

LEADERSHIP

Elon Musk bet the house on Trump. But no matter who wins, Musk has a lot to lose

The Tesla CEO and world's richest person faces a complicated future — whether the next president is Donald Trump or Kamala Harris

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Elon Musk on stage in Pennsylvania handing Judey Kamora a \$1 million check from Musk's America PAC. The group is now mired in litigation over its prizes. Photo: Samuel Corum (Getty Images)

Elon Musk has become a fixture of the 2024 campaign season as a vocal and free-spending supporter of former President Donald Trump. But no matter who wins this week's election, the outcome could mean major changes for the Tesla (TSLA) founder and the world's richest person.

A Trump victory, Musk has said, would ensure his long-term dreams are secured, while a win for Vice President Kamala Harris would supposedly doom them.

It might not be so simple.

Musk has agreed to lead what he and Trump call a Department of Government Efficiency (DOGE), a commission that would conduct a “complete financial and performance audit of the entire federal government” and recommend reforms. While recent comments from a top Trump transition aide cast some doubt on that role, any official position Musk could take would likely require him to leave behind Tesla and his space startup SpaceX.

SpaceX has received at least \$15.4 billion in government contracts — including a \$1.8 billion classified contract in 2021 — while Tesla has made \$352,000 through government contracts. Along with the rest of his companies, they're subject to federal scrutiny and have often clashed with regulators.

“If he is that dependent on the decisions of government, he either needs to totally divest in order to do anything in government, or not take the kind of positions that have been promised or been suggested,” former Federal Communications Commission Chair Tom Wheeler told The Hill.

Much of investors' enthusiasm for Tesla — and its stock — depends on Musk's involvement with the company. Investors were spooked earlier this year when analysts hypothesized Musk would step away if his massive compensation package was struck down. Tesla also lacks a clear successor.

An alternative to DOGE would be for Musk to develop software for the federal government to slash federal spending, according to Trump transition co-chair Howard Lutnick. In that scenario, he would not officially join the government, leaving the control of his companies intact.

Given Musk's already limited time — split across his [galaxy of companies](#), [constant posting](#) on his social media site X ([META](#)), and appearing at [conferences](#) — it's unclear how he would have the time for any job working with the government without shedding at least some responsibilities. It's probable that he would [direct employees](#) working for one of his companies to assist him or write the software entirely, should he go that route.

A role outside of a formal DOGE-style commission would also likely weaken Musk's influence over its recommendations. He promised as recently as Oct. 23 to use that post to [advocate](#) for a national approach to regulating driverless vehicles — a key market for Tesla — and cut overregulation, which he has repeatedly [criticized](#) as holding his companies back.

“There's something like 428 federal agencies. That's almost two agencies per year since the founding of the country, and more being created,” Musk said at a [Pennsylvania town hall last month](#). “I think a bonfire of nonsense regulations would be epic,” he added in reply to an attendee.

In a blow to Tesla, electric vehicle sales would likely be impacted by Trump's desire to axe the Inflation Reduction Act, which has massively supported EV and other clean energy projects. While Trump has pulled back some of his harshest anti-EV rhetoric, he's still not a big fan and has embraced the oil and gas lobby. Proposed tariffs on cars made in Mexico would also likely spell trouble for [Tesla's halted factory in Monterrey](#).

Rohan Patel, Tesla's [former](#) head of public policy, [wrote](#) on X that Trump was “objectively bad” for Tesla's cash position during his first term, thanks to his pushback on regulatory and EV manufacturing credits. Tesla has received some [\\$2.8 billion](#) in state and federal government subsidies through grants and tax credits.

Musk has spent at least [\\$76 million](#) of his own cash on efforts to help Republicans this election cycle. His America PAC — which has reportedly engaged in [shady practices](#) and is also [facing litigation](#) — is handling pro-Trump outreach efforts in key battleground states such as Pennsylvania. He's framed a Trump victory as

necessary for his Mars dream and “making life multi-planetary.”

“There’s the potential for us to have an amazing, exciting future, but we just have to work hard to make that happen,” Musk said at an Oct. 20 town hall. “And electing President Trump is essential to making that happen.”

‘If he loses, I’m f—d’

A Harris presidency would likely continue Biden’s policies that have been favorable toward Tesla — most of its passenger vehicles qualify for the IRA’s tax credits — given her support for both the IRA and aggressive stance on climate change.

She’s proposed a \$100 billion plan to invest in domestic manufacturers, including automakers and companies making advanced batteries, as well as artificial intelligence firms. Ongoing work to expand EV supply chains and add more public charging would also continue. Tesla fans and Musk may still be irked about a White House event in August 2021, when General Motors (GM)’ EV efforts were praised — and Tesla was snubbed.

But with Harris as president, Tesla and SpaceX would not have to worry about losing Musk in any capacity, nor would his other firms and startups. Plus, another Musk business, Neuralink, has repeatedly won regulatory approval for its brain chip tech under Biden, which could continue under Harris.

SpaceX, in particular, would likely continue to prosper as NASA and the Pentagon’s primary partner for rocket launches. Its rivals, including Jeff Bezos’ Blue Origin, are years away from matching its technology, including its Starship mega-rocket. According to SpaceX’s head of satellite engineering, the company is just five satellite launches away from completing its first commercial constellation.

But Musk’s worries appear to have veered into the paranoid.

“I’m f—ed. If he loses, I’m f—d,” Musk told Tucker Carlson last month. “How long do you think my prison sentence is going to be? Will I see my children? I don’t know.”

“I’ve been trashing Kamala nonstop,” he added.

Since then, Musk has continued to criticize Harris and Biden, with his America PAC [running a since-deleted ad](#) calling her and other Democrats a “c-word.” Although it’s later revealed in the ad that the “c-word” is “communist,” it’s a blatant hint at a different, much more profane word.

Musk has repeatedly accused the Biden administration of engaging in [lawfare](#), or the use of legal systems and institutions to delegitimize an opponent, a favorite attack levied by Trump against officials prosecuting him. SpaceX, Neuralink, X, and Tesla are collectively the subject of at least 20 recent investigations or reviews.

There is no evidence that Harris would ramp up the federal government’s regulatory efforts on Musk’s holdings. But that notion has been fueled in part by a California state entity.

Commissioners of the California Coastal Commission [cited](#) Musk’s political activism in their rejection of a SpaceX bid to launch more rockets from a facility in Santa Barbara County. Gov. Gavin Newsom later [took Musk’s side](#) in the conflict, and SpaceX sued the commission.

“This company is owned by the richest person in the world with direct control of what could be the most expansive communications system in the planet,” Commissioner Mike Wilson said last month, in remarks reported by The Los Angeles Times. “Just last week that person was talking about political retribution.”

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