

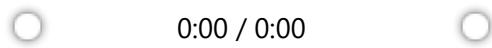
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How Elon Musk Broke With Biden and the Democrats

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[Elon Musk](#)'s embrace of [Donald Trump](#) can be traced in part to a snub by President Biden.

In early 2021, the new Biden administration began making plans to implement its campaign promises to boost electric vehicles.

At the time, Musk's [Tesla](#) produced about two-thirds of the EVs on U.S. roads. But Tesla is also the only major U.S. car manufacturer that doesn't have unionized factory workers, and some of its labor practices were under scrutiny by federal regulators.

Tesla officials reached out to the White House multiple times after the inauguration, hoping to connect Biden and Musk, according to people familiar with the matter. The Tesla boss, who said in a television interview that he voted for Biden—and has said he voted exclusively for Democrats until a few years ago—repeatedly got the cold shoulder.

The reason: Biden officials didn't want to anger the powerful United Auto Workers union, which leaned on the White House to keep its distance from Musk, according to people familiar with the matter.

Then in August 2021, Biden organized an EV event, to be anchored by him [signing an executive order](#) with a target to make half of all new vehicles sold in 2030 zero-emissions vehicles.

Just ahead of the event, White House officials called Tesla with an apology: Musk wasn't invited.

Instead Biden [welcomed executives from three other car companies](#)—[General Motors](#), [Ford Motor](#) and Chrysler parent [Stellantis](#)—all of which trailed Tesla by a wide margin in EV production. Those companies employ thousands of UAW members.

“We made it clear to the administration about where things were,” a former union official said. “We didn't have to make an ultimatum. They understood.”

Things only got worse from there.

“In the auto industry, Detroit's leading the world in electric vehicles,” Biden said at a November 2021 event while promoting the new infrastructure bill. He then turned to GM's Mary Barra and praised the CEO. “You electrified the entire automobile industry. I'm serious. You led, and it matters,” Biden said.

Tesla's leaders, including Musk, were outraged. During the fourth quarter of 2021, when Biden made these remarks, Tesla delivered more than 115,000 EVs in the U.S. while GM produced just 26.

Musk and his representatives didn't respond to requests for

comment.

‘No one likes to be attacked’

Musk’s alienation from the Democratic Party is now having far-reaching implications, as the world’s richest man has thrown his support behind Trump.

The Wall Street Journal reported earlier this month that Musk has said that he planned to contribute [around \\$45 million each month](#) to America PAC, [a pro-Trump super political-action committee](#) he created along with other prominent tech executives.

Musk has since said he formed the super PAC but that the amount he is contributing was “at a much lower level.”

Musk’s political evolution to some extent played out on Twitter, now called X under his ownership, where he has railed against what he calls [the “woke mind virus”](#) and has been critical of Biden’s approach to a number of policies ranging from immigration to the economy.

People close to him say that as Musk’s wealth skyrocketed, he became more of a target for criticism, mostly from the left, and that also pushed him away from the Democratic Party.

He sparred frequently on Twitter with Sen. Elizabeth Warren (D., Mass) and Sen. Bernie Sanders (I., Vt.) over issues such as a possible wealth tax on billionaires and the regulation of big tech companies.

“No one likes to be attacked,” said Bradley Tusk, a venture capitalist who was campaign manager for Michael Bloomberg’s New York mayoral run. “When Democratic lawmakers endlessly

attack someone, the answer becomes 'screw you.' He's human, and when people are using you for political fodder, of course you will react in a certain way."

Biden officials have made efforts to repair relations with the entrepreneur.

In 2022, after another event in which Biden praised GM and Ford's efforts on EVs, a Twitter user called out the omission of Tesla.

Musk tweeted a reply: "Biden is a damp [sock emoji] puppet in human form."

The criticism caught the attention of Biden's team.

Brian Deese, then a senior adviser to Biden, called Rohan Patel, then Tesla's vice president of global public policy and business development, and said that the tweet seemed aggressive and unproductive. Deese asked to speak with Musk to address his concerns.

In a phone call with Deese and Biden's chief of staff at the time, Ron Klain, Musk complained that Biden had been misstating facts about EVs and not giving appropriate recognition to Tesla's leading role in the market. The two men listened to Musk and said they would convey his remarks to the president.

Democrats such as Rep. Ro Khanna, whose district includes a significant chunk of Silicon Valley, have tried to bring Musk back into the fold, according to people familiar with the matter.

"I made the case to him that it was the Obama administration's policies that helped Tesla get off the ground, that helped SpaceX with [former Secretary of Defense] Ash Carter, and he's often expressed his respect and admiration for President Obama,"

Khanna said in an interview.

Musk wades deeper into politics

Eventually Musk began to feel not just frozen out by the White House but also persecuted by it.

Since Biden became president, the Federal Trade Commission has probed [whether Twitter violated a consent decree](#) when Musk allowed journalists to access company records; the [Justice Department has sued SpaceX](#), alleging discrimination in its hiring practices; and the Federal Communications Commission has denied Starlink nearly \$900 million in rural-broadband subsidies—actions that Musk saw as politically motivated, according to people he discussed the actions with.

