalks, "BIL2012 - Mencius Moldbug: How to Reboot the US Government," YouTube video, 18:30, posted October 20, 2012, https://youtu.be/ZluMysK2B1E (17:10–18:10)

² Mencius Moldbug, *An Open Letter to Open-Minded Progressives*, Chapter 6: "The Lost Theory of Government," May 22, 2008, https://www.unqualified-reservations.org/2008/05/ol6-lost-theory-of-government/

them taught, or expose them to. Official involvement in this process, even in the form of subsidies, is unthinkable. Likewise, **journalism is a purely private function.**"

Doxxing Controversy: NRx Gets Exposed

Yarvin first came to prominence after being reported in a TechCrunch article, "Geeks for Monarchy," in 2013—after Peter Thiel had invested in Yarvin's start-up company (Urbit), alongside Balaji Srinavasan, then an Andreessen Horowitz partner. The article alarmed his affiliates, including Thiel, Blake Masters, Patri Friedman, Michael Gibson, and Srinavasan, who suggested in correspondence retaliating against journalists:

"If things get hot, it may be interesting to sic the Dark Enlightenment audience on a single vulnerable hostile reporter to dox them and turn them inside out with hostile reporting sent to "their" advertisers/friends/contacts," Srinivasan said in an email viewed by the New York Times.

Mr. Thiel, a participant in the email thread, urged their colleagues to keep quiet. 4 Yarvin replied to Srinavasan:

"Dude, control the frame....If you make a big thing of it, you prove their point...You and I have different vulnerabilities, you because you're in the closet and I because I'm out of it..."

Srinvasan contemplated an attack-back strategy, and acknowledged "It might mean moving to Singapore though as endgame." (Since then, Srinvasan has renounced his citizenship and resides in Singapore).

NRx Entanglements: PayPal Mafia meets Network States

Neoreactionary ideas, once fringe, have gained traction in Silicon Valley and among influential political operatives, including those now embedded in Musk's network of power. Both Marc Andreessen (partner at venture-capital firm A16Z and author of the *Techo-Optimist Manifesto*) and former colleague Balaji Srinavasan (author of the *Network State*) cite Land and Yarvin, respectively. The "PayPal Mafia"—a network of early PayPal executives including Peter Thiel, now Al & Crypto Czar David Sacks, and Elon Musk—have also played a key role in mainstreaming neoreactionary ideas. In his 2009 essay "The Education of a Libertarian," Thiel concluded democracy was incompatible with technological progress. Thiel also believes that monopolies are good, competition is bad, and the most successful companies create and sustain monopolies.⁵ In an interview, Musk tacitly affirmed and expanded Peter's claim to apply to government:

"I think its a false dichotomy to look at government and sort of industry as separate...government is...the ultimate corporation," calling it a "monopoly that can't go bankrupt, or usually cannot go bankrupt."

Both Elon Musk and Peter Thiel have more prominently participated in American politics, and notably built businesses that perform critical government functions. Thiel is a co-founder of <u>Palantir</u>, a firm that provides data analytics and surveillance tools for U.S. intelligence agencies, the military, and law enforcement, handling tasks that range from predictive policing and counterterrorism to managing battlefield intelligence. Similarly, Thiel-backed <u>Anduril Industries</u> is developing autonomous defense systems and border surveillance technology.

Musk, the wealthiest man alive, operates <u>Neuralink</u>, <u>Boring Company</u>, <u>SpaceX</u>, <u>Starlink</u>, <u>Tesla</u>, <u>X</u> (formerly Twitter) and <u>xAl</u>. Musk's SpaceX has replaced NASA in launching U.S. astronauts and provides the Pentagon with military satellite deployment, while Starlink's internet services have been used in war zones, including Ukraine, raising questions about who controls critical infrastructure in geopolitical conflicts (Starlink <u>has more satellites in orbit than the rest combined</u>). Additionally, Tesla's Superchargers have become the national standard for electric vehicle charging, with more than <u>49% of the US electric vehicle market</u>. Tesla's Al and energy infrastructure have

³ Mencius Moldbug, "Mediocracy: Definition, Etiology and Treatment," *Unqualified Reservations*, September 9, 2007, https://www.unqualified-reservations.org/2007/09/mediocracy-definition-etiology-and/

⁴ Kevin Roose, "Slate Star Codex's Rationalists," *The New York Times*, February 13, 2021, https://www.nytimes.com/2021/02/13/technology/slate-star-codex-rationalists.html

⁵ Peter Thiel and Blake Masters, Zero to One: Notes on Startups, or How to Build the Future (New York: Crown Business, 2014)

positioned Musk as a key player in electric grid management and autonomous military applications, with the Pentagon exploring Tesla's Al-powered robotics for future defense use (despite past <u>surveillance abuses</u>). Meanwhile, Musk's ownership of X (formerly Twitter) has turned Musk into an operator of one of the largest digital town squares that shapes discourse around the intersection of technology and politics worldwide. The scope and scale of his companies blur the line between public and private power, executing state-level functions but funded and backed by shareholders.

"The government is now reliant on him, but struggles to respond to his risk-taking, brinkmanship, and caprice. Current and former officials from NASA, the Department of Defense, the Department of Transportation, the Federal Aviation Administration, and the Occupational Safety and Health Administration told me that Musk's influence had become inescapable in their work, and several of them said that they now treat him like a sort of unelected official. One Pentagon spokesman said that he was keeping Musk apprised of my inquiries about his role in Ukraine and would grant an interview with an official about the matter only with Musk's permission. 'We'll talk to you if Elon wants us to,' he told me." In a podcast interview last year, Musk was asked whether he has more influence than the American government. He replied immediately, "In some ways." Reid Hoffman told me that Musk's attitude is "like Louis XIV: 'L'état, c'est moi.' [translation: "I am the state"]"

NRx Politics

The neoreactionary movement's engagement in American politics has been limited and highly targeted, reflecting a strategic approach rather than a broad ideological movement. Peter Thiel, its most prominent financial backer, has intervened selectively, supporting candidates with **personal and professional ties to** him rather than building a mass political base. His first major political foray came in 2016, when he publicly endorsed and donated \$1.25 million to Trump, an unusual move for a Silicon Valley billionaire. Yet, his political activity remained sparse until 2022, when he invested heavily in two Senate candidates—J.D. Vance in Ohio (\$15M) and Blake Masters in Arizona (\$10M). Both had worked closely with Thiel: Vance worked at Mithril Capital after law school before receiving early backing from Thiel's network (\$100M) to form a venture fund, Narya Capital, while Masters had been a long-time employee and protégé at Thiel Capital a co-author of the book, *Zero to One*. Thiel's strategy of funding insiders rather than outsiders reflects the limited ambitions of the neoreactionary movement—a tactical elite project rather than a popular uprising. Thiel himself has retreated from direct political funding, declining to back any candidates in 2024. Yet his political experiment has succeeded beyond expectation—with Vance not only securing a Senate seat but rising to the Vice Presidency despite past opposition to Trump, declaring him to be an "idiot" and "reprehensible."

Elon Musk, on the other hand, remained apolitical until late 2022, when he publicly broke with the Democratic Party and began amplifying messaging on X (formerly Twitter). His political influence surged in 2024, when he donated \$75 million to a pro-Trump super PAC over three months and used X to push Trump's candidacy. Musk's strategy has been more aggressive than Thiel's, including hosting Republican primary debates, and pledging to give \$1 million a day to Trump supporters in swing states—a move that faced legal scrutiny over potential election law violations.

NRx Cynicism: "Caesar was an Olympian. Trump Should be on Ozempic."

