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## Elon Musk's wealth may become a liability if Donald Trump turns against him



*Since Donald Trump won the 2024 presidential election, billionaire tech-entrepreneur, Elon Musk, has sought closer and closer association with the president-elect. **Nikhil Kalyanpur** and **Abraham Newman** argue that acting as a close insider may ultimately put Elon Musk in Donald Trump's sights if – and when – they disagree. The history of Russian oligarchs who fell out with Vladimir Putin, they write, illustrates how vast wealth may be no protection against a weaponized state.*

'Uncle' **Elon Musk** has become synonymous with Trump world – a government efficiency **ministry**, consultations on **key administrative appointments**, and even **meetings** with Iranian officials. Tesla and X shares keep soaring, signaling that the political investment is reaping material dividends. Musk looks to have acquired an unrivaled and unshakeable stock of power, and that's exactly why he should be worried.

From industrialist **J.P. Morgan** in the early 1900s to the Koch **brothers**, the seeking of political influence by the super-rich is nothing new in the United States. Those oligarchs, however, operated in a system where the President was closely focused on winning elections and vendettas were quickly forgotten. But the logic of politics changes when leaders care more about consolidating control, prioritizing fealty over party. If leaders are willing to disregard economic costs and use the power of the state to discipline money, then money can no longer discipline politicians. Wealth quickly becomes a liability.

## Lessons from Russia for Trump and Musk

Trump often **praises** leaders like Hungary's Viktor Orban or Russia's Vladimir Putin. While a direct comparison is a stretch, they offer an important warning for how things could play out for the likes of Musk, Bezos or Zuckerberg.

Like Trump, Putin came to power in 1999 riding a wave of populist sentiment in the wake of economic turmoil. Both leaders are biased toward appointing personal acquaintances over traditional party elites. Their state is seen as a means of self-enrichment, but to get to the top they first needed a flurry of money.

At the start, Putin's position was much more fragile and he relied on **Boris Berezovsky**, the owner of the media giant ORT. At the peak of its powers, the company had a viewership greater than all of ABC, NBC, and CBS combined. Putin's initial adversary was former Prime Minister Yevgeny Primakov who was backed by Vladimir Gusinsky, "Russia's Rupert Murdoch".

Once Putin took the reins of the state, his oligarch adversaries were the first to go. Gusinsky along with many Putin critics found their fortunes under threat through expropriation or legal assault. No one is surprised when a leader with authoritarian zeal targets his perceived opponents. Hence, *Washington Post* owner Jeff Bezos **toeing the line** before Trump was even elected. The real test – the move that makes every billionaire backtrack – is the fate of one's allies.

Putin's early months as President were a mess, capped off by his handling of the Kursk submarine crisis in August 2000. 118 men died onboard as Putin vacationed in Sochi. Boris Berezovsky, arguably the man most responsible for the new regime, spotted an opportunity. He already thought Putin was drifting too far from his orbit. Berezovsky needed to show Putin that he still needed the support of the oligarchs and used his channel to **scorch** the flailing President.

Putin pushed back. Berezovsky's offices were **raided**. A **fraud case** was opened against him. Berezovsky fled to London in 2000 and mounted a **decade long battle** against the regime. In 2013, he was **found dead**, most likely by suicide, in his home after **losing** a \$5.5 billion-dollar legal battle against Putin's ally, Roman Abramovich in 2012.



***"Donald Trump" (CC BY-SA 2.0) by Gage Skidmore; "UK Government hosts AI Summit at Bletchley" (CC BY-NC-ND 2.0) by UK Government***

## Wealth may be no protection in the face of state power

Beyond Russia we've seen the pattern repeat. Not even a marriage to Kazakhstan President's daughter could save **Rakhat Aliyev's** billions and **Lajos Simicska**, the Hungarian media and construction magnet, lost most of his wealth after falling out of favor with the government. Leaders like **Putin** and **Orban** have both seen the wisdom in building up an economic class that owe their wealth to the ruler rather than the market.

The super rich will always think that they are in charge and the politicians are replaceable. Leaders must then demonstrate that the billionaires are disposable. And the best way to do that is by turning the state into a credible weapon. If you are willing to take out the **pre-existing power brokers**, to turn your back on your closest ally, that sends a shiver down anyone's spine no matter how much they're worth.

Musk's close ties with Trump are what could really come back to bite. Is it difficult to imagine the two of them disagreeing? That Trump/Musk won't feel the need to show he's the one that really matters? We've already seen a **rift emerge** over H1-B high skilled visas while Steve Bannon has labeled Musk as "**evil, threatening to run him out of Washington**."

Musk's private enterprises mean he can be his own man. He has literal mountains of money at his defense, but Trump could have the entire Justice Department. He might be unpredictable, but we know Trump's predilection for multibillion dollar court cases. Would it be difficult to start a fraud case against X or Tesla? Would any other tech CEO, or the Democratic Party, come to his defense? In an America marked by retribution, rather than the rule of law, Berezovsky's fate could quickly resonate. It's not just the billionaires on the out, or even the neutral ones, that need to worry. The oligarchs on the inside could quickly become the enemies from within: the Elons of the world could easily find themselves in the crosshairs.

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