Musk and his companies were also subject to [regulatory actions in previous years](#).

A spokesman for the FTC said agency investigations aren't motivated by politics, while a representative for the FCC said it makes decisions based on facts and not politics.

A Justice Department spokesman declined to comment.

Department officials have said its SpaceX lawsuit is based on an investigation that began during the Trump administration, in May 2020. In a letter to Rep. Jim Jordan (R., Ohio), an attorney for the department said the suit was unrelated to Musk's October 2022 purchase of Twitter.

A White House spokeswoman said it plays no role in enforcement actions.

Musk critics say the scrutiny is warranted given the scale of his

businesses and the influence they wield in the economy. They also say that Musk often brought the scrutiny on himself with his provocative tweets and other commentary aimed at regulators and government officials.

Despite his grievances with the administration, Musk's personal wealth has surged during Biden's tenure. On the day of Biden's inauguration, he had a net worth of \$184 billion, according to Forbes. Today, he is worth \$234 billion and ranks as the richest person in the world.

In addition to X, Tesla and SpaceX, Musk oversees three other companies: tunneling venture the Boring Co., brain implant startup Neuralink and an artificial-intelligence company, xAI.

Tesla is a beneficiary of the Biden administration's [Inflation Reduction Act](#), which provides hundreds of billions of dollars in subsidies for investing in renewable-energy projects.

SpaceX notched several big wins during Biden's term, reeling in [roughly \\$4 billion in NASA contracts](#) to develop a lander to transport astronauts to the moon on future missions and working with the Federal Aviation Administration to triple the number of agency-approved launches between 2021 and 2023.

Musk also has had positive interactions with Democratic officials, such as a September 2023 meeting arranged by Senate Majority Leader Chuck Schumer (D., N.Y.) about artificial intelligence.

As recently as five years ago, Musk had relatively few connections to politics, with former House Speaker Kevin McCarthy (R., Calif.) standing out as one of his few close allies due to their shared obsession with space.

But in recent years, Musk has forged closer ties with Republican lawmakers, including Jordan and Rep. Ken Calvert (R., Calif.), according to people familiar with the matter. As chairman of the House Judiciary Committee, Jordan has launched investigations into Musk's treatment by various regulators.

Musk also meets regularly with current House Speaker Mike Johnson (R., La.) when he visits Capitol Hill. Johnson and other Republican members invited Musk to this year's State of the Union address, which he didn't attend.

Musk and Trump

On a recent podcast, Musk said the new super PAC isn't meant to be a hyperpartisan organization. While the Republican Party isn't flawless, it is now more in line with his views on meritocracy and personal freedom, he added. Federal campaign-finance forms filed in recent weeks for America PAC stated that the group was spending funds on canvassing and field operations in support of Trump.

Trump and Musk also have a complicated relationship.

Musk was critical of Trump's tenure while Trump was president. He frequently has made comments about how the leadership of the country was being run by a "gerontocracy," or a [government ruled by old people](#).

For his part, Trump wrote on Truth Social in 2022 that Musk tried to lobby him on behalf of his businesses during his presidency. "I could have said, 'drop to your knees and beg,' and he would have done it," Trump wrote.

Musk's softening toward Trump was aided by some of his key tech

associates, such as David Sacks, who had worked with Musk at [PayPal](#) years earlier, and [Palantir Technologies](#) co-founder Joe Lonsdale. They have been encouraging him to get more involved in the electoral process, and Lonsdale is involved in the super PAC.

Some of [Musk's shifting views](#) are connected to his ownership of X, according to people close to him. After he relaxed speech restrictions on the social-media site that had rankled many conservatives, he began to receive praise from them for removing what they viewed as censorship.

“When Elon bought Twitter, he was literally put through the wringer, in a way that Donald Trump and other conservatives have also been treated,” said Trevor Traina, a technology entrepreneur who was U.S. ambassador to Austria during the Trump administration. “I think this is as much about Elon having been through the crucible of leftist retaliation as it is David [Sacks] kind of coaxing and encouraging him, but I’m sure, ultimately, it’s a combination.”

Musk also has been critical of gender-affirming care for minors and has blamed progressives for allowing the practice. In the podcast interview, Musk said he felt tricked into signing documents for one of his children to receive medical treatment.

“I vowed to destroy the woke mind virus after that,” Musk said. “And we’re making some progress.”

Trump recently has also shifted his tone on Musk.

At a rally earlier this month, Trump touted Musk’s endorsement.

Trump said Musk hasn’t asked for any changes to the candidate’s

stated position [seeking to eliminate subsidies](#) for EVs.

“I mean other guys, they give you \$2 and you’ve got to take them to lunch. You’ve got to wine them, dine them,” Trump said at the rally. “But he’s never mentioned to me, ‘Why are you hitting the electric cars?’ because he understands I’m not hitting it.”

“I’ve had them, I’ve driven them,” Trump continued. “They’re incredible. But they’re not for everybody.”

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