Curtis Yarvin has a vision for an "American Caesar"—a strong leader who would dismantle existing democratic institutions and centralize power. Yarvin has emphasized the necessity for such a leader to act decisively "When Caesar crosses the Rubicon, he doesn't sit around getting his feet wet, fishing. He marches straight across the Rubicon." Yet, Yarvin also writes, "Trump is no Caesar." Yarvin dismisses the President's capability to enact the kind of regime change Yarvin envisions. Instead, he cynically portrays the President as an aging showman who reflects the shallowness of his era rather than the grandeur of history. "Caesar was an Olympian. Trump should be on Ozempic."

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Ronan Farrow, "Elon Musk's Shadow Rule," *The New Yorker*, August 28, 2023, https://www.newyorker.com/magazine/2023/08/28/elon-musks-shadow-rule
 Linker, Damon. "The Intellectual Right Contemplates an 'American Caesar'." *The Week*, July 28, 2021.

Linker, Damon. "The Intellectual Right Contemplates an 'American Caesar'." *The Week*, July 28, 2021. https://theweek.com/politics/1003035/the-far-right-contemplates-an-american-caesar

⁸ Curtis Yarvin, "The Trials of Trump," *Gray Mirror*, June 6, 2024.

Despite this open disdain for the President, Yarvin recognizes the President's utility—not as a leader, but as a tool. His trials, legal battles, and media spectacle provoke the regime into overreach, accelerating its own decay. Yarvin describes the state as "the motor of revolution," arguing that it is not insurgents like Trump who drive systemic collapse, but the regime itself, which reacts in ways that ultimately weaken its own legitimacy. The prosecution of the President, Yarvin suggests, creates a self-destructive cycle, where the government's attempts to neutralize him only deepen public disillusionment with democracy. Yarvin even rejects the revolutionary impulse among the President's supporters. He derides January 6 as "the last lame breath of mobocracy in America" and scoffs at the idea that Trump's base—"used-car dealers, general contractors, small-town investment advisors"—could ever rise up and install a new "Trumpenreich."

Curtis Yarvin reveals a cynical instrumentalism—he does not admire the President as a leader, but rather sees him as a useful accelerant for the collapse of the current political order. Yarvin's vision is post-revolutionary—he doesn't want the President to fight the system from within, but to pave the way for a more competent, technocratic strongman to emerge. In Yarvin's framing, the President is not a hero or a savior; he is a wrecking ball, a blunt instrument of destruction who can be discarded once the old order collapses. His movement may be politically useless, but as a spectacle, as a symbol of institutional failure, the President's role is indispensable.

"In a world where voters elect Trump with a mandate to just take over the government—as completely as the Allies took over the government of Germany in 1945—he will probably screw it up, anyway. Yet he doesn't have to screw it up. (The only way to not screw it up, for Donald Trump, is to be the chairman of the board, and delegate to a single executive ready to be the plenary CEO of America.)"

Rather than a mass movement, neoreactionary politics operates as an elite-driven insurgency, leveraging intellectual narratives and populism (Yarvin), financial backing (Thiel), social, campaign and technical backing (Musk) and political frontmen (Vance) to shift power away from democratic institutions and into the hands of an elite. The hollowing out of government, the privatization of state functions, and the centralization of decision-making in unelected corporate-backed figures—once abstract concepts in Yarvin's writings—who make a spectacle of the Presidency are now being tested at the highest levels of government.

Musk's Active Reshaping of U.S. Government Infrastructure

Musk's neoreactionary influence is not theoretical—it is actively reshaping federal governance in real-time. The aggressive restructuring of key government agencies under his influence demonstrates a deliberate effort to consolidate power, centralize communication, and weaken institutional safeguards in favor of centralized control. This includes:

- (I) The Office of Personnel Management (OPM) Takeover: Musk-aligned operatives have gained control over OPM, the agency responsible for managing the federal workforce, implementing mass purges of career civil servants, installing loyalist leadership, and leveraging unsecured email systems to coerce federal employees into resigning.
- (II) Unvetted DOGE Employees: Musk's Department of Government Efficiency (DOGE) operates outside the bounds of traditional government oversight. Many of its staff, between the ages of 19 and 24, have bypassed traditional hiring and security clearance processes, yet hold *de-facto* decision-making power over critical government functions.
- (III) Treasury Department Controls: The forced resignation of career Treasury official David Lebryk highlights Musk's encroachment into federal financial infrastructure, where his allies have gained direct access to the government's payment systems, which handle trillions in transactions annually. DOGE now has direct read-write access to sensitive Treasury systems, enabling undetected changes without formal authorization.

⁹ Ibid.

(IV) Potential TikTok Acquisition and Information Control: Despite Congress mandating divestment by January 19, 2025 (affirmed by the Supreme Court), on January 20, 2025, President Trump signed an executive order delaying the TikTok ban by 75 days. Elon Musk has emerged as a key player in the divestment process, with reports indicating that Chinese officials have privately <u>discussed Musk</u> as a potential buyer or broker for the deal. On February 3, 2025, Donald Trump signed an Executive Order <u>establishing a sovereign wealth fund that he says could buy TikTok</u>.

II. The Takeover of the Office of Personnel Management (OPM)

What Happened

Musk-aligned operatives have seized <u>control</u> of the Office of Personnel Management (OPM), which serves as the federal government's human resources agency and manages employment policies for 2.2 million federal employees. This takeover has resulted in career civil servants being locked out of key government systems, including databases containing sensitive employee records such as <u>Social Security numbers</u>, <u>pay grades</u>, and <u>security clearances</u>. Many federal employees are now receiving directives from Musk's allies without the usual oversight and transparency mechanisms in place.

Furthermore, Musk's team has installed <u>unsecured email servers</u>, leading to spam infiltrating government networks, and has used official government email lists to encourage mass resignations, mirroring Musk's restructuring strategies at Twitter (now X). Reports also indicate that some OPM employees were reassigned or dismissed without clear justification, raising concerns about politically motivated purges.

Laws Broken & Conflicts of Interest

The OPM takeover raises serious legal and ethical concerns, including but not limited to:

- **Violations of the E-Government Act of 2002:** This law requires federal agencies to conduct Privacy Impact Assessments before handling sensitive personal information. The unauthorized takeover of federal employee data without oversight constitutes a clear violation.¹⁰
- Breach of the Hatch Act: Federal employees and contractors are prohibited from engaging in
 political activities while performing government duties. Reports suggest that Musk's appointees
 have been promoting partisan agendas while restructuring OPM.¹¹
- **Improper Federal Employment Practices:** The movement of Musk allies into critical OPM positions, including individuals without proper federal hiring credentials, raises concerns about the Federal Vacancies Reform Act and ethical hiring practices. 12

NRx Agenda

Curtis Yarvin's neoreactionary ideology advocates for a strategy called "RAGE" (Retire All Government Employees)—a framework designed to systematically hollow out bureaucratic institutions by forcing mass

¹⁰ **The E-Government Act of 2002 (Pub. L. No. 107-347, § 208, 116 Stat. 2899 (2002))** requires federal agencies to conduct Privacy Impact Assessments (PIAs) before collecting, maintaining, or disseminating personally identifiable information (PII) in electronic form. Specifically, Section 208 mandates that agencies evaluate the privacy risks of new or significantly modified information systems that handle PII and publicly disclose these assessments to ensure transparency and compliance with federal privacy standards. DOGE personnel, who were not officially employed by federal agencies and did not undergo formal security clearance procedures, were granted access to federal employee data, payroll records, and classified personnel files without a

Privacy Impact Assessment (PIA) being conducted.

