

Elon Musk's wealth approaches half a trillion dollars: Capitalism and oligarchy

Joseph Kishore**15 December 2024**

The wealth of Elon Musk, owner of Tesla, SpaceX and social media platform X (Twitter), is rapidly approaching half a trillion dollars, according to the latest estimate from *Forbes* magazine. Musk's personal fortune of \$442 billion has increased by approximately \$180 billion over the past two months alone, with much of the surge occurring in the six weeks since Donald Trump's re-election.

Musk's net worth is now nearly \$200 billion higher than the next wealthiest individual, Jeff Bezos (Amazon, \$248 billion), who is followed by Mark Zuckerberg (Meta, \$223 billion) and Larry Ellison (Oracle, \$195 billion). Collectively, the world's 10 richest individuals—nine Americans plus France's Bernard Arnault—have increased their wealth by \$305 billion in just six weeks, bringing their combined total to a staggering \$2.1 trillion.

The total wealth owned by these 10 individuals is more than the GDP of all but seven countries. It is more than 40 times the estimated annual cost to end world hunger, and more than 100 times the estimated annual cost to end homelessness in the United States.

The sharp increase in the wealth of this layer is closely tied to the speculative mania in the stock market, fueled by anticipation of Trump's policies: tax cuts for the rich, deregulation and sweeping cuts to social programs. In particular, Tesla's stock price has hit new records, while SpaceX, now valued at \$350 billion, conducted a buyback this month to boost its share values. Musk's fortune also includes a \$50 billion Tesla pay package currently held up in a Delaware court.

Musk embodies the fusion of oligarchy and the state in the incoming administration. He personally contributed an estimated \$277 million toward Trump's election, while using his control over X to influence the election outcome. He is now playing a dominant role in determining the policies and composition of the Trump administration. Musk has been appointed to co-lead the so-called Department of Government Efficiency (DOGE), alongside fellow billionaire Vivek Ramaswamy. The department's stated goal is to slash \$2 trillion in federal spending, a figure that,

notably, is approximately equal to the combined wealth of the world's top 10 billionaires.

The targets of these austerity measures are clear enough. Last week, Musk declared that the term "homeless" is a "misnomer," stating, "Unhoused individuals are in reality violent drug zombies with dead eyes, and needles and human feces on the street." Musk added, "The more money spent combating homelessness, the worse it gets." Meanwhile, Ramaswamy has proposed cuts of "hundreds of billions of dollars" from Medicare and Medicaid, the two main government healthcare programs.

Musk and Ramaswamy are joined in Trump's billionaire-packed government by figures such as Warren Stephens (ambassador to the UK), Scott Bessent (treasury secretary), Linda McMahon (education secretary), Jared Isaacman (NASA administrator), Howard Lutnick (commerce secretary), and Steven Witkoff (Middle East envoy).

Billionaires who did not initially back Trump have scrambled to align themselves with the new regime. According to a report in the *New York Times*, Silicon Valley leaders—including Bezos, Zuckerberg, Sam Altman (OpenAI), Tim Cook (Apple) and Sergey Brin (Google)—have "promised to support President-elect Donald J. Trump's inaugural committee with seven-figure checks over the past week, often accompanied by a pilgrimage to Mar-a-Lago to bend the knee."

The Democratic Party's response to Trump's re-election—and to Musk's role—is equally revealing. Trump's re-election was made possible by the fact that the Democratic Party is a party of Wall Street and militarism, whose central priority is the escalation of the US-NATO war against Russia in Ukraine. Top Democrats have responded to Trump's return to the White House with pledges of cooperation and collaboration.

So too in relation to Musk. Democratic Representatives like Ro Khanna and nominally independent Senator Bernie Sanders have fawned over the world's wealthiest individual, pledging to "work with" Musk's Department of Government Efficiency. *Politico* recently noted, "As

President-elect Donald Trump prepares to install Musk as the federal government's cutter-in-chief, some ambitious Democrats are taking a warmer approach to the billionaire businessman."

