

ANALYSIS

Trump-Musk: conflict between business logic and political strategy

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The dispute between Donald Trump and Elon Musk has probably brought an end to an alliance that was fundamental to the construction of the political coalition behind the tycoon's electoral victory and his second presidential term.

Reactions to the sensational showdown between the two, which was typical of both men's larger-than-life personalities and their liberal use of social media rhetoric, have understandably been smug and mocking in the progressive world. After years of praising Musk's genius when his political positions aligned with the liberal ideology of Big Tech magnates, this is the world that suddenly 'excommunicated' him, branding him a crazy Nazi and racist when he took over Twitter and abolished all censorship of free speech, endorsed Trump and took on the role of coordinator of the DOGE agency for cutting waste in public administration. Now that relations with Trump have soured, some progressives will surely 'rehabilitate' Musk according to the logic that 'the enemy of my enemy is my friend', and some media outlets will paint him as a fearless hero of freedom.

But, beyond these macroscopic, folkloric hypocrisies to which the Western left has accustomed us, inadequate and unfocused interpretations of the ongoing conflict are circulating, even in non-ideological circles and among liberals and conservatives. Some have judged it to be merely a personal clash between two egotistical individuals, unable to accept any limitations on their omnipotence. While it is true that these are two strong, moody and over-the-top personalities, the stakes in the confrontation are so high that we must assume a rational basis for the behaviour of those involved. Others, starting from the fact that the dispute primarily erupted over spending cuts, the planned increase in the deficit in the 'One Big Beautiful Bill' budget law, and tariffs, saw in it first and foremost the emergence of a radical ideological conflict: that between the anarcho-capitalist libertarianism of the Tesla and SpaceX boss — an advocate of an uncompromising 'Milei line' and a 'minimal state' — and the president's propensity for economic protectionism and the instrumental use of public spending for economic growth.

There is undoubtedly an ideological difference between the two, which was set aside for a time to allow an alliance based on specific, limited objectives. However, precisely for this reason, we must ask ourselves why Musk ended this alliance and whether he believes those objectives are no longer achievable. While Elon is undoubtedly a 'pure' libertarian, he is also an entrepreneur who has long benefited from public subsidies, such as those for electric car purchases, and public funding for multi-billion dollar contracts, such as those awarded to the SpaceX programme for

space research and defence.

To rationally understand the 'hard core' of the conflict, we must recognise that what has developed between Trump and Musk is the convergence of a political leader and an entrepreneur who think in two radically different ways that only occasionally coincide. Musk primarily bases his political choices and those of the executive he has supported on their impact on his economic and business interests. Trump prioritises electoral consensus and the balance of power within the political class and institutions.

In the name of consolidating a structural partnership between his companies and the government in the fields of AI and space programmes, the entrepreneur had 'swallowed' the bitter pill of President MAGA's global offensive on tariffs — including, above all, those against China — with which he has always had significant economic relations, clearly hoping that negotiations with individual countries would soon render them ineffective. This has not happened so far, however. The transition towards the redefinition of world trade still appears chaotic and 'in limbo'. Meanwhile, Tesla's share price has been trending downwards. In this context, the 'One Big Beautiful Bill' was introduced, which Musk interpreted as indicating a heavily protectionist and statist approach by the administration. This explains his angry attacks on the document, which he described as an 'abomination', and the beginning of the slippery slope that led to open warfare with the White House.

Beyond the 'ideological' aspect of his unconditional opposition to tariffs and deficit spending, Musk's view of American politics is oversimplified and distorted, not to mention his view of politics in general in a democratic regime. Perhaps he believed that the strategic importance of his production and expertise would be enough to influence the Trump administration. However, the White House tenant — caricatured by his detractors as a sort of 'autocrat' — knows he must reckon with the existing balance of power. Notably, he must consider the balance of power in Congress, where the Republican Party holds a majority in both houses but only a slim majority in the House of Representatives. He must also consider the balance of power within the Republican Party itself, where a significant proportion of representatives do not staunchly support the "MAGA" political agenda and/or represent diverse regional and sectoral interests.

The budget bill presented, which must be approved by both houses of Congress, has the characteristics of an 'omnibus bill'. It includes substantial tax cuts that Trump considers strategic and indispensable, but it also focuses on not 'cutting' public spending too much in areas that would affect the electorate of certain local politicians. There is also an increase in military spending, which, for Trump as for Reagan forty

years ago, may be a means of helping to rebuild domestic production.

In summary, the bill is based on the hope that the combination of lower taxes, tariff revenues, and the return of capital and investments stimulated by them will offset the deficit ceiling and produce a substantial increase in GDP, creating a 'virtuous circle' of confidence that will sustain a lasting economic recovery without jeopardising political stability or the unity of the majority party in the short term.

This is an inherently political logic centred on an analysis of power relations and a strategy designed for times defined by the pace of politics. Even Musk would inevitably have to take this logic into account should he ever transition from entrepreneur to full-fledged political leader.