¹¹ The Hatch Act of 1939 (5 U.S.C. §§ 7321-7326) restricts federal employees from engaging in partisan political activity while performing official duties. The Act bars them from engaging in political activities while on duty, in a federal building, or using government resources (§ 7324(a)). Additionally, the U.S. Office of Special Counsel (OSC), which enforces the Hatch Act, has issued guidance that federal employees may not advocate for or against a political party, candidate, or partisan policy initiative while performing government functions. Reports indicate that Musk's appointees at the Office of Personnel Management (OPM) have been using their positions to push partisan agendas and influence the restructuring of federal employment policies. If these actions involved partisan decision-making, internal political advocacy, or efforts to alter civil service rules to favor a political faction, they could constitute a breach of the Hatch Act's prohibitions on political coercion, partisan influence, and misuse of government positions for electoral or ideological gain under 5 U.S.C. §§ 7323-7324.

¹² If DOGE appointments bypassed competitive hiring processes or were used to circumvent merit-based federal employment standards, they could violate civil service hiring protections under the **Civil Service Reform Act of 1978 (5 U.S.C. §§ 2301-2302)**, which mandates fair and competitive hiring practices and prohibits politically motivated or non-merit-based appointments. If Musk's allies were placed into career civil service positions without proper hiring credentials or through irregular hiring mechanisms, these actions could also violate **Title 5 of the Code of Federal Regulations (5 C.F.R. § 302.101)**, which sets forth competitive hiring requirements.

resignations, replacing career officials with loyalists, and centralizing control under a single technocratic leader. Yarvin's belief is that the "deep state" must be dismantled from within, clearing the way for an autocratic governance model where decisions are made swiftly without bureaucratic constraints. Musk's actions at OPM closely follow the RAGE blueprint:

- Encouraging federal employees to leave through mass buyout offers and email campaigns.
- Disrupting internal agency operations by removing career officials and replacing them with loyalists from private industry.
- Weakening transparency and accountability by limiting access to internal systems and policy discussions.

This blueprint was expressed by Vice President Vance, who in the past has <u>expressed affinity</u> to Yarvin's ideology and willingness to escalate a constitutional crisis:

"So there's this guy Curtis Yarvin, who has written about some of these things...I think that what Trump should do, if I was giving him one piece of advice: Fire every single mid-level bureaucrat, every civil servant in the administrative state, replace them with our people....And when the courts stop you...stand before the country, and say...the chief justice has made his ruling. Now let him enforce it."

The capture of OPM is not just an administrative shake-up—it represents an existential threat to the integrity of federal civil service protections and independent government operations.

¹³James Pogue, "Inside the New Right, Where Peter Thiel Is Placing His Biggest Bets," *Vanity Fair*, April 20, 2022, https://www.vanityfair.com/news/2022/04/inside-the-new-right-where-peter-thiel-is-placing-his-biggest-bets

III. <u>Unvetted DOGE Employees and Security Risks</u>

What Happened

The Department of Government Efficiency (DOGE) was formally established under President Trump's January 20, 2025, Executive Order renaming the U.S. Digital Service (USDS) within the Executive Office of the President (EOP). Initially described as an external advisory body, DOGE has now been integrated into the federal government, giving it access to government-wide data systems, hiring processes, and policy implementation authority. The order mandates that each federal agency establish a "DOGE Team" of at least four employees, handpicked by agency heads in consultation with the USDS Administrator. These teams, along with DOGE's own appointees, have been tasked with implementing broad, loosely defined software modernization and efficiency reforms across all federal agencies.

While DOGE is officially part of the federal government, significant transparency and oversight concerns remain. The executive order **does not clarify the extent of DOGE's authority**, and the administration has suggested that DOGE's records may not be subject to the Freedom of Information Act (FOIA) due to its placement under the White House Chief of Staff. Additionally, unlike standard agencies governed by strict hiring and ethics requirements, DOGE operates with a **special temporary status**, allowing it to bypass certain federal employment laws, including security requirements.

Elon Musk remains DOGE's lead official, but his exact role is intentionally ambiguous. The White House has designated him a special government employee (SGE), which subjects him to some federal ethics and conflict-of-interest laws but permits him to retain control of his private businesses, including SpaceX, Tesla, xAI, and Starlink—all of which have federal contracts or regulatory interests. This arrangement presents **serious conflicts of interest,** particularly given the Federal Acquisition Regulation's (FAR) restrictions on SGEs influencing federal contracts when they or their affiliated businesses stand to benefit.

The DOGE restructuring has raised alarm over the placement of inexperienced personnel into key government roles without proper vetting. Many of DOGE's hires come from Musk-affiliated companies or venture capital-backed tech firms with no prior government experience, yet they have been given direct influence over federal systems. Key concerns include:

- Bypassing Normal Hiring Practices: The executive order enables DOGE to bring in temporary employees
 and volunteers exempt from traditional civil service hiring processes. This allows Musk-aligned operatives
 to wield authority in federal agencies without undergoing standard security clearances or background
 checks.
- Access to Sensitive Government Data: The executive order directs all agencies to provide DOGE teams
 "full and prompt access" to federal records, software, and IT systems. This potentially grants individuals
 without security clearances access to classified intelligence, financial data, and personnel files across
 multiple federal departments.
- Overreach in Government Operations: Reports indicate that DOGE personnel have already been involved in restructuring agency workflows, issuing internal directives, and even coercing federal employees into resigning. For instance, individuals associated with Musk have been installed in key positions within the Office of Personnel Management (OPM) and the General Services Administration (GSA), where they have initiated significant restructuring efforts and implemented internal directives. Furthermore, The January 28, 2025, "Fork in the Road" email sent to federal employees—mirroring a tactic Musk previously used at Twitter—suggests DOGE's involvement in orchestrating a mass purge of career civil servants.

The restructuring of DOGE does not align with traditional conservative goals of reducing government size—instead, it **centralizes power within an opaque, Musk-controlled network** operating inside the federal system. DOGE's influence extends beyond streamlining bureaucracy; it is fundamentally reshaping federal governance, financial infrastructure, and national security protocols with minimal oversight. Furthermore, the backgrounds of these individuals further heighten concerns. Among them are young hires with little to no prior government experience, many coming from private-sector firms with clear conflicts of interest. This includes:

- Akash Bobba A recent UC Berkeley graduate, Bobba was previously an intern at Meta, Palantir, and Bridgewater Associates, giving him exposure to surveillance technology, investment analytics, and algorithmic trading—all areas with potential conflicts in government oversight.
- Edward Coristine Appears to have graduated from high school recently and was enrolled at
 Northeastern University. His only prior experience includes a three-month Neuralink internship, yet
 he is now reportedly influencing OPM and GSA policies. His X.com profile biography reads: "There
 are cathedrals everywhere for those with the eyes to see it," a reference to Curtis Yarvin's
 "Cathedral."
- **Luke Farritor** A former SpaceX intern and current Thiel Fellow, who dropped out of the University of Nebraska–Lincoln. He is now embedded within GSA operations, raising concerns about Thiel-linked influence over government infrastructure.
- Gautier Cole Killian Former McGill University student and Jump Trading engineer specializing in high-frequency trading. Now volunteering at DOGE, despite lacking any prior government experience.
- **Gavin Kliger** Attended UC Berkeley until 2020 and later worked at Databricks, an Al company. His Substack posts suggest ideological alignment with far-right anti-government narratives, raising concerns over extremist influence.
- **Ethan Shaotran** A Harvard senior who founded Energize AI, an OpenAI-backed startup. Despite still being a student, he was granted A-suite level clearance at GSA, giving him access to high-level government systems.