As the *World Socialist Web Site* explained in its statement following Trump's victory, the election marks a "violent realignment of the American political superstructure to correspond with the real social relations that exist in the United States." In pledging their "cooperation" with Trump, the Democrats are proclaiming the unity of the ruling class in defense of its fundamental interests.

The personal fortunes amassed by the world's richest individuals have no precedent in history. Their accumulation is bound up with an unrestrained frenzy of speculation, the gutting of social programs and the subordination of all aspects of life to the drive for private profit.

In the nearly three decades since then-Fed Chairman Alan Greenspan warned (on December 5, 1996) of the "irrational exuberance" driving share values, the Dow Jones Industrial Average has risen from 6,381 to a record of over 45,000 earlier this month (an increase of more than 700 percent). The Nasdaq has risen from 1,300 to more than 20,000 (an increase of more than 1,100 percent). The rise in share values has been accompanied by a surge in even more speculative assets, including cryptocurrencies. Last week, the price of one bitcoin surpassed \$100,000 for the first time.

The increase in the price of financial assets has been fueled and sustained by an endless diversion of resources into the bailout of the banks, particularly in the midst of the 2008 financial crisis and, on an even greater scale, in the first year of the COVID-19 pandemic in 2020. Trillions have been funneled by the Federal Reserve and other global central banks directly into the financial system, producing a surge in government debt.

All of this must be paid for through a massive assault on the working class, whose labor is the source of all value.

And it requires a major intensification of imperialist war abroad. Imperialism, Lenin explained, is "(1) monopoly capitalism; (2) parasitic, or decaying capitalism; (3) moribund capitalism. The supplanting of free competition by monopoly is the fundamental economic feature, the quintessence of imperialism." When Musk declares, "We will coup whoever we want," he is merely giving expression, in particularly crude and stupid form, to the striving of corporate-financial capital for world domination.

The political form that corresponds to this social reality is dictatorship. Musk's close ties to far-right and fascist figures, such as Italy's Giorgia Meloni and Argentina's Javier Milei, exemplify the alignment of the financial oligarchy with authoritarian forces globally. On his social media platform X, Musk, a self-described proponent of

"Dark MAGA," has elevated neo-Nazis, transforming the platform into a breeding ground for the far right.

This is not merely a reflection of Musk's personal proclivities, but a manifestation of the broader turn of the capitalist oligarchy toward dictatorship as it confronts mounting social opposition.

In the United States, this turn finds its sharpest expression in Trump's plans for a second term, which include deploying the military domestically, dismantling basic democratic rights and targeting immigrants and refugees. The ultimate target of these measures is the "enemy within," that is, the working class.

Society can no longer afford the rich. There is not a single problem, including the defense of the most basic democratic rights, that can be addressed without a frontal assault on the wealth and power of the capitalist oligarchy.

The immense fortunes of the billionaires are bound up with their monopolistic control of the banks and corporations that control the global economy. Musk, Bezos, Zuckerberg and the rest, along with the titans of finance, control vast resources, productive capacity and technologies which, if controlled democratically, could vastly improve the living conditions of the entire population. Instead, they are subordinated to private profit and the escalation of a war that threatens all of humanity.

The task laid out by Marx, the "expropriation of the expropriators," acquires a direct and urgent necessity. The Socialist Equality Party (SEP) calls for the seizure of the wealth of the capitalist oligarchy and the transformation of the gigantic corporations they control into public utilities. These enterprises must be taken out of private hands and democratically reorganized on the basis of social need, not profit.

There is an immense contradiction between the potential embodied in the technological and productive forces and the reaction and backwardness that maintaining private ownership over these productive forces requires. The contradiction must be overcome, and a way forward for humanity secured, through the conquest of power by the working class and the socialist transformation of economic life throughout the world.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact