Wednesday, October 23, 2024 / Musk’s million dollar giveaway

[HALF SECOND OF SILENCE]

[BILLBOARD]

SCORING <After these messages>

NOEL KING (host): Elon Musk is giving away PRIZES to compel people in swing states to register to vote.

*<CLIP> OPRAH: Open your boxes! You get a car, you get a car, you get a car, you get a car*

NOEL: Not that one! The Elon one!

*<CLIP> ELON MUSK: So every day between now and the election, we ’ll be awarding a million dollars starting tonight.*

NOEL: One million dollars!

NOEL: It’s fun - but is it OK?

*<CLIP> NBC: The Justice Department sent a letter to Musk’s SuperPAC warning that giveaway may be illegal. Federal law prohibits paying people to register to vote.*

NOEL: On *Today, Explained*: Elon Musk is barnstorming for Donald Trump. What does he want out of it?

TIM HIGGINS (*Wall Street Journal* business columnist): The idea that he might be, you know, on a friendly term with the White House and being given some kind of role in cutting regulations he doesn't like, that could kind of keep him from doing what he wants to do in business. That's incredible power.

[THEME]

*<CLIP> TEX PRODUCER AMANDA LEWELLYN: You’re listening to Today, Explained!*

NOEL: Tim, can we have some fun?

TIM: <laughs> People rarely accuse me of being fun.

<both laugh>

NOEL: Tim Higgins is a business columnist for *The Wall Street Journal*, and he has to have at least some sense of humor because his beat is media and technology but mostly…

TIM: We like to say that I write mostly, but not entirely, about Elon Musk, his companies, his rivals, the world he lives in. These days, I'm writing a lot about what he's doing in politics.

SCORING <Carousel Waltz>

TIM: I just got back from Pennsylvania, where I was on the campaign trail with Elon Musk, which is an odd place to be because he's not a politician.

*<CLIP> MUSK: Well, I mean, I have been red-pilling my friends like crazy lately.*

TIM: Elon has been in Pennsylvania with a mission of trying to register as many people to vote as possible and get, get out and vote early. There was a deadline earlier this week to register to vote in that state.

*<CLIP> MUSK: We’ve gotta be total evangelists about the voting // But like, hound everyone you know to get registered. Because after, after mid, midnight on Monday, it’s, it’s no good.*

TIM: It's part of a broader effort he has going in the battleground states to register people to vote. Really, the goal would probably be to try to turn out Republicans in his broader effort to get Donald Trump reelected to the White House. But really an intense ground game in the days leading up to that Pennsylvania deadline, really trying to bring a lot of attention. And, you know, wherever Elon goes, there's a lot of attention, but even more attention when he starts holding town hall meetings in cities across the state, hitting on that idea that, ‘Get out there, register to vote, vote early.’ He has a kind of a message that he is concerned about voter fraud. And the way to counter that is to just have the margin of victory so big that it can…

*<CLIP> MUSK: … that it can exceed any sort of cheating that may take place. So we’ve gotta aim for just a massive margin. That’s the key.*

SCORING OUT

NOEL: What is an Elon Musk town hall like? This guy is a businessman, not a politician. And on top of that, if we're being honest, he's kind of odd, right? And so this is not like Mitt Romney holds a town hall. This, I imagine, is something a bit different. What's it been like being there?

TIM: I will say that in a previous life, I was a political reporter and I attended a lot of political events and a lot of campaign stops. And in a lot of ways, an Elon Musk political event is like a major politician. Hundreds of people would show up, line up, very excited to hear what he was going to say. But in some ways, it was less scripted and more authentic than you might hear from a typical Washington, DC politician.

*<CLIP> MUSK: I don’t actually have any… like, as you can see, there’s no teleprompter or anything. I’m just like, ‘what should I say next? I don’t know…’ <laughing> Um…*

TIM: People were very excited to talk about and hear about his business acumen, the things that he has done, but also hear how he might be involved in a Trump administration, how he might bring his strengths and his experiences to government.

