

Everything Elon Musk Touches Is a Conflict of Interest

It's no longer clear where his business ends and the government's begins.



[Tim Murphy](#)



Mother Jones illustration; Saul Loeb/Pool/Getty

Fight disinformation: [Sign up](#) for the free *Mother Jones Daily* newsletter and follow the news that matters.

In early February, President Donald Trump threatened to cut off “[all future funding](#)” to South Africa, alleging that the government was “treating certain classes of people very badly” by passing a law allowing for the expropriation of privately owned land in certain cases. Right-wingers [in both countries](#) have framed the law as a discriminatory attack on white citizens, who comprise seven percent of the population but hold [70 percent](#) of privately owned land. When President Cyril Ramaphosa defended the policy on X, Elon Musk, the Pretoria-born tech billionaire who is currently leading the White House’s efforts to eliminate most forms of foreign aid, shot back.

“Why do you have openly racist ownership laws?” he asked.

Musk, who also [spoke by phone](#) with Ramaphosa last week, is not just a critic of South African ownership laws. One of his companies is actively working to get around them. Starlink, a subsidiary of SpaceX that provides phone and internet service via low-Earth-orbit satellites, has been trying for years

to expand to Musk's birth country. But he has been stymied by a post-apartheid law that requires telecom providers to be at least 30-percent owned by "historically disadvantaged groups"—namely, Black South Africans. Musk's company, suffice it to say, is not. Starlink and Musk have reportedly lobbied for Ramaphosa's government to change the requirement or consider a workaround—for instance, by granting an exemption as part of a deal for a Tesla battery plant. According to [Bloomberg](#), Musk personally discussed Starlink with Ramaphosa at a meeting in New York last fall.

Would he be so interested in funding the UK Reform Party if the ruling Labour party hadn't snubbed him from an investment conference? Is he feuding with half of Europe right now because their leaders have caught the "woke mind virus" or because the European Union has been investigating X since 2023 over violations of its Digital Services Act?

A top government official backing punitive measures against a foreign country he's simultaneously negotiating a business deal with represents a major conflict of interest. For Musk, it is only one of many. With a net worth of around \$400 billion, Musk brings to Washington the wealth of a nation-state, and the geopolitical entanglements of one too. He provides internet access to more than 100 countries. His cars are available across North America, Europe, Asia, and Australia. He gets raw materials from four continents; feuds with sovereign wealth funds; backchannels with heads of state; sends their satellites into space; censors communications at their request; and, increasingly, throws his support behind those who share his interests and attempts to remove from office the ones who don't.

Civil servants and elected officials are often bound by tight disclosure requirements and ethics guidelines designed to curb conflicts of interest and prevent bureaucrats from profiting from their work. Michael Punke, the author of the book that was adapted into the Oscar-winning motion picture, *The Revenant*, was famously [prohibited](#) from even promoting the book while serving as US ambassador to the World Trade Organization.

Musk, who is operating as a "[special government employee](#)," has not divested from his vast holdings. He has not stepped down from his companies. On Wednesday, White House press secretary Karoline Leavitt told reporters that Musk's conflicts would be handled on something like an honor system: "If Elon Musk comes across a conflict of interest with the contracts and the funding that DOGE is overseeing...Elon will excuse himself from those contracts." The sheer scope of Musk's interests, though, means that everything that happens, anywhere in the world, is a potential conflict.

Take Starlink, a product so ubiquitous that according to a *New York Times* [analysis](#), it accounts for more than half the satellites in the sky. Although South Africa's ownership law is a unique product of the country's Black Economic Empowerment program, Musk [has frequently been stymied](#) by local ownership requirements and licensing processes—particularly in Africa and Asia. In Vietnam, for instance, 2023 negotiations with Starlink fell apart over a law requiring telecom providers to have majority domestic ownership.