The unvetted DOGE employees do not appear to have formal security clearances, yet they have been granted access to sensitive government systems, including classified databases, payroll records, and personnel files. Reports indicate that they have A-suite level clearance at the General Services Administration (GSA), which allows them access to agency spaces and IT systems—but this clearance does not replace the need for formal security vetting through national security clearance procedures. DOGE personnel attempted to improperly access classified information at USAID. Top security officials who blocked them were subsequently put on leave, a potential violation of federal whistleblower law.¹⁴

Laws Broken & Conflicts of Interest

The presence of unvetted DOGE employees with unrestricted access to government systems raises serious legal and ethical concerns, including:

- Transparency & Oversight Violations DOGE may be evading federal record-keeping and FOIA transparency requirements.¹⁵
- Security Clearance & National Security Risks Unvetted personnel accessing classified data without proper security clearances.¹⁶
- Conflicts of Interest & Ethical Breaches –. Without financial disclosure requirements, DOGE operatives may be using their privileged access to steer regulations and contracts toward their

¹⁴ Whistleblower Protection Act of 1989 (5 U.S.C. § 2302(b)(8)) protects federal employees from retaliation when they report misconduct or unauthorized actions within their agencies. 18 U.S.C. § 1505 (Obstruction of Proceedings) criminalizes retaliating against government employees for refusing to comply with unlawful orders or reporting legal violations.

¹⁵ The Freedom of Information Act 5 U.S.C. § 552 requires government agencies to disclose records unless exempt under national security or deliberative process privileges. The Federal Advisory Committee Act 44 U.S.C. § 3101 requires all executive branch offices to document official business.

^{16 50} U.S.C. § 3341 mandates strict security clearance standards for individuals accessing classified materials. The Intelligence Reform and Terrorism Prevention Act of 2004 establishes standards for security clearance investigations. DOGE personnel, including young, unvetted hires with no government background, have bypassed this entire process. The Espionage Act (18 U.S.C. § 793) stipulates mishandling classified national security information without proper clearance as a federal offense. DOGE's unauthorized access to classified systems at USAID and other agencies could be a violation if any national security data was improperly accessed, copied, or shared.

- own business interests.¹⁷ DOGE's unregulated personnel may be shaping federal procurement decisions related to technology contracts and financial infrastructure.¹⁸
- Hiring & Employment Law Violations DOGE bypasses competitive hiring and places unconfirmed appointees in authority.¹⁹
- Retaliation & Whistleblower Violations Forced resignations and retaliation against officials who attempt to block unauthorized access.²⁰
- Computer Fraud: DOGE operatives reportedly gained unauthorized access to sensitive U.S. government databases, including Treasury systems, USAID intelligence, and classified SCIFs. If DOGE personnel were not legally empowered to access these systems under any statutory authority, their actions constitute access "without authorization" under the Computer Fraud and Abuse Act.²¹

NRx Agenda

Recruitment of young, highly skilled individuals for ideological projects is a hallmark of the neoreactionary movement. Musk, Thiel, and their networks have long championed youth-led companies and experiments, where teenagers and early-twenties recruits are given disproportionate power in government, technology, and finance. This is evident in projects like:

- The Thiel Fellowship: Created by Peter Thiel in 2010, the fellowship encourages young talent to drop out of college and work on disruptive projects. Many recipients go on to work in surveillance, artificial intelligence, and cryptocurrency industries where Thiel has direct investments.
- The Network School & Stake: Created by Balaji Srinivasan, a major figure in the crypto and secessionist movements, forfeited his US citizenship to move to Singapore, and advocates for founder-led, one-commandment societies that operate independently of traditional nation-states (<u>The Network State: How to Start a New Country.</u>) Balaji launched the "<u>Network School</u>," a three-month long program for "dark" talent. Prospective students were assessed based on their alignment with specific values, including the belief that Bitcoin can replace the U.S. dollar, and a preference for Al over traditional human judicial systems. No journalists were permitted, consistent with his philosophy to "<u>Go direct. Build your own media.</u>"

DOGE's personnel structure mirrors the neoreactionary belief that governance should be placed in the hands of selected technological elites. These recruitment efforts follow a clear ideological objective: to remove experienced civil servants who uphold democratic norms and replace them with younger, unvetted ideologues who have been conditioned in neoreactionary circles. By deploying young, ideologically aligned individuals who lack experience in bureaucratic norms, legal constraints, or accountability structures, Musk and his allies are attempting to normalize rule by unelected elites. This serves multiple purposes:

¹⁷ Ethics in Government Act (EIGA) of 1978 (5 U.S.C. App. 4) requires public financial disclosures for government officials to prevent conflicts of interest. DOGE members have avoided these disclosures while making decisions that could benefit private-sector firms they are connected to. The Federal Acquisition Regulation (FAR) Part 3 (Improper Business Practices & Personal Conflicts of Interest) prevents individuals involved in government contracting from having financial ties to companies that may benefit from federal decisions. DOGE personnel, including former employees of Tesla, Palantir, Neuralink, may have direct financial interests in deregulation and Al-driven automation policies pushed by DOGE. 18 U.S.C. § 208 (Criminal Conflict of Interest Statute) bars federal employees from participating in government matters where they or their financial affiliates have a stake. DOGE's presence in shaping federal Al, workforce, and financial policies while Musk retains active leadership in companies that benefit from these policies is a conflict of interest.

¹⁸ **48 C.F.R. § 3.101-1** prohibits personal financial gain from government contracting decisions.

¹⁹ DOGE's temporary employment status allows it to bypass standard civil service hiring procedures, potentially violating 5 U.S.C. § 3301-3302 (Federal Civil Service Laws). DOGE operatives exert authority over agencies without Senate confirmation, raising concerns under Federal Vacancies Reform Act (FVRA) Issues 5 U.S.C. § 3345-3349.

²⁰ Whistleblower Protection Act (WPA) 5 U.S.C. § 2302 protects federal employees from retaliation for reporting unlawful activity. The Civil Service Reform Act of 1978 5 U.S.C. § 7513 prohibits arbitrary removals without due process. Issue: The forced resignations of civil servants through coercive emails (e.g., the "Fork in the Road" email) could violate civil service protections.

²¹ 18 U.S.C. § 1030(a)(1) is a violation of unauthorized access to obtain classified or restricted information related to national defense or foreign relations. 18 U.S.C. § 1030(a)(2)(B) is a violation of intentionally accessing a government computer without authorization to obtain information from any federal agency. 18 U.S.C. § 1030(a)(3) is a violation of unauthorized access to nonpublic government systems used exclusively by federal agencies.

- It accelerates the collapse of traditional governance institutions by removing career expertise and replacing it with **loyalty-based appointments.**
- It erodes the very concept of democratic oversight, conditioning the next generation of tech elites to accept a <u>post-political and post-democratic world</u> where private networks control public infrastructure.

There is precedent for authoritarian regimes recruiting young, highly loyal cadres to execute radical ideological shifts. In Maoist China, the Cultural Revolution empowered young Red Guards to purge the bureaucracy and enforce party discipline. In Nazi Germany, Hitler Youth were fast-tracked into state security as a way to circumvent experienced officials who might resist authoritarian expansion. In contemporary autocratic regimes, such as in Russia and China, young technocrats are cultivated early and shielded from democratic institutions to ensure loyalty to centralized leadership. Congress must urgently investigate:

- The extent to which private actors (such as Thiel, Srinivasan, and Musk) are coordinating youth recruitment pipelines into federal restructuring efforts.
- Whether DOGE personnel are engaged in efforts to establish alternative governance structures, "network states," or private autocratic enclaves while holding U.S. government positions, potentially violating insurrection, sedition, or national security laws.²²

The latter point on potentially violating insurrection, sedition, and national security laws cannot be underestimated, given network state experiments in territories currently considered under annexation by the administration. Two prominent projects are Praxis and Prospera.

Praxis

Praxis aims to "restore Western Civilization and pursue our ultimate destiny of life among the stars." Praxis is a crypto-native city-state, aligned with the network state ideology. Praxis founder Dryden Brown traveled to Greenland in late 2024 in an attempt to buy land or establish a charter city. The project gained renewed relevance as Musk supported interest in annexing Greenland, with officials suggesting that U.S. control over the island could be secured through economic leverage or diplomatic pressure.

Brown has framed Praxis as part of a broader geopolitical expansionist project, positioning Praxis as a test case for "Terminus," a Mars-based city concept favored by Elon Musk. The initiative has attracted ~500M in funding from various investors, including Paradigm Capital (backed by former Coinbase founder Fred Ehrsam), FTX, Joe Lonsdale (former Palantir co-Founder) and Pronomos Capital (backed by Peter Thiel and Patri Friedman).

The project has actively recruited young, male "hardtech" entrepreneurs. Praxis has faced <u>backlash for its Eurocentric</u>, <u>elite-driven ideology</u>, including past claims that Western beauty standards are superior. Former Praxis employees claim that Brown talked about attracting top tech talent to the futuristic city with "hot girls" and <u>lavish</u> parties. Brown insinuated on X that the West Bank will be used for a new charter city.

²² 18 U.S.C. § 2383 - Rebellion or Insurrection: This law makes it a federal crime to incite, assist, or engage in any rebellion or insurrection against the authority of the United States or its laws. If DOGE employees are working to dismantle U.S. governance from within or establish a parallel, competing government structure, this could be grounds for prosecution under this statute; 18 U.S.C. § 2384 - Seditious Conspiracy: This law prohibits two or more persons from conspiring to overthrow, put down, or destroy by force the government of the United States. While "force" is often interpreted in the context of violence, efforts to systematically dismantle government authority, hollow out institutions, and replace them with an unaccountable private regime could be legally reviewed under this provision; 18 U.S.C. § 2385 - Advocating Overthrow of Government: This law criminalizes advocating, abetting, or organizing efforts to overthrow the U.S. government. If DOGE personnel are engaged in active recruitment for breakaway governance structures—such as "network states," secessionist projects, or private governance enclaves—this could constitute advocacy of government overthrow by non-democratic means; Federal Employee Oaths and Disqualification (5 U.S.C. § 7311); Federal employees take an oath to support and defend the Constitution and are prohibited from advocating for the overthrow of the U.S. government. If DOGE personnel, while holding government positions, are working toward a non-democratic replacement of government authority, they may be disqualified from holding federal office and employment; Espionage and National Security Risks (18 U.S.C. § 793 & 794): If DOGE personnel with access to classified government systems are involved in external governance projects, sharing sensitive government information with private or foreign actors could constitute a national security breach, violating espionage laws.

Prospera

Próspera is a semi-autonomous charter city established on Roatán Island, Honduras, under the country's Zone for Employment and Economic Development (ZEDE) framework. The project is spearheaded by Honduras Próspera Inc., a private company backed by investors such as Peter Thiel, Balaji Srinivasan, and Marc Andreessen through Pronomos Capital. Established in 2020, Próspera operates with its own legal and regulatory systems, separate from the Honduran government, while remaining subject to the Honduran constitution and criminal law. Services such as healthcare and education are privatized, funded through taxes, fees, and land sales to new residents and investors.

Próspera has faced significant opposition from local communities and the broader Honduran society. Residents of nearby villages, such as Crawfish Rock, have expressed concerns over potential land expropriation and environmental impacts. Critics argue that the project undermines national sovereignty by allowing a private entity to exercise governmental functions within Honduran territory. In response to these concerns, the Honduran government repealed the ZEDE legislation in 2022. However, Próspera continues to operate, citing legal stability guarantees and has filed a \$10.7 billion claim against the government for alleged breaches of these guarantees. The project has also been labeled as a form of crypto-colonialism, with accusations that it imposes a libertarian governance model that may not align with the needs or desires of the local population. Despite overwhelming local opposition, Próspera is using World Bank investor-state dispute courts to demand \$10.8 billion in damages from Honduras, which if successful, may bankrupt the country.

IV. The Treasury Department Infiltration and Financial System Risks

What Happened

The U.S. Treasury Department's payment system, which processes over \$6 trillion annually in transactions including Social Security payments, military salaries, tax refunds, and federal grants, is now controlled by DOGE. This infiltration resulted in the forced resignation of David Lebryk, the highest-ranking career Treasury official, after he reportedly refused to grant DOGE personnel access to the system. Reports indicate that DOGE operatives have direct read-write access to federal financial infrastructure, including real-time payment systems and databases containing sensitive financial records of American citizens and businesses. Treasury officials have expressed concern that this level of access, particularly by individuals without security clearances or formal oversight, could lead to financial manipulation, unauthorized freezes on government payments, or disruptions to the broader U.S. economy. The Treasury infiltration raises multiple concerns, including:

- Unmonitored Code Changes to Government Systems: DOGE teams now have direct read-write access to Treasury payment systems, meaning they can modify financial transactions, payment routing, and software infrastructure with minimal oversight. Reports are arising of extensive changes having been made.
- Private Leverage Over Public Power: Musk's opaque control over the Treasury system, operated by a team loyal to him, gives him leverage to hold the administration hostage should it attempt to bring him under lawful control.
- Unauthorized Access to Government Financial Systems Treasury payment infrastructure is strictly regulated under FISMA (Federal Information Security Management Act). Granting unauthorized personnel access violates federal law and other financial integrity statutes.²³
- Breach of Federal Appropriations Law Unauthorized modifications to government payments—such as freezing, redirecting, or delaying disbursements—violates Title 31 of the U.S. Code, which governs public funds.²⁴
- Conflicts of Interest and Market Manipulation Given Musk's business holdings (Tesla, X (formerly Twitter), SpaceX, and X Payments), privileged access to Treasury data could enable insider knowledge of federal spending, creating unfair advantages (e.g., front-running major Treasury transactions, leading to massive gains in bond, equity, and currency markets; preemptive asset positioning in industries impacted by federal spending (e.g., defense, energy, healthcare, technology); and access to nonpublic federal contract data, potentially benefiting Musk's companies and affiliated entities.²⁵

The administration's prior attempt to freeze SNAP, Medicaid, and other social programs through a directive issued by the Office of Management and Budget (OMB) has already resulted in legal challenges. DOGE's Treasury access, however, could allow program defunding at the systemic level, bypassing court intervention. Any ability to delay or modify payments could introduce economic instability, particularly if it disrupts Social Security payments, tax refunds, or military paychecks. Even limited external access poses risks if delays or disruptions shake public confidence in government financial reliability.

²³ The **Federal Information Security Modernization Act (FISMA) of 2014** (44 U.S.C. § 3551 et seq.) ensures that only authorized personnel have access to sensitive data and systems; Additionally, the **Computer Fraud and Abuse Act (CFAA)** (18 U.S.C. § 1030) criminalizes unauthorized access to protected computers, including federal systems.

²⁴ Unauthorized modifications to government payments—such as freezing, redirecting, or delaying disbursements—may violate the **Antideficiency Act** (31 U.S.C. § 1341), which prohibits federal employees from making or authorizing expenditures exceeding available appropriations. Such actions could also contravene the **Purpose Statute** (31 U.S.C. § 1301), which mandates that appropriations be applied solely to their intended purposes.

²⁵ Privileged access to Treasury data by individuals with financial interests in companies reliant on government contracts could constitute violations of **18 U.S.C. § 208 (Acts Affecting a Personal Financial Interest)**, which prohibits federal employees and advisors from participating in matters where they have a financial conflict of interest. Additionally, insider access to non-public financial data could violate **Securities Exchange Act of 1934 (15 U.S.C. § 78j & 17 C.F.R. § 240.10b-5)**, which prohibits the use of material non-public information for securities trading. Furthermore, **31 U.S.C. § 3729 (False Claims Act)** could apply if Treasury access is used to manipulate federal contracts, defraud the government, or benefit private enterprises improperly.

