August 13, 2024 / The tech titans backing Trump

[HALF SECOND OF SILENCE]

[BILLBOARD]

NOEL KING (host): Coming up on *Today, Explained*. Elon Musk interviewed Donald Trump on X formerly-known-as Twitter Spaces last night.

SCORING <Tech Tonic – BMC>

NOEL: From Trump — there was nothing much new! Immigration. Crime. Inflation. That catty semi-defense of President Biden.

*<CLIP> FORMER PRESIDENT DONALD TRUMP: Say what you want, this was a coup! This was a coup of a president of the United States! He didn’t want to leave and they said we can do it the nice way or the hard way.   
X CEO ELON MUSK: They just took him out back behind the shed and basically shot him.*

NOEL: Nah, it’s actually ELON that has undergone an evolution.

*<CLIP> MUSK: I’ve not been very political before <scoff> I supported Obama. I stood in line for six hours to shake Obama’s hand when he was, when he was running for President. And so it’s not like I’m some sort of dyed-in-the-wool, long-term Republican. <fade>*

NOEL: Both campaigns want Silicon Valley’s support - and money. Historically it has gone to the Democrats. But this year Musk is at the vanguard of a shift in the Valley’s values - and some tech titans are Trump-curious.

*<CLIP> TRUMP: I always did think of you as somewhat left. So it’s even more of an honor to have your endorsement.*

[THEME]

*<CLIP> “24” THEME + AMANDA’S DAD: Explained. 2024, explained.*

NOEL: Emily Glazer is with us. She’s a reporter at *The Wall Street Journal.*

EMILY GLAZER (*Wall Street Journal* reporter): Hilariously, what I do changes a lot each day. I write about people in power and those that have great influence and wealth. And so a lot of that has been about Elon Musk…

NOEL: Mm.

EMILY: …in recent years. But I've also kind of thought about how the money world applies to politics a lot. It's something I wrote about in 2020 and is super relevant these days, too.

NOEL: Silicon Valley will pour money into this election, as you’ve reported. The question is: who will it go to? Let’s start with the Dems and Kamala Harris.

EMILY: So let's go back in time a little bit.

SCORING <#5 Oakland>

EMILY: Kamala Harris brings this home court advantage in a way, to California and Silicon Valley.

*<CLIP> VICE PRESIDENT KAMALA HARRIS: Cuz think: two middle class kids. One, a daughter of Oakland, California… <crowd goes crazy>*

EMILY: Her ties really began during the time she spent mingling with San Francisco's tech community when she was San Francisco district attorney, and that was between 2004 and 2010. So when she became the presumptive Democratic nominee, you better believe that people, you know, got off their seats and the money began pouring in for her and the very vocal endorsements.

NOEL: Hm.

EMILY: So we've got folks like LinkedIn co-founder Reid Hoffman. Within minutes of Biden exiting the race, he was all in on Kamala.

*<CLIP> LINKEDIN CO-FOUNDER REID HOFFMAN: Well, I was already a great supporter of the Biden-Harris ticket. I’m continuing those efforts and redoubling them. Cuz I’d already maxed out to Biden-Harris. Am I allowed to put in more money <laughs> to Harris?*

EMILY: Ron Conway, who is like *the* venture capitalist. Many people follow his view on politics. He endorsed Harris, you know, right away. And we've seen that even travel through to recent days where this group, you know, “VCs for Kamala,” raised $150,000 on a Zoom fundraiser. So it goes from the top, top, top wealthy people to others working in the industry.

SCORING OUT

NOEL: You mention – of course – Kamala Harris has very deep roots in the Bay area. If we were to look specifically about how those local connections are turning out to help her, or might turn out to help her. What are we looking at here?

EMILY: Well, Kamala Harris, you know, she lives now when she's not in Washington, D.C. she lives in Los Angeles with her husband, Doug Emhoff. And she just has a number of people that have been very longtime supporters of hers. I talked to several donors that have backed her, you know, when she was attorney general of California.