When Starlink users have circumvented national bans by taking advantage of roaming plans, governments have responded by seizing devices and ordering the company to cease and desist its service. In some cases, they have even argued that the service threatens their own national security interests. The Sudanese government, for instance, complained in 2024 that a militia group accused of crimes against humanity was able to bypass a government internet blackout by [using Starlink](#) roaming

plans to conduct its operations. Meanwhile, many Sudanese citizens rely on food and medical programs [from USAID](#)—an agency that Musk has promised to send “into the woodchipper.”

Fights over telecom regulations slowed the company’s growth. Now things are looking up. Musk’s new role in the White House has made it “harder for some governments to resist Starlink,” *Bloomberg* recently [reported](#). After [three years](#) of discussions, Chad granted approval one week after the November election. The effort in South Africa began picking up steam. Musk recently spoke with the president of Nepal about relaxing that country’s ownership laws. Everyone wants to meet with him now.

Part of what makes Starlink such a minefield of conflict of interests is that it’s so difficult to tell where Musk’s private interests end and his policy-making ambitions begin. The extra-special government employee who joined Trump on a post-election call with Ukrainian president Volodymyr Zelenskyy owns the satellite network that country is counting on to fight Russia. (Incidentally, some of the funding for those satellites came from USAID.) Musk has also held private phone calls with Russian president Vladimir Putin—who, according to the *Wall Street Journal*, discussed blocking Starlink in Taiwan as a favor to China. Taiwan, for its part, so distrusts Musk that it has already banned Starlink and is [building its own](#) network. In a post-election talk with an Iranian government official, Musk [reportedly](#) discussed the possibility of investing in the country. He has previously [promised](#) on X that he would seek an exemption from Treasury Department sanctions to bring Starlink to Tehran. Now he effectively [controls](#) the Treasury Department.

Tesla is another area where Musk’s interests are too vast to disentangle from his government work. He has sourced materials and parts for his cars from [China](#), [Indonesia](#), [Mozambique](#), [Tanzania](#), the [Democratic Republic of Congo](#), [New Caledonia](#), [Australia](#), [Canada](#), [the US](#), and [Japan](#), among other places. He builds them in China, the US, Canada, the Netherlands, and Germany. The list of places where he has looked into getting lithium or nickel, at setting up a plant, or at distributing Teslas is vast. Musk’s business depends on a lot of things happening a certain way across the world. A SpaceX supplier recently shifted operations from Taiwan [to Thailand](#) because of the geopolitical pressure on the former nation. Musk was forced to find a new source of aluminum after sanctions forced him to [cut ties](#) with a company controlled by Russian oligarch Oleg Deripaska.

If Musk has a stake in the rest of the world, the rest of the world also has a stake in Musk. Investors in X have [included](#) Qatar’s sovereign wealth fund and Saudia Arabia’s Prince Alwaleed Bin Talal Al Saud, as well as the prince’s investment house Kingdom Holding, which is partially owned by the country’s sovereign wealth fund. Kingdom Holding and Qatar—along with the sovereign wealth fund of [Oman](#)—are also [backers](#) of Musk’s AI startup, xAI. Norway’s sovereign wealth fund holds a 1 percent stake in Tesla. (Musk [cancelled](#) a visit to Oslo last year after the fund manager voted against a \$56 billion compensation package for Musk twice; Musk then complained that the fund manager had leaked his angry texts, although they were in fact disclosed under public records laws.)

Then there’s China, which has banned X and does not permit Starlink to operate, but where Tesla has thrived with the blessing of the authoritarian state. Musk makes cars and sells cars there and has benefited enormously from a rule Tesla [pushed for](#) that allows the company to sell emissions credits, just as it does in California. Musk, meanwhile, has [parroted](#) the government’s talking points on Taiwan and [defended](#) its treatment of the Uyghurs. This has been a lucrative relationship for Musk, but also a

very fragile one, as Tesla is increasingly caught between American protectionism and the growth of a rival electric-vehicle industry in China. You don't have to imagine a scenario in which Musk pressures Trump and Congress to tank legislation that would hurt his interests in the country; he [already did that](#) last year.

