

## ARREST ELON MUSK



Fred Lambert



Tesla might want to kill EV incentives in the US because of Elon Musk's politics, but the automaker is still lobbying for them in other markets.

It is highlighting Tesla's clear problem of putting its CEO's politics above its own mission.

Tesla is stuck in a weird situation in the US.

A few years ago, the automaker was lobbying the Biden administration for a reform of federal EV incentives, which the government implemented.

At the time, its CEO Elon Musk, who has been on a “mission to kill the woke mind virus” since his daughter Vivian came out as trans, said that he was against extending the tax credit as he was already cozying up to right-wing politicians.

But his company was still lobbying for it at the time.

Now, things are changing. Musk has become one of Donald Trump’s biggest supporters, and he has brought Tesla closer to his politics.

Trump has made it clear that he wants to eliminate all EV incentives in the US, and this time, Musk is not the only one backing him.

A recent report stated that Tesla communicated to the Trump transition team that the automaker is on board with killing EV incentives.

This is Tesla, which is 15% owned by Musk, but the board is firmly in his control, as evidenced by findings in his CEO compensation court case, aligning with its CEO’s politics in the US.

In other markets, things are different.

A recently uncovered letter showed that Tesla approached the Labor Party following their recent win in the UK to lobby for more EV incentives and higher taxes on petrol vehicles, the exact opposite of what Tesla and Musk now stand for in the US.

In the letter addressed to the new minister of transportation, Tesla’s head of Europe, Joe Ward, acknowledges the UK’s need to reduce its emissions and how important electric vehicles are to achieve this goal.

He suggests that the government brings back stronger EV incentives by increasing taxes on fossil fuel-powered vehicles:

**Purchase incentives have been discussed at great length publicly, if Treasury were to consider any schemes, these should be revenue neutral. Given new fossil-fueled vehicles lock in high emissions and a price needs to be placed on this. The Government should ask if those still choosing to purchase a new polluting vehicle, to pay more. This could create a revenue neutral model to support ZEV uptake.**

The Tesla executive is also lobbying for new autonomous vehicle regulations and has offered a test drive to the minister.

Here's the letter in full:

The Rt Lilian Greenwood MP  
Parliamentary Under Secretary of State for Transport  
Department for Transport  
Great Minster House  
33 Horseferry Road  
London  
SW1P 4DR

8<sup>th</sup> July 2024

Dear Ms. Greenwood,

Congratulations on your recent appointment as Parliamentary Under Secretary of State for Transport.

Tesla's mission is to accelerate the world's transition to sustainable energy and we applaud the Labour Party's strong position to decarbonization of the energy system by 2030, growth and net zero.

As you know, action is needed now to reduce emissions and transport must be a key focus, being responsible for 26% of total UK emissions – 52% for cars and just below 20% for HGVs. Emissions from HGVs from 1990 to 2021 have reduced by just 4.5% and urgently action is needed. Government should begin consulting on a ZEV mandate for HGVs, as soon as possible. In May this year Europe passed a new regulation for HGV emissions out to 2040, the UK is now falling behind.

On cars, continued progress and further strengthening of the Zero Emission Vehicle mandate is needed. Early action reduces emissions and helps to build the used car market at speed – this market is crucial to a fair transition as around 80% of purchases are used cars. Company car tax for zero emission vehicles is a key driver on this journey, building the used car market quickly due to the faster turnover from lease to the private market. Therefore, company car tax should be protected at the current rates out until at least 2028. Post-2028 any regime should include smaller and steady increments for EVs and higher increments for any vehicle with a combustion engine.

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## **Electrek's Take**

In the US, Tesla is arguing to remove EV incentives and in the UK, it is arguing to increase them.

To me, it looks like Tesla is stuck between a rock and a hard place – the rock being doing the right thing and the hard place being Elon Musk's politics. If Tesla were really looking after its mission to accelerate the advent of sustainable transport and energy, it would be advocating for a fair market where the external costs of fossil fuel-powered vehicles are accounted for and/or the benefits of electric vehicles are fairly compensated.

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### **Top comment by Gertrud**

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Elon is killing Tesla. In Germany he now openly supports the AfD, which is an extreme rightwing party with fascists like Bjorn Hoecke (not my judgment, German courts ruled that Hoecke can rightly be called a fascist). 80 % of the Germans strongly reject the AfD because there was something in the history of Germany ... And now they also strongly reject Tesla.

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Next problem: the 20 % supporters of the AfD don't like EVs. They like Russian natural gas, oil and ICE cars. Germany is the largest car market in the EU, but there is not much customer potential left that would buy a Tesla. That's why new Tesla car registrations in Germany are down this year by 44%. And it's getting worse. In November the Tesla registrations were down by 55 %.

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The AfD also wants Germany to leave the EU and the euro. This would mean that Tesla would probably no longer be able to deliver the cars produced in Gruenheide to 26 EU countries without custom duties and that Tesla would have to factor in currency risks.

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That's precisely what it is doing in the UK, thanks to Joe Ward, but not in the US? Why?

The only answer to that question is Elon Musk.

Tesla is now putting its CEO's politics above its own mission. Musk can't come out for more taxes on fossil fuel-powered vehicles or more incentives for EVs because that goes against Trump's politics, who he spent more than \$250 million to put back in power.

He shouldn't be in charge of Tesla anymore, and it can't be clearer than with this situation.