*<CLIP> HARRIS, “MORNING JOE”: You know, I believe in that old adage, ‘So goes California, so goes the rest of the country,’ so in that way you know we have Silicon Valley, we have produced great things that have changed the way that America lives <fade>*

EMILY: Of course, she was senator of California. So she’s just spent decades of her political career in California. Doesn't mean that all of those people agree with every single policy she has. And in fact, I think, you know, she isn't necessarily this, like, super pro-business candidate. But there are a lot of people that have interacted with her over the years. I was chatting with, with a CEO of a cloud company the other day that is very vocally, you know, pro- Kamala. And even they said, oh, you know, we had a fundraiser for her like a decade ago before her senator days.

NOEL: Hmm.

EMILY: So I think you can't really wipe away someone's history or roots or time spent in a state. And that undoubtedly would help them if, you know, they've got a bunch of supporters and it's a left-leaning area to begin with.

NOEL: She has a brother in law who works for Uber…

EMILY: Mmm.

NOEL: …but who has taken some time to work for the campaign? Right?

EMILY: Tony West. And so Tony West used to work in the Department of Justice. So, you know, he does have government experience as well. He is the husband of Kamala’s sister Maya. And he is taking time off to advise on the campaign. There's always questions around having family members, you know, advise with the campaign and what that could mean if she should win the White House. So I think there's a little bit of, like, ruffled feathers around that. And also Uber, you know, as a major tech company, has gone through a lot of litigation.

NOEL: Hm.

EMILY: He had some big wins around how, you know, the gig economy is paid, how their workers – or, I should say, how their *drivers* – are paid.

*<CLIP> ABC7: California voters appear to have approved Proposition 22. Now this means app-based drivers in the state will likely be able to remain as independent contractors instead of employees. <fade under>*

EMILY: They've had some big wins on that that I think some Democrats in the state really did not agree with Uber's opinion. They've done a lot of lobbying that has angered some people.

*<CLIP> UBER DRIVER: So it’s not just about threatening the drivers anymore. They’re actually threatening the passengers by saying that, ‘if we have to pay our drivers a fair wage, we’re gonna shut down operations in all of California…’ <fade under>*

EMILY: So, you know, I think like, like a number of candidates, they're always people that have views on who their advisors are, and they're definitely people that are super pro Tony West and think he's very smart. And they emphasize that he hasn't only worked at Uber as their general counsel. And then there are others that kind of feel like he's part of the big bad tech, you know, community that isn't always the most sympathetic or empathetic to the average worker or particularly gig workers, which is very potent and present in California.

NOEL: What does Silicon Valley like about Harris's policies?

EMILY: So we are waiting to find out more about exactly what her policies are. I'm actually gonna start there because I think that, what I have heard from CEOs, from big supporters, are what they are looking for and what they're hopeful for, but we don't know exactly what they are just yet. And obviously, this all happened very quickly. But what I think they are hopeful for is: good policies on immigration, so that if workers are coming over from outside of the U.S., particularly high skilled workers, where especially there's a lot of engineers that tend to come from outside the U.S. and are really clutch talent for major tech companies, big and small. They're hoping to have some good policy on that. There is such a desire to have what I think a lot of people refer to as “smart” artificial intelligence regulation.

NOEL: Mmm.

EMILY: I think some folks would consider that to mean light artificial intelligence regulation. <laughing>

NOEL: Mm. Yes. Almost certainly. <laughing>

EMILY: Especially because we've already seen regulations come down in Europe. Right now in the U.S., there's a White House executive order, but there really isn't too much. And that's a big, big question mark. And notably, they are hoping for a much lighter touch for antitrust regulation under the Biden administration. The Federal Trade Commission, led by Lina Khan and the DOJ, have really had a very aggressive stance on antitrust, and that has blocked a number of deals from going through. And so it's not just the tech community. The business community at large is really hoping that that could change under a potential Harris administration.

NOEL: There are a lot of areas where her politics line up with Silicon Valley's politics. What are the areas that she may still need to convince the tech sector on?

EMILY: Taxes. You know…

NOEL: Mm. Mm.

EMILY: …I think that Trump has been very vocal and, look, during his administration, he lowered the corporate tax rate. So, a lot of business people really have enjoyed that and reaped the rewards from that. So we'll see where Harris comes in on taxes. And crypto, of course, there's so many questions about what is the future of cryptocurrency regulation. Under the Biden administration, the Securities and Exchange Commission, led by Gary Gensler, has been extremely tough on crypto regulation. So tough, in fact, that a number of people have said that they really became more anti-Biden and looking for another candidate to support because they felt crushed; that their business was crushed.

NOEL: Mm.

*<CLIP> TRUMP: On day one, I will fire Gary Gensler <crowd ERUPTS> woah!*

EMILY: I think it's kind of clear where tech executives and loud voices in tech are frustrated. Antitrust regulation, cryptocurrency regulation and questions around AI regulation are big ones. And then, you know, we'll see how she rolls out policies in her platform that may be similar or different to what we're seeing now. I just don't think we should expect, like, a total 180 because she is the vice president right now. It's not like she's not *in* this administration.

NOEL: All right. So to read a lot of the news over the past week or so, one might get the misimpression that everybody loves Kamala Harris. Does everyone in Silicon Valley like Kamala Harris?

EMILY: No. No they don't.

SCORING <Skave Boogie>

EMILY: We've seen this remarkable shift. It's not huge yet, but there are a lot of loud voices that are pro-Trump. And one in particular that has a lot of weight is Elon Musk. And that has kind of led to this much more vocal shift with some people in the tech community really going all in for Trump. And that is a pretty big change in what we've seen before from such a left-leaning part of the country.

NOEL: Emily Glazer, *Wall Street Journal*. Coming up, we're going to talk about Elon Musk and Donald Trump and the Republicans writ large. Emily, thanks so much.

EMILY: Thank you.

SCORING BUMP

[BREAK]

[BUMPER]

*<CLIP> TEX SR. PRODUCER AVISHAY ARTSY: You’re listening to Today, Explained.*

NOEL: All right, Emily, in the first half of the show, you told us that leading tech bro Elon Musk has found himself very compelled by Donald Trump. And Elon Musk is nothing, weirdly, if not influential. Tell me about the faction that is moving toward Trump and what is motivating them.

EMILY: So there is a group, you know, in theory led by Elon Musk, I think because he's at times the wealthiest person in the world. But a lot of his close associates are very active in this as well. And they have created a political action committee, the America PAC. It's relatively new. And it's not just Elon Musk who's behind it. It's tech investor Joe Lonsdale, tech investor David Sacks, Antonio Gracias, a former Tesla board member and current SpaceX board member, the investor Kenneth Howery, Sequoia Capital Partners, Shaun Maguire and Doug Leone, both – Sequoia is a huge investor in a lot of Elon Musk's company, so there's a lot of people that are listed on this Federal Election Commission filing for the PAC that are very close to Elon, and they've raised an enormous amount of money already – millions that have been reported. But *The Wall Street Journal* has reported, you know, an article I worked on with my colleagues, that Musk has privately said he plans to commit around $45 million a month to this super PAC. So it has some big names, but it also has some really big money, too. I will say that Musk posted on X a meme in response to our article with the caption “fake GNUs”. <laughs> And he later said on X that he had created a PAC and that funding to date has been far below that level. But we stand by our reporting. You know, that is what we had heard, and we're continuing to actively report on this political action committee and what kind of money is behind it.

NOEL: What are these folks – these *men* – what do they see in Donald Trump? What do they like about him?

EMILY: In many ways, I think what they like about Donald Trump is what they don't like about the Biden administration.

SCORING <Pay No Attention>

EMILY: For example, we've talked about the cryptocurrency regulation under Biden. They want much lighter regulation and are hoping that a potential Trump administration could bring them that.

*<CLIP> TRUMP: I pledge to the Bitcoin community that the day I take the oath of office, Joe Biden and Kamala Harris’ anti-crypto crusade will be over. It will end. It’ll be done. It’ll be done. <crowd cheers>*

EMILY: They want a major change in antitrust regulation. They do not – most of them – do not like Lina Khan.

*<CLIP> PETER THIEL: If I had to defend Google, I would still say that – it’s still better run, even in its silly woke way, even in a slightly troll-like toll-collecting way, than whatever completely destructive path Lina Khan would have for the company…*

EMILY: They're also hoping for very light AI regulation, since there's a lot of potential around how that is shaped, you know, in the coming years, the coming months. And some of them, this is all about social issues. Elon Musk is known for calling things kind of the woke mind virus…

*<CLIP> MUSK, “JOE ROGAN”: And the outcome of that mind virus is very clear if you walk around the streets of San Francisco: it is the end of civilization.*

EMILY: And I would also say for some of them, it – they're one-issue voters, they really are pro-Israel. And they think that under a Trump – potential Trump administration, it would be much more pro-Israel than, than where the Biden administration is right now. So I would say it's a mix of a lot. But for many of these people, it does come down to business. It does come down to money, and they want lighter regulation.

SCORING OUT

NOEL: Donald Trump has expressed anti-big tech sentiments in the past. Has that meant anything for his relationship with Silicon Valley? Does it matter anymore?

EMILY: I think there's a lot of things that Donald Trump has said in the past that he switched on after…

NOEL: Hmmm.

EMILY: …which, by the way, a lot of politicians do on the left *and* the right.

NOEL: Yeah.

EMILY: These days he is completely embracing Elon Musk's endorsement of him. To go back in time a little bit, Trump had the assassination attempt. It was on a Saturday night, and we and others had been reporting about the deepening ties between Musk and Trump. You know, they went from trading barbs in 2022…

*<CLIP> TRUMP, 2022: ELON! … is not gonna buy Twitter. Nah, he’s got himself a mess. You know, he said the other day, ‘Oh, I’ve never voted for a Republican.’ I said, ‘I didn’t know that.’ He told me he voted for me. <crowd laughs> So he’s another bullshit artist. So he’s not gonna be buying it.*

*<CLIP> MSNBC: Musk recently tweeting, ‘I don’t hate the man, but it’s time for Trump to hang up his hat and sail into the sunset.’*

EMILY: And then this assassination attempt happened. And pretty soon after, Elon Musk very vocally endorsed Donald Trump on Twitter, and then after that, it's been like the floodgates were open. And Elon Musk has been very, very, pro-Trump and complimentary of him since that moment. It wasn't just like the teasing and kind of flirting with the idea that Musk had done before.

NOEL: Go back in time for me a bit. And let's talk about how Musk has evolved on this.

EMILY: So Elon Musk, you know, he had donated to both Democrats and Republicans in the past. We did an analysis of Federal Election Commission data. That's where you can see where individuals are donating. And that's what we would call hard money. So where you could see it reported as opposed to soft money, which often is a little bit harder to track. Elon Musk had given to both Democrats and Republicans over the years. And so he gave a lot to Obama. And under the Obama administration, that was when Space-x was really, you know, becoming a bigger and more important player in the space industry.

*<CLIP> NBC: On Thursday, he was on hand at Cape Canaveral to greet the president and show off his Falcon 9 rocket.*

*<CLIP> FORMER PRESIDENT BARACK OBAMA: Well, congratulations. This is terrific.   
MUSK: Thank you very much.   
OBAMA: How’s the car doing?   
MUSK: It’s doing great, actually!*

EMILY: And so, I think a lot of that changed a couple of years ago where he said that he was more of a Republican and, would be voting that way in the 2022 midterms. And, you know, his politics more publicly had started to shift.

*<CLIP> MUSK: So here we are at Eagle Pass, and we’re going to be meeting with the major officials and law enforcement responsible for the border and… <fade>*

EMILY: I would say that changed even more in the last 6 to 12 months. In March, there were reports that Elon Musk had met with Donald Trump. We know this was at Nelson Peltz’s oceanfront compound in Palm Beach, and that there were a number of pro-Trump supporters there. It was a pretty casual breakfast gathering. But Elon Musk brought one of his children, and Donald Trump's younger son, Barron, was there. So it was a bit of, like, a family affair, too. And, and from there, I felt like it was a little bit of like off to the races. And we had also reported that in May that there had been some informal conversations between Musk and Trump, that Musk could have some kind of advisory role should Donald Trump get reelected. And we knew that they were talking, and Musk would call Trump directly on his cell phone. And even though at that point Musk had publicly said he wasn't donating to either side, there was already this kind of feeling that he was becoming more and more pro-Trump and more and more anti-Biden.

NOEL: Did something happen between Elon Musk and Joe Biden?

EMILY: Several things happened.

NOEL: Huh.

EMILY: But, we reported a few weeks ago how there really was this break in their rapport, which I think kind of catapulted Musk toward the right. And a lot of that is rooted in how the Biden administration, and particularly Joe Biden, snubbed Elon Musk when it came to electric vehicles. There was this EV gathering in August 2021. You know, really large car companies were there: Ford, GM, the Chrysler parent company Stellantis. And notably absent was Tesla. Even though Tesla had been producing the most electric vehicles in the United States. And Elon Musk was pissed.

*<CLIP> MUSK: Then, Biden went on to add insult to injury, and publicly said that GM was leading the electric car revolution. This was in the same quarter that Tesla made 300,000 electric cars and GM made 26. <crowd titters> Does that seem fair to you?*

EMILY: The Biden team did try to smooth things over. They had advisors reach out to Elon's people. Some of these advisors even reached out to Elon himself. But it didn't really improve much from there. And so there's like a lot of reasons why Elon Musk has shifted away from Democrats. But with Biden in particular, I do think it goes down to the, the way he was treated around EVs.

NOEL: What – Other than money, what does support from Elon Musk and the rest in Silicon Valley who are pro-Trump or Trump-curious? What does it look like?

EMILY: Well, I think that part of their support and it's grown even more is that Trump named JD Vance his vice presidential pick. And JD Vance is someone that worked briefly but still worked as a venture capitalist under Peter Thiel, who for quite some time was like the only really big name in Silicon Valley who was a Republican. And so I think that, you know, going back to June, David Sacks co-hosted this fundraiser for Trump in San Francisco. And you've got JD Vance speaking, you know, unscripted at David Sacks’s home there and kind of alluding to lighter AI regulation. He's kind of speaking and preaching to the, you know, an audience that was really just eating up everything that he was saying. And so I think that a lot of people that were already pro-Trump or already anti Biden really cheered JD Vance on that VP ticket. So I think that's something that they're also thinking about when it comes to Donald Trump's reelection campaign as well.

NOEL: Let's close out by talking big picture. Why does a rightward shift – including some powerful people, but not including everyone – Why does the right word shift in Silicon Valley matter? Does it indicate anything bigger about what's going on in tech or in the world more broadly?

EMILY: It can. But I also think we shouldn't overstate this shift. You know, there's a small number of very loud voices that are behind Trump's reelection campaign, and you can't ignore them. It's definitely there. There's definitely a movement. But when I've talked to different people in tech, for the people who are kind of the soldiers in the field, the engineers working day to day – who still might be like, very wealthy compared to the rest of the country – I don't think that it's something where they can scream and shout from their rooftops that they support Donald Trump. It's kind of this still somewhat insular community in Silicon Valley. And, you know, with Kamala Harris getting this really big start, the big question that I have heard from a lot of people is what happens after Labor Day. There's this honeymoon phase that a lot of Democrats are in right now. There's been this massive fundraising haul for Harris. You know, a lot of excitement around the VP pick. The Democratic convention is going to be happening soon, but it's going to quiet down after that. And there still is a lot of support for Donald Trump and JD Vance. And so it's one of those things where we're gonna have to see how this all plays out in the fall.

SCORING <Bang Lime>

NOEL: Emily Glazer of *The Wall Street Journal*. This was great. Thank you so much for taking the time, Emily.

EMILY: Thank you.

NOEL: Today’s episode was produced by Amanda Lewellyn and edited by Amina al-Sadi. It was 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]