With his hands-on control of X, Musk has demonstrated a willingness to throttle political speech when censorship benefits friendly leaders—[Recep Tayyip Erdoğan of Turkey](#), [Narendra Modi of India](#), [Benjamin Netanyahu of Israel](#)—while using his platform to foment a global right-wing movement. Over the last two years, Musk has backed right-wing leaders in Ireland, the United Kingdom, Argentina, Belgium, Brazil, Canada, El Salvador, Germany, Israel, and Italy. Musk has been demanding the release of Stephen Yaxley-Lennon, a [far-right fraudster](#) and [stalker](#) who goes by the pseudonym Tommy Robinson, and who was [jailed for contempt](#) of court last year after repeating claims about a Syrian refugee that had already been [found to be defamatory](#). Musk's platform provided [fuel](#) for anti-immigrant riots in the UK. He encouraged UFC fighter Conor McGregor to run for president of Ireland. And in recent weeks, Musk has aggressively promote the far-right German AfD party, whose membership he implored to [set aside](#) their “guilt” about the nation's past.

Perhaps no one in American history has combined this many conflicts of interest across the globe with this much state power—legally authorized or not. Dick Cheney was chairman and CEO of Halliburton and later vice president of the United States, but he was not both at the same time. And these are merely his foreign entanglements; the inherent conflict in a major government contractor taking control of the federal government's contracting process is almost too obvious to note.

For every Musk political stance, there's a personal interest not far away. Would he be so interested in funding the UK Reform Party if the ruling Labour party hadn't [snubbed him](#) from an investment conference? Is he feuding with half of Europe right now because their leaders have caught the “woke mind virus” or because the European Union has been [investigating X](#) over alleged violations of its Digital Services Act? Is he inserting himself into German politics because of his admiration [for “German tribes” in the days of Julius Caesar](#), or because he makes a ton of cars there and is [tired](#) of fighting with his workers? Does he want USAID to “die” because he thinks it's wasteful or because its programs are a bulwark against the overseas autocracies he works with?

For that matter, does Musk want the government to replace its workers with artificial intelligence because it will improve service or [because he's in the AI business](#)? Does he think that “[regulations, basically, should be gone](#)” because of some fine-tuned understanding of bureaucratic machinery or because regulators have penalized him and his companies for [improperly transporting](#) hazardous materials; [improperly managing](#) hazardous waste; [violating](#) the Clean Air Act; failing to [control erosion](#); [illegal dumping](#); [pumping wastewater](#) into wetlands; [exaggerating the range estimates](#) on his cars; [refusing to cooperate](#) with an anti-child-abuse law; [securities fraud](#); failing to comply [with safety regulations](#) on a rocket launch (which SpaceX has appealed); [improperly operating](#) a conveyor belt, leading to a worker getting pinned to a car (which Tesla has appealed); forcing workers to [walk through muck](#) filled with chemical accelerants (which the Boring Company has appealed); and securities fraud (which Musk and Tesla [settled](#) with no admission of wrongdoing in 2018).

For years, Musk has paired an extraordinary degree of international influence with a defiance bordering on arrogance in the face of civil authorities. He once said that regulators who complain about Starlink operating in their country “[can shake their fist at the sky](#).” These days, anyone who’s upset with Washington can shake their fist at him. When Trump briefly imposed tariffs on Canada last week, Ontario premier Doug Ford added his own addendum to the national government’s retaliatory actions. The province would be “ripping up” its \$100 million deal with Starlink, Ford announced, if the Trump and Musk administration went through with its threat. If operating from outer space gave him a sense of being untouchable, operating from inside the White House, as a shadow secretary-of-state and everything-czar, has heightened both his power and his exposure: Musk is the state now, and [L’État, c’est Musk](#).