*<CLIP> MUSK FAN: When you cut the government spending and you have a stack of all these deregulations, can you livestream on X and use Not-a-Flamethrower and burn that to the ground? <crowd cheers>*

TIM: You know, there's this idea that he's going to help reduce the size of government. He's going to slash spending. And I've heard from a lot of potential voters, a lot of voters at Elon's events excited at the prospect of Elon Musk taking his cost-cutting ways that we saw at Twitter-turned-X to government.

*<CLIP> MUSK: <duck up> Yeah. I think, I think – a, a, a, bon… a bonfire of nonsense regulations would be epic. Yeah. <cheering>*

TIM: There is some billionaire populism flowing through Elon Musk's veins, and his delivery and his seeming authenticity of the way he talks really appeals to a certain group of people. The question is, will that excitement and that enthusiasm translate into the voting booth? Will he get these young people in places like Pennsylvania to turn out for Trump? And that's, that's the gamble here. He is trying to bring his attention-getting capabilities to places like Pennsylvania and other battleground states to get out the vote for Donald Trump.

NOEL: And he's doing it in part with a lottery. Can you tell us about the lottery?

TIM: Well, this is an interesting thing – so I was in Harrisburg Saturday night when he surprised the audience.

AMBI IN   
 *<CLIP> MUSK: Hi everyone…*

TIM: There was more than a thousand people gathered at this modern church building to hear him talk. And he starts off his stump speech, typically goes for about ten minutes. But it was different this night. And, in fact, it was a little awkward to begin with because something does seem to be going on.

*<CLIP> MUSK: So … I have a surprise for you. Which is that we’re going to be awarding a million dollars, to, randomly, to people who have signed the petition, every day from now until the election. <crowd cheers>*

TIM: And so it started out… The effort started off in Pennsylvania, but has expanded to other battleground states that he's operating in. And the idea, according to Elon, is to put attention on his efforts to get people to sign this petition.

*<CLIP> MUSK: One of the challenges we’re having is like, ‘well, how do we get people to know about this petition?’ Because the legacy media won’t report on it. You know, not everyone’s on X. So I figure, how do we get people to know about it? Well, this news I think is gonna really fly. <crowd cheers> So…*

NOEL: What does the petition actually say?

TIM: It's very simple. It says basically you support the First Amendment and the Second Amendment. It's not, it's not lengthy. Though the big thing here is: it's part of his broader effort to get people to register. You have to be registered to vote to sign the petition. So in a lot of ways, you know, if you're on the fence or you didn't, you know, haven't been registered, you all of a sudden you have this kind of incentive to do it because, hey, you might win the lottery, the Elon lottery. But one of the big things here that Elon has been really vocal about is getting people signed up to vote in these places, trying to bring, you know, kind of a red wave come November.

NOEL: How many people have won the lottery? And do we know anything about them?

TIM: They tend to be Trump supporters. The most recent one was very excited:

*<CLIP> LATEST WINNER: Elon, thank you so much for everything that you’ve done to support free speech and stand up for the Constitution and everything that it stands for…*

TIM: In Harrisburg, the first guy that was called up, you know he seemed, you know, just tickled to death. <laughs>

*<CLIP> MUSK: So wait! Do you wanna say anything?   
WINNER: Yeah! Yeah! Thanks Elon, this is great. I’m really ecstatic. I wanna congratulate you on your rocket catch last week …*

NOEL: <laughs> I saw a great video. I – it was one of the other winners. It was a woman. And she got a big check! It was like Ed McMahon.

*<CLIP> WOMAN WINNER: Your wealth and responsibility you are using to save speech and we just all appreciate it, we really do. So, thank you so much <crowd cheers>*

NOEL: All right. So: question arises from the lottery, which is, hey, wait a second. Is this legal?

TIM: Well, that's a very good question <laughs> and one that there is not agreement on.

NOEL: Hmm!

TIM: Election law specialists are essentially divided about whether this $1 million giveaway is legal – since it's essentially providing an incentive *to* register to vote. Right. You know, so that might be the loophole. That might be the way that Elon gets – can do it, because you have to remember that it is a federal crime to pay people with the intention of inducing or rewarding them to cast a vote or get registered to vote. You know, so the nuance here could be that Elon is just giving this money for signing his petition. And, you know, in a lot of ways, it's kind of classic Elon Musk. You know, as a businessman, he is always kind of conducting himself in ways that are untraditional and people sometimes complain about it, and he figures out a way to do things that people say aren't possible or shouldn't be done the way they are being done. And that's kind of some of his magic.

NOEL: Now, I'm going to ask you, because you've been on the trail, you've been watching, you've been observing. Do you think that this stunt helps Donald Trump?

TIM: I can't say. Ultimately, the proof will be in the pudding, so to speak.

NOEL: Hmm.

TIM: You know, there's a lot of theatrics that are going on right now…

NOEL: Oh, yeah.

TIM: …and it's drawing attention to Trump. It's drawing attention to Elon Musk. And that can be a good thing. You know, I mentioned that I, you know, in my previous life was a political reporter. And I think about some of the lessons that I had as an early cub reporter in Iowa during the Iowa caucuses, chasing around Howard Dean…

NOEL: Hmmm!!

TIM: …who, as you recall, seemed like the guy who was going to win.

*<CLIP> HOWARD DEAN: And you know something? Not only are we going to New Hampshire, Tom Harkin, we’re going to South Carolina, and Oklahoma…. <duck>*

TIM: And it was in those final days that I was really impressed with so many people coming, so much enthusiasm around him. Except those people didn't caucus and John Kerry won.

*<CLIP> DEAN: <duck up> …And then we’re going to Washington DC to take back the White House! <Dean scream>*

TIM: And it's just a reminder that, you know, sometimes these surrogates, sometimes the people around the situation are super excited. But really, at the end of the day, it doesn't matter unless the people turn out and vote. And one of the things that's different here about Elon as a surrogate is that he is putting time and resources into that ground game and trying to turn people out to vote. So it's not just about creating excitement, it's also about turning that excitement into action. But still, at the end of the day, you know, you got to get the votes. And so we'll see if it really matters or if it really worked.

SCORING <A Doy>

NOEL: That was *The Wall Street Journal*’s Tim Higgins.

[BREAK]

[BUMPER]

NOEL: Today, Explained. We’re back and back to back and wall to wall with *The Wall Street Journal* today. Dana Mattioli is the *Journal*’s senior reporter on tech investigations…

DANA MATTIOLI (*Wall Street Journal* senior reporter): and I am the author of *The Everything War: Amazon’s Ruthless Quest to Own the World and Remake Corporate Power.*

NOEL: So the assumption is that Elon Musk with this lottery is trying to help Donald Trump. What is the thinking there? How could this help Trump?

DANA: Well, for one, this creates this media maelstrom.

*<CLIP> CNN: The world’s richest man has an idea to engage registered voters.. Cold hard cash.*

*<CLIP> NBCLA: He’s putting his money where his mouth is…*

*<CLIP> PBS NEWSHOUR, MINNESOTA GOVERNOR TIM WALZ: Elon’s on that stage jumpin’ around skippin’ like a dipshit on these things. You know it!*

DANA: It's all over the news. And this is great media for Donald Trump's campaign. So that's one thing at a time where both candidates are furiously fundraising to get on airwaves, to get on TV, to get on podcasts, right? So it's helpful in that way. Also, you know, what happens to the emails that are put into this petition, I'm sure they're being targeted with Trump rhetoric.

NOEL: He set up a super PAC to help Donald Trump. The lottery is part of that. It's called America PAC. Just to start, remind us what a PAC is exactly.

DANA: Yeah, a PAC is a political action committee. It's a way for donors to donate lots of money to election efforts for candidates. You know, for average citizens that are donating to a campaign, you tap out at a certain level of spending that you can't give more than a stated amount. For PACs you’re able to give much bigger sums. That's why you often see billionaires being part of these PACs. So Elon Musk started this over the spring.

SCORING <Starting to sink in - BMC>

DANA: He had a bunch of vendors to his house in Austin, and he told them that he wanted to create a red wave of voters for Donald Trump. And from there, he got some of his friends that are also wealthy people to donate money to get the PAC off the ground. But interestingly, at that time, he did not want to be the face of this PAC.

NOEL: Hm!

DANA: He got his wealthy friends to donate to it so that it could get up and running, but he didn't want to donate to it until after July 1st so that he wouldn't show up on the federal filings for the PAC over the summer. The goal of the PAC is mostly to get Trump reelected, but they are getting involved in some GOP down-ballot races as well. As of the most recent filings, Elon had contributed $75 million to it, which is an exorbitant sum. They also have other outside donors as well. But his, his portion of that is 75 million. So he, by and large, has funded most of the expenditures. And that's before they announced this, you know, million-dollar-a-day lottery, which he's funding as well, you know, which is pretty substantial in terms of spending, too.

SCORING OUT

NOEL: In what other ways – other than money – is Elon Musk supporting Donald Trump?

DANA: Well, Musk has one of the biggest microphones there is. This is a very well-respected CEO. He sort of has this rabid fan base, which is uncommon in corporate America. I think most average Americans couldn't name the CEO of General Electric or, you know, Exxon, but everyone knows Elon Musk. He's well-regarded, especially in the Valley. On X he's got 200 million followers. So he tweets several times a day. He's very prolific on his own website. He often is tweeting in support of Donald Trump. He often criticizes Kamala on the website. You know, over the summer, he hosted this town hall with Donald Trump that had millions of people tune in. So he's been a very vocal advocate for Trump. And also he's trying to convert a lot of his historically left-leaning Silicon Valley CEOs and VCs, over to Trump’s side. I think a lot of people saw legitimacy in backing Trump after Elon came out in support of him after that assassination attempt in Butler, Pennsylvania.

*<CLIP> CBS21, ELON MUSK: I have not been politically active before, and I’m politically active now because every instinct I have tells me this is a fork in the road of destiny.*

NOEL: Where else do we see Elon Musk's money in Republican politics?

DANA: Interestingly, behind the scenes, he's been this megadonor. At the Wall Street Journal, we were able to uncover a lot of the dark money that he's committed to Republican causes. We were able to learn that in 2022, for instance, so two years ago, he gave $50 million to a very incendiary ad campaign that ran right before the midterms.

*<CLIP> SKY NEWS AUSTRALIA, CITIZENS FOR SANITY AD: Stop the radical left wing love affair with criminals, stop the insanity!*

DANA: This was for an ad campaign run by a group called Citizens for Sanity that was backed by Stephen Miller, who, of course, was the Trump immigration czar during his first term. And these ads were a mystery to a lot of people. They were really explosive. They centered around really divisive issues like immigration and crime and, you know, transgender children, and we were able to find out that Elon was a big financial supporter of that. Also, interestingly, we were able to learn that in 2023, Musk secretly gave $10 million to Ron DeSantis and that was his first choice here. He was really all in on the DeSantis beforehand. So, you know, those are two areas that we've, we've seen him involved. We also saw him get involved in local races. We broke a story that Elon quietly funded a more moderate Democrat in the primaries for Austin's district attorney, because he thought the person who was running against him was too progressive and he didn't want the other person to win. So there's lots of ways that Elon has been secretly moving his money, and, you know, he hasn't wanted his name attached to it.

NOEL: Big money in politics is, for better or worse, a very natural part of American politics these days and has been for a while. People might say, well, Bill Gates and Warren Buffett, they, you know, they choose their candidates, too. What is different, if anything, about the way Elon Musk and his money are operating in this campaign?

DANA: I mean, that's right. This happens on both sides of the aisle. I mean, there's George Soros with the Democrats. The New York Times just broke that Bill Gates has given $50 million to Kamala's campaign behind the scenes also – and dark money is a very… <laughs> It's a very popular way that billionaires move their money. Because if you think about the CEOs of publicly-traded companies, it could be dicey to come out publicly in support of a candidate who then doesn't win. People might fear retribution from whoever does win. Or you might anger your workforce who might vote differently than how you come out. What's different here is that I think Elon has come out, <laughing> almost in a rabid way. You don't see Bill Gates getting on stage with Kamala, jumping up and down and going to rallies and doing stump speeches, holding court in Pennsylvania and doorknocking, right? Like what Elon's doing is above and beyond that. And mind you, this is a man that runs six companies.

NOEL: I mean, ostensibly, he shouldn't have time for this. Which makes one wonder what Elon Musk wants out of this. So Donald Trump has talked about him running something called a “government efficiency commission.” What is that?

DANA: This was something that they were spitballing during that X town hall over the summer.

*<CLIP> MUSK: I’d be happy to help out on such a commission if it were formed.*

*TRUMP: I’d love it. Well you, you’re the greatest cutter, I mean I look at what you do… you say... You want to quit?*

*MUSK: <laughs>*

*TRUMP: They go on strike.. I won’t mention the name of the company, but they go on strike and you say that’s ok you’re all gone, you’re all gone, so every one of you is gone, you are the greatest…oh you would love it.*

DANA: And Elon has said, and complained about all of the red tape in Washington, all of the waste at some of these government agencies. And he said that he'd be willing to help cut some of that, you know, if Trump were to be in office.

*<*[*CLIP*](https://www.youtube.com/watch?v=8ugENmbDL8k&t=677s)*> CBS21, MUSK: You know it’s sort of shocking, I think there’s something like 428 federal agencies. That’s almost 2 agencies per year since the founding of the country and more being created. And so I call this strangulation by over-regulation… and this is crazy. <crowd applauds>*

DANA: And we have seen him do this in other places. If you think about what he did when he acquired Twitter, immediately he did mass layoffs. He cut most people from Twitter to the point where people thought that the website would crash and just fail. And he was able to wring out efficiencies. And he ostensibly wants to apply that same sort of logic to government agencies where, you know, there's concerns about the deficit and overspending. And Elon does seem pretty interested in that since he's tweeted about it, he's spoken about it. This would probably be more of an informal role I’d Imagine, because if he were to have, you know, some sort of cabinet position, you have to liquidate your stock. And, you know… so I think there's only upside for Donald Trump having someone like Elon supporting him so vocally.

NOEL: Is there anything else within government that Elon Musk has indicated he might be interested in? Sometimes I think, does this guy want to be president? Well, he can't be president. He was not born in the United States. But when we look at what his ambitions are, he's still fairly young. He's got another generation if he's really interested in politics. Where do you think he might be heading?

DANA: I'm not sure if I could see him in a bureaucratic role.

*<CLIP> CNBC, MUSK: I have no problem being hated by the way. Hate away. <laughs>*

SCORING <In the basement, pensive - BMC>

DANA: But if you think about some of the things he's griped about, like government waste, it makes sense that this would be appealing to him, this efficiency role. You know, we reported back in May that Trump had floated to him an informal advisory role. So this has been in the works for some time.

*<CLIP> WFFA, TRUMP: Come on up here Elon! He created the first major American car company in generations and his ROCKET company is the only reason we can send astronauts to space. Take over Elon, just take over…<applause>*

NOEL: That was *The Wall Street Journal*’s Dana Mattioli. Today’s episode was produced by Victoria Chamberlin and Amanda Lewellyn, edited by Miranda Kennedy, fact-checked by Laura Bullard, and engineered by Patrick Boyd and Andrea Kristinsdottir.

I’m Noel King, It’s *Today Explained*.

[10 SECONDS OF SILENCE]