Already Musk has halted funding to Lutheran Family Services, a faith-based charity providing social services, labeling these federal funds as "illegal payments" and has committed to canceling millions in government grants. This withholding of payments under the pretense of fraud prevention may obscure politically motivated financial control. A weaponization of government benefits could enable economic coercion and targeting of political opposition.²⁶

Treasury payment infrastructure contains highly sensitive financial intelligence about national security and geopolitical vulnerabilities, including data on who receives government funds, where money flows, and the timing of disbursements. Foreign adversaries could exploit Treasury intelligence to assess U.S. financial stability, target vulnerabilities, or counteract U.S. economic sanctions. Furthermore, Treasury oversees the Do Not Pay system, which prevents payments to blacklisted individuals and contractors. Musk-aligned personnel controlling this system could:

- Blacklist political opponents and business rivals from receiving government funds.
- Reinstate banned entities or individuals aligned with Musk and the administration.
- Exploit government contracting oversight to benefit Musk-owned companies, posing significant corruption risks.

NRx Agenda

Sanctions and Financial Control

Elon Musk's companies, particularly Starlink, have encountered several issues related to international sanctions. In 2022, Musk declined a request from Ukraine to extend Starlink's coverage to Crimea during a military operation, citing concerns that such an action would violate U.S. sanctions against Russia, In 2024, reports emerged that Musk had been in regular contact with Russian President Vladimir Putin since late 2022, discussing various topics, including geopolitical matters. One report indicated that Putin had asked Musk to avoid activating Starlink over Taiwan to appease Chinese leadership. These communications raised concerns about potential violations of U.S. sanctions and led to calls from U.S. senators for a reassessment of Musk's security clearance.

In 2024, the Brazilian government considered imposing sanctions on Starlink amid a dispute over content moderation on X (formerly Twitter). Brazil's telecom regulator, Anatel, threatened sanctions after the country's Supreme Court upheld a ban on X, citing the platform's role in spreading misinformation. Starlink initially resisted an order to block access to X in Brazil but eventually complied after legal pressures. These incidents highlight the complex challenges Musk's enterprises face in navigating international sanctions and regulatory frameworks, and a clear conflict of interest in gaining control over Treasury pipes.

Immutable Money, Infinite Frontier, and Eternal Life

Elon Musk's previous role as a PayPal founder and his deep entanglement with cryptocurrency make his intervention in the U.S. financial pipes unsurprising—if anything, it was inevitable. Dubbed "The Dogefather," Musk has wielded his influence to promote Dogecoin (DOGE), a meme-based cryptocurrency that has evolved into an emblem of internet-native finance.²⁷ Musk's engagement with crypto has ranged from tweets that move markets to integrating digital assets into his business ventures. His companies, Tesla and SpaceX, have actively experimented

²⁶ This raises a number of legal issues including, but not limited; the First Amendment (e.g., if the funding decisions appear to be influenced by Musk's personal views rather than neutral government policies, or if the decision to cut funding specifically targets religious organizations while allowing similar non-religious groups to continue receiving funds); Administrative Procedure Act (APA) (5 U.S.C. § 706) (if Musk unilaterally halted funding without public notice, justification, or proper administrative review); Potential Breach of Federal Appropriations Law 31 U.S.C. § 1341 (if the U.S. Treasury, under Musk's influence, blocked payments that were already allocated through appropriations, this could constitute an unlawful withholding of funds); Violation of Federal Grants and Contracting Regulations (2 C.F.R. Part 200) (Many religious charities receive federal grants under fair competition laws that prohibit discriminatory funding decisions based on religion).

²⁷ "Doge" as a title otherwise <u>refers to</u> "an elected lord and head of state in several Italian city-states, notably Venice and Genoa, during the medieval and Renaissance periods. Such states are referred to as 'crowned republics'...In Venice, doges normally ruled for life, although a few were forcibly removed from office...Originally, Genoese doges held office for life in the so-called 'perpetual dogeship."

with digital currencies: Tesla made a \$1.5 billion Bitcoin investment in early 2021 and briefly accepted it as payment for vehicles, though the initiative was later reversed due to environmental concerns. Similarly, SpaceX announced the DOGE-1 mission, a lunar payload fully funded by Dogecoin, underscoring Musk's commitment to embedding crypto into his larger spacefaring ambitions. Musk frequently expressed support for Dogecoin, often through tweets that led to significant price fluctuations. For instance, in December 2020, he tweeted "One Word: Doge," causing a 20% surge in its value.

Peter Thiel and Balaji Srinivasan have each expressed skepticism toward fiat currencies and the Federal Reserve. Thiel has criticized central banks, suggesting that the fiat money regime is nearing its end; "[Bitcoin] is a canary in the coal mine...it's the most honest market we have in the country, and it's telling us that this decrepit... regime is just about to blow up." Srinivasan coined the phrase "Fed lied, banks died" to critique the Federal Reserve's policies. In March 2023, the collapse of Silicon Valley Bank (SVB) was precipitated by a bank run, with prominent venture capital firms, notably Thiel's Founders Fund, advising their portfolio companies to withdraw funds. This mass withdrawal led to SVB's failure.

Venture capital firms like Andreessen Horowitz and Paradigm Capital maintain extensive cryptocurrency portfolios. When the U.S. Department of the Treasury sanctioned Tornado Cash, a cryptocurrency mixer accused of laundering over \$7 billion, including funds for North Korean hackers, Paradigm Capital has <u>argued</u> that their portfolio companies as infrastructure providers should not be subject to sanctions. Furthermore, Founder Matt Huang has defended the speculative nature of cryptocurrencies as "<u>Casino on Mars.</u>" Similarly, Balaji Srinivasan, former CTO of Coinbase, and Curtis Yarvin, founder of the decentralized platform Urbit—which has its own cryptocurrency token—have both earned significant wealth from holding crypto or building its pipes and infrastructure.

Neoreactionary (NRx) ideology aligns closely with extropianism, a philosophy that advocates for radically enhancing human life through technology, including pursuits like life extension and even immortality. Balaji Srinivasan encapsulates his vision for humanity's future with the phrase: "Immutable money, infinite frontier, eternal life." Thiel has also remarked, "There are all these people who say that death is natural, it's just part of life, and I think that nothing can be further from the truth." This convergence of NRx and extropian ideals reflects a broader ambition among Silicon Valley elites to transcend biological and political limits. Cryptocurrency, in this framework, is not just a financial tool but a means of securing immortality—an incorruptible, decentralized store of value that allows wealth and influence to persist beyond the limits of individual lifespans. By ensuring assets remain outside the control of any state or institution, crypto becomes an essential pillar of the eternalist vision, enabling the wealthy to safeguard their legacy while waiting for technological advances in life extension to catch up.

The last major implosion in cryptocurrency was led by Sam Bankman-Fried, whose downfall exposed the fragility of unchecked speculation in the name of a grand vision. Notably, despite his entanglements across finance, technology, and politics, Bankman-Fried did not have explicit ties to NRX. However, his approach to risk offers a revealing parallel. In a now-infamous interview, he admitted that "if you believe in maximizing utility over the long run, then technically, you should be willing to flip a coin where heads means you destroy the world and tails means you double its happiness." Bankman-Fried applied this logic outward—justifying financial recklessness under the guise of philanthropy. The neoreactionaries, in contrast, apply the same gamble inward, pursuing immutable money, infinite frontier, and eternal life for themselves.

V. Potential TikTok Acquisition and Information Control

Background

In response to bipartisan national security concerns over TikTok's Chinese ownership, Congress passed the Protecting Americans from Foreign Adversary Controlled Applications Act (PAFACA) in April 2024, mandating that ByteDance divest TikTok's U.S. operations by January 19, 2025, or face an outright ban. The Supreme Court upheld.this.law. on January 17, 2025, affirming the government's ability to enforce the sale on national security grounds.

However, rather than ensuring an independent U.S.-based ownership structure, Elon Musk has emerged as a key player in the divestment process, with reports indicating that Chinese officials have privately <u>discussed Musk</u> as a potential buyer or broker for the deal. President Trump has signaled openness to Musk acquiring TikTok's U.S. operations, suggesting a politically motivated intervention in the sale. On January 20, 2025, Trump signed an executive order delaying the TikTok ban by 75 days, allowing Musk time to explore an acquisition.

If Musk were to acquire or influence TikTok's U.S. operations, he would gain control over one of the most influential social media platforms in the country, particularly among younger demographics who use the app for political discourse, social activism, and news consumption. On February 3, 2025, Donald Trump signed an Executive Order establishing a sovereign wealth fund that he says could buy TikTok. This could be used as a maneuver to support Elon Musk's acquisition of the business through the government in a way that obfuscates his influence.

Conflicts of Interest and Strategic Risks

Musk's potential acquisition of TikTok raises serious conflicts of interest and a risk of **consolidated power over money, information, and attention**. If controlling the Treasury means effective control over America's financial pipes, Musk would also effectively also control American's social media and attention pipes. Musk already controls X (formerly Twitter). Owning TikTok would extend his influence over U.S. social media, allowing him to control two of the largest real-time content platforms. Such unprecedented power and distribution would allow Musk to shape narratives ahead of the 2026 midterms and 2028 presidential election, given TikTok's role in political engagement and youth mobilization. Moreover, he could amplify or suppress political movements at will. Already, after disagreements about H1-Bs and US immigration policy with far-right activist, Laura Loomer. Musk temporarily suspended her account, removed her verification badge and permanently de-monetized her account. Her account remains shadow-banned. This algorithmic censorship remains in defiance of President Trump's executive order on January 27, 2025 that "no Federal Government officer, employee, or agent engages in or facilitates any conduct that would unconstitutionally abridge the free speech of any American citizen."

Musk's close relationship with the neoreactionary movement suggests that:

- TikTok moderation policies could be aligned with Musk's personal or political interests, leading to potential censorship of opponents (like Loomer).
- Algorithmic biases could favor Musk's political allies, mirroring his past interventions on X to promote self-serving narratives.
- The divestment process itself is being influenced to benefit Musk, rather than ensuring TikTok remains an independent platform.

The risk of surveillance over American Citizens would be profound. Cross-platform data integration between X, TikTok, and xAI could enable mass-scale **behavioral profiling**, giving Musk unprecedented predictive and **surveillance** capabilities. As is, it's unclear if xAI has been integrated into government systems. Notably, Amanda Scales, a former employee of xAI, is OPM's new chief of staff.

Chinese state interests also remain a factor—if Musk's global businesses (Tesla, Starlink, xAI) are leveraged in negotiations, Beijing may still exert indirect influence over TikTok policies. Tesla, one of Musk's most

valuable assets, has deep financial ties to China, including a \$1.4 billion loan from Chinese banks that helped fund the Shanghai Gigafactory—Tesla's first manufacturing facility outside the United States. In exchange, Tesla has enjoyed preferential treatment, including exemptions from China's auto industry restrictions and tariffs. Publicly, Musk has made statements that align with Chinese government positions, such as suggesting that Taiwan should become a "special administrative region" of China.

NRx Agenda

Elon Musk's potential control over TikTok represents more than just a business acquisition—it embodies a key pillar of the neoreactionary (NRx) agenda: the consolidation of media and information power. Marc Andreessen, a prominent venture capitalist backing the neoreactionary movement, has publicly lamented the influence of traditional media. His firm, Andreessen Horowitz (a16z), has systematically bypassed traditional news institutions, funding alternative media networks. Balaji Srinivasan has similarly advocated founders "Go Direct"—eschewing mainstream journalism entirely in favor of personal broadcasting through social media. Yarvin's claims power resides in the "Cathedral" — a network of mainstream media, academia, managerial and bureaucracy that enforces elite consensus and suppresses dissent.

This strategic shift away from legacy institutions extends beyond media into the financial sector, where the NRx movement has increasingly intertwined with cryptocurrency to fund and promote its political agenda. Crypto billionaires have used their wealth to influence the electoral landscape, targeting political figures who challenge their interests. Prominent figures such as Brian Armstrong, CEO of Coinbase, have leveraged crypto-derived wealth to influence elections, with Armstrong funding "Fair Shake," a super PAC known for opposing candidates skeptical of cryptocurrency. In the 2024 California Senate race, Fair Shake launched a major attack campaign against Democratic candidate Katie Porter, falsely branding her as "very anti-crypto" despite her non-engagement with crypto issues. The PAC aired misleading ads accusing Porter of taking money from pharmaceutical and oil companies, portraying her as a "bully" and a "liar." This tactical deployment of crypto wealth to influence political outcomes mirrors the NRx approach to bypassing democratic accountability through alternative power structures—whether in media, finance, or governance itself.

The NRx movement aligns also with red-pill and black-pill ideologies—reactionary movements that see societal progress as a decline from a golden age of hierarchy and order. Peter Thiel has explicitly stated that "the extension of the franchise to women renders the notion of 'capitalist democracy' an oxymoron." This philosophy extends to AI, where NRx leaders see artificial intelligence not as a tool for human empowerment, but as an instrument for enforcing top-down control. For instance, the concept of techno-monarchism within NRx circles envisions a ruler utilizing data systems, artificial intelligence, and advanced algorithms to manage the state, monitor citizens, and implement policies. Yarvin's vision for society is chillingly explicit; he suggests that unproductive members of society should be dealt with through a "humane alternative to genocide"—one that removes "undesirable elements" from the public sphere without "any of the moral stigma" of mass murder. His proposed solution? A VR prison where individuals are "waxed like a bee larva into a cell."

The potential consolidation of social media under a single influential actor—who already owns X (formerly Twitter), SpaceX, Neuralink, The Boring Company, and xAl, and holds a major stake in Tesla—with a radical anti-democratic ideology raises important considerations for policymakers and world leaders alike. Musk's possible acquisition of TikTok extends beyond market competition and content moderation, touching on broader questions of information control, geopolitical influence, and the role of Al in shaping public discourse. His financial and strategic ties to global powers, including business interests in China through Tesla, coincide with the neoreactionary movement's alignment with multipolarity—a shift away from Western liberal dominance toward competing power centers. If movements advocating for centralized control over financial and media infrastructure gain traction, the implications could change lives in ways that extend well beyond TikTok or Treasury. They will redefine the very nature of power in the digital age for many foreseeable generations.

IV. Call to Action: Congressional Oversight and Legislative Safeguards

Musk represents a clear threat to financial stability, national security, and democratic accountability. Given his alarming consolidation of power over government infrastructure, financial systems, Al governance, and digital information platforms, Congress must act swiftly to safeguard democratic institutions, prevent conflicts of interest, and restore accountability. Below are key concrete steps that legislators should pursue:

Launch Immediate Congressional Investigations

Congressional committees should initiate **immediate oversight hearings** to uncover the full extent of Musk's influence over federal operations. Investigations should focus on:

- (I) The Office of Personnel Management (OPM) Takeover Subpoena records on personnel changes, unauthorized system access, and any directives issued by Musk-affiliated appointees.
- (II) Unvetted DOGE Employees Demand transparency on who is working within government agencies, their official employment status, and whether they have undergone security clearance procedures. Congress must urgently investigate:
 - The selection process for DOGE personnel, their security clearances, and their access to classified government systems.
 - Musk's conflicts of interest as an SGE, given his private financial and business interests in government operations.
 - Whether DOGE is being used as a tool to sideline career civil servants and replace them with ideological loyalists outside traditional hiring protections.
 - The extent of DOGE's control over federal financial infrastructure, particularly its access to Treasury systems and government payment processing.
- (III) Treasury Department Infiltration Investigate whether unauthorized actors have gained access to real-time financial transactions and how their presence could impact market stability.
 - Demand a full Treasury briefing on the scope and intent of Musk's access.
 - Subpoena relevant communications between Treasury, Musk's DOGE team, and the White House.
 - Demand an independent review of whether private-sector actors should be granted *any* access to Treasury's financial infrastructure.
 - Introduce legislative guardrails preventing unauthorized access to government financial systems by politically affiliated private-sector actors.
 - Scrutinize the use of AI in government systems and decision-making

(IV) TikTok Acquisition and Social Media Control – Examine whether Musk's involvement in TikTok's U.S. sale presents an anti-competitive risk, violates national security laws, or creates avenues for political censorship.

Key Committees to Act:

- House and Senate Judiciary Committees For legal violations, anti-trust concerns, and constitutional issues.
- House and Senate Armed Services Committees For security risks associated with unauthorized access to classified systems.
- House Oversight Committee For reviewing executive branch overreach and government transparency violations.
- Senate Banking and Finance Committees For potential market manipulation through privileged access to Treasury systems.

Strengthened Conflict of Interest and Ethics Recommendations

To prevent corporate influence, self-dealing, and geopolitical conflicts of interest from undermining U.S. governance, Congress must enact strict conflict-of-interest (CoI) and ethics safeguards tailored to the risks posed by Musk's consolidation of power. Below are enhanced recommendations to address these urgent concerns:

A. Enforce Divestment from Speculative Digital Assets and Prohibit Financial Conflicts of Interest

- Mandate full divestment from all memecoins, cryptocurrencies, and speculative digital assets for any public official, federal appointee, or advisory commission member with influence over economic, technology, or financial policy.
- Prohibit individuals in regulatory or advisory roles from holding assets in industries they regulate, ensuring decisions are not influenced by financial self-interest.

Why It's Necessary: Musk's influence over memecoins and cryptocurrency markets, particularly via Dogecoin and X Payments, presents clear opportunities for financial manipulation through influence on digital currency regulations.

B. Strengthen Conflict of Interest (CoI) and Divestment Requirements for All Government Advisory Commissions

- Extend strict divestment and CoI rules to all official commissions and advisory bodies to eliminate financial entanglements between public service and private interests.
- Require public disclosure and recusals for any individual with direct financial stakes in regulated industries.
- Ban advisory positions for individuals who own or operate companies that contract with the U.S. government in the areas they influence.

Why It's Necessary: Musk's role in DOGE, xAI, and federal technology modernization efforts while maintaining ownership of SpaceX, X, Starlink, and Tesla, creates unparalleled conflicts of interest that could lead to regulatory capture and self-dealing.

C. Block Musk (or Any Private Actor in a Similar Role) From Acquiring or Controlling TikTok

- Enforce a robust national security and antitrust review that bars Musk from acquiring or controlling TikTok's U.S. operations directly or through intermediaries.
- Prohibit waivers or exemptions that would allow Musk to bypass existing foreign ownership divestment laws.
- Enforce data protection laws preventing any private actor with financial or geopolitical conflicts from exerting algorithmic influence over major social platforms.

Why It's Necessary: Musk's potential acquisition of TikTok would centralize control over U.S. social media and youth discourse in the hands of a single unelected figure, allowing him to reshape political narratives and electoral mobilization.

D. Require State Department Approval for Any Official Engaged in U.S. Government Service to Meet Foreign Officials

- Prohibit Musk (or any private citizen with an official U.S. government role) from engaging in independent foreign diplomacy without State Department authorization.
- Mandate full disclosure of all foreign engagements to prevent conflicts of interest or unauthorized geopolitical negotiations.
- Strengthen the Logan Act to ensure private actors cannot conduct shadow diplomacy while holding government influence.

Why It's Necessary: Musk's meetings with Chinese officials, negotiations over Starlink access, and ties to foreign investors could lead to private deals that undermine U.S. foreign policy goals or favor his corporate interests over national security.

E. Restrict Private Actors in Government Roles From Making Unauthorized Statements on Foreign or Domestic Affairs

- Bar Musk (or any corporate figure holding an official role) from making public statements on U.S. foreign and domestic policy that contradict official government positions.
- Require all statements on international affairs to be cleared through the National Security Council
 and the State Department.
- Prohibit individuals in U.S. government roles from leveraging their platforms (e.g., X, TikTok, or Starlink) to influence foreign or domestic politics.

Why It's Necessary: Musk's ability to influence diplomatic crises via Starlink access, X censorship, or public comments on global affairs gives him an outsized, unaccountable role in influencing foreign policy outcomes.

F. Enforce U.S. Government Policy Compliance for Musk-Owned Platforms While He Holds Government Influence

- Mandate that all Musk-controlled platforms (X, Starlink, xAl, and any future acquisitions like TikTok) adhere to U.S. free speech, privacy, and election integrity regulations.
- Prohibit content manipulation, deplatforming, or algorithmic changes that serve political or financial self-interest.
- Prevent the use of Musk-owned platforms to conduct unofficial government messaging, restricting them from circumventing formal communication channels.

Why It's Necessary: Musk's platforms already serve as *de facto* information infrastructure—allowing him to selectively amplify political narratives, censor dissenting voices, and manipulate online discourse in ways that undermine democratic transparency.

G. Prohibit Private Interests From Controlling or Gating Access to Government Meetings

- Ensure that all meetings involving public officials include full disclosure of participants and potential conflicts of interest.
- Prohibit private actors like Musk from controlling access to the President, federal commissions, or regulatory meetings based on business or personal relationships.
- Ban government officials from attending private industry meetings where competitors or foreign representatives are present without public oversight.

Why It's Necessary: Musk's gating of presidential access, selective meeting arrangements, and personal favor-trading with foreign and domestic officials creates an uneven regulatory playing field that undermines democratic governance.

H. Prevent Special Immigration Favors for Administration-Connected Firms

- Prohibit administration-connected tech firms from receiving preferential visa treatment for foreign talent
- Ensure that all work visa approvals are subject to standard lottery and competitive processes rather than insider political favoritism.
- Investigate whether Musk-affiliated firms (Tesla, SpaceX, xAI, etc.) have received preferential
 access to immigration pathways under the current administration.

Why It's Necessary: The selective fast-tracking of work visas for tech firms with political connections raises concerns about corporate favoritism and regulatory bias. No company should receive immigration benefits based on political ties.

Conclusion

Elon Musk's unchecked consolidation of power over government infrastructure, financial systems, Al governance, and digital media does not serve the interests of the Trump administration or the broader conservative movement—it serves Musk himself and a network of ideological allies who seek to dismantle democratic accountability in favor of private rule. While some may view Musk as a useful instrument in dismantling the bureaucratic state, in reality, his actions demonstrate that he is not working for Trump or the Republican Party, but rather for his own power and the broader neo-reactionary agenda. The rapid restructuring of government functions under DOGE, Treasury infiltration, and efforts to control digital platforms show that President Trump and the American public may already be now hostage to Musk's demands.

The Founding Fathers fought a revolution to free America from the grip of an unaccountable monarch. Today, that struggle is being replayed—not against a king, but against the wealthiest man seeking to centralize power without oversight backed by radical extremists. The Constitution was designed to prevent any one individual from seizing control of government institutions for personal gain. Unless Congress acts decisively, Musk's parallel power structure will continue to entrench itself, sidelining the executive branch, eroding institutional checks, and undermining national security. The choice is clear: rein in Musk's overreach now, or risk allowing a private actor to reshape the United States in his own image, unchecked and unchallenged.