

Elon Musk makes \$38 billion in US federal crony cash

By [Vishnu Kaimal](#)



Elon Musk, SpaceX CEO and resident right-hand man to President Donald Trump, has been on a [spree of mass layoffs](#) and [budget cuts](#) while he himself has enjoyed billions of dollars in government aid for his many businesses.

Reportedly, Musk has received more than \$38 billion in aid, funding, and government orders over 20 years on behalf of his automobile company Tesla (nearly \$15.7 billion) and his aerospace company SpaceX (around \$22.6 billion), according to The Washington Post in [a lengthy investigation published on Wednesday, Feb. 26](#).

[READ: Will Elon Musk own TikTok soon?](#) (January 14, 2025)

Musk's ventures, both SpaceX and Tesla, have received substantial government subsidies, loans, and contracts, which have been key to their growth. Tesla received a \$465 million loan from the U.S. Department of Energy in 2010 under the Advanced Technology Vehicles Manufacturing program, which it repaid early in 2013.

Tesla's electric vehicles (EVs) have been eligible for the \$7,500 federal EV tax credit, though this phased out after the company hit the 200,000-vehicle threshold in 2019. Additionally, Tesla benefits

from state-level incentives for EVs and charging infrastructure, as well as generating significant revenue through the sale of carbon credits to other automakers, helping them meet emissions standards.

When it came to Musk's space initiatives, [SpaceX has secured billions](#) of dollars in contracts from NASA, including getting funded under the Commercial Crew Program for crewed missions to the International Space Station (ISS) and Commercial Resupply Services for cargo deliveries.

SpaceX has also received contracts from the U.S. Department of Defense for military satellite launches and national security missions. Additionally, Tesla and SpaceX have both benefited from state tax incentives in places like California and Texas, which support technological innovation and local economic growth.

Reportedly, these incentives were largely obtained under Joe Biden's presidency from 2021 through early 2025. The grants provide Musk's companies with financial support, reducing risks and accelerating innovation.

For Tesla, they encourage electric vehicle adoption, while for SpaceX, they enable advancements in space exploration. These government funds are helping Musk's companies scale faster, increase profitability, and maintain competitive advantages.

However, with Musk leading the Department of Government Efficiency (DOGE), many federal agencies are being affected by budget and staffing cuts, with the [goals of DOGE being: to reduce "waste"](#) and improve government operations.

Elon Musk: The Billion-Dollar Beneficiary of Federal Aid

Elon Musk, the enigmatic CEO of SpaceX and Tesla, has recently come under scrutiny for receiving a whopping \$38 billion in government aid over the past two decades. While Musk has been spearheading mass layoffs and budget cuts within his companies, he has simultaneously been enjoying a windfall of federal funding, according to a detailed investigation by The Washington Post released on February 26.

The Washington Post's report sheds light on how Musk's ventures, Tesla and SpaceX, have been major beneficiaries of government subsidies, loans, and contracts, playing a pivotal role in their growth and success. Tesla, for instance, received a substantial \$465 million loan from the U.S. Department of Energy in 2010 through the Advanced Technology Vehicles Manufacturing program, which was paid back ahead of schedule in 2013.

One of the key supports for Tesla has been the \$7,500 federal tax credit for electric vehicles, although this incentive phased out after the company reached the 200,000-vehicle milestone in 2019. Moreover, Tesla has leveraged state-level incentives for EVs and charging infrastructure, along with revenue generated from selling carbon credits to other automakers to aid in meeting emissions standards.

On the space exploration front, SpaceX has secured billions of dollars in contracts from NASA, including funding under the Commercial Crew Program for manned missions to the International Space Station (ISS) and the Commercial Resupply Services for transporting cargo. The company has also received contracts from the U.S. Department of Defense for launching military satellites and national security missions.

In addition to federal aid, Tesla and SpaceX have both benefited from state tax incentives in regions like California and Texas, fostering innovation and economic growth on a local level. These incentives, as reported, were largely obtained during Joe Biden's presidency from 2021 to early 2025, providing substantial financial backing to Musk's enterprises and facilitating technological advancements.

The grants provided to Musk's companies have not only reduced financial risks but have also accelerated innovation, allowing them to scale up operations, enhance profitability, and maintain a competitive edge in their respective industries. For Tesla, these subsidies have driven the adoption of electric vehicles, while for SpaceX, they have propelled advancements in space exploration, positioning both companies as leaders in their fields.

Despite the significant government support Musk's companies have received, there is growing concern over Musk's role as the head of the Department of Government Efficiency (DOGE), which has resulted in budget cuts and layoffs across various federal agencies. The primary objectives of DOGE are to minimize "waste" and enhance government operations, raising questions about the impact of Musk's leadership on government functions.

In conclusion, while Elon Musk has undeniably benefited from substantial federal aid to fuel the growth of Tesla and SpaceX, the implications of his actions on government operations and employee welfare remain a subject of debate. As Musk continues to navigate the intricate relationship between private enterprise and government support, the ethical and financial considerations surrounding his ventures will undoubtedly continue to be scrutinized by the public and policymakers alike.