DOGE loses its biggest advocate as Musk exits Washington

The tech mogul's public pullback will come as relief to some Cabinet officials.

ву Sophia Cai, Rachael Bade and Paul McLeary POLITICO

Elon Musk's claim that his job in Washington is "mostly done" may calm Tesla shareholders — but his departure could sap the Department of Government Efficiency of its disruptive energy even as it continues to make major cuts to the federal workforce.

In an effort to reassure rattled Tesla shareholders after a bruising first-quarter earnings call, Musk told investors this week that his around-the-clock involvement in DOGE will soon be scaled back to just a day or two per week.

The message to the markets was clear: Musk is refocusing on his companies. But his public exit from Washington also leaves DOGE without a clear driver, potentially defanging a group that spent the first 100 days of Trump's second term tearing through agencies with nearly unlimited momentum. Without Musk's constant hovering around President Donald Trump, DOGE may not have the same firepower it once did and agency heads could now have more authority to run their agencies and implement cost-cutting efforts at their own speed.

For months, Musk's physical presence at the White House and attendance at Cabinet meetings served as both sword and shield — giving cover to DOGE staffers, intimidating holdouts, and demanding that the operation move forward at a breakneck speed. "It is rare to have a Cabinet-level secretary pushing for you operationally and politically," said a Trump official, who, like others in this report, was granted anonymity to speak freely.

And for a long time, a lot of people in the White House weren't sure how to talk to Musk when DOGE took drastic actions like demanding the "five things" emails from federal employees justifying their jobs or moving to make cuts so deep that they could hurt Trump politically, such as <u>reductions to the Social Security</u>

<u>Administration's</u> operations <u>or firing veterans</u>. White House officials felt that only Trump could say no to Musk.

"How do you tell the world's richest man to stop and get in line?" a different White House official said last month.

But when Musk takes a step back, the same reluctance to counter the billionaire tech mogul will not extend to DOGE staff, many of whom are now embedded across agencies and serve at the pleasure of agency heads. Already, senior White House officials have taken steps to curb DOGE's reach, leading the charge to get Musk to drop his goal of cutting \$1 trillion to only \$150 billion for fear of cutting too close to the bone.

In terms of day to day operations, insiders say Musk's reduced involvement won't dramatically alter how DOGE operates at least on paper. "This won't be a big change from the current situation," one senior Trump administration official close to the effort said, "because Musk is doing a lot already and [DOGE staff] already try to catch him at specific times."

The operation that Musk has built has now burrowed into nearly every corner of the executive branch, with most DOGE staffers serving at agencies as political appointees without a time limit on their employment. Others are based out of the General Services Administration, now a DOGE nerve center led by software entrepreneur and Musk ally Stephen Ehikian, continuing a quiet but steady purge of small, independent agencies. (Just this week, it began shutting.down.the.300-person Millenium Challenge Corporation.)

Musk's lieutenants, Antonio Gracias and Steve Davis, remain involved in leading the initiative, giving pointers to DOGE staff embedded across agencies as they continue to help execute the reductions in force, an ongoing months-long process.

DOGE's original mandate — reduce waste and fraud — has since extended far beyond simply cost-cutting. DOGE has been heavily involved in other Trump administration priorities, like immigration data collection for mass deportation planning, Trump's shipbuilding agenda, and even the implementation of \$5 million per piece "Gold Card" visas, according to five people familiar with DOGE's movements.

Still, Musk's public pullback will come as relief to some Cabinet officials who have had tensions with the billionaire and DOGE around the personnel cuts.

Indeed, senior administration officials were not surprised by Musk's announcement on the Tesla call. One, who is a big fan of Musk, said it's become increasingly clear in recent days that the tech tycoon is souring on Washington. His frustration with the lack of control is palpable, the person said — as he's used to getting his way and making the final calls with his businesses.

Instead, Musk has seen his influence waning and has been brought to heel by other Cabinet secretaries and people in the White House in recent months, as the insistence on coordinating their efforts has slowed his break-neck speed.

Treasury Secretary Scott Bessent wrangled control back from DOGE last week by <u>firing DOGE staffer Gavin Kliger</u> and installing a new IRS commissioner last week. IRS firings which were expected to begin last week and go out on a biweekly basis still have not materialized.

That most recent run-in with Bessent in the White House, <u>first reported by Axios</u>, has only seemed to make him more Washington wary, the senior officials mentioned above added.

At the Department of Defense, Secretary Pete Hegseth has publicly praised DOGE's work but expressed unease privately about early plans to potentially cut tens of thousands of civilian personnel, one person familiar with the private conversations said. DOGE staffers have been in the building for weeks and have set up shop in the Navy's offices, where they're taking a new look at the service's troubled shipbuilding efforts and preparing recommendations for what new programs the service should cut and which it should keep developing, according to a second official.

When asked to respond, a senior defense official said that Hegseth is "leading several initiatives to meet the president's intent, to include removing DEI from the department and reviewing fitness and training standards across the services," among other things.

Transportation Secretary Sean Duffy struck a defiant tone earlier this month during a visit to the FAA Tech Center in New Jersey: "When I think of DOGE cutting things, I don't know about that elsewhere, but we actually build things here," he said. "You can't cut your way to a new road. You can't cut your way to a new bridge. You can't cut your way into a new air traffic control system."

Even as Musk promises to scale back his involvement, there are no signs that he'll completely disengage. Far from it — White House officials say he and Trump have such a strong personal friendship that he's expected to be in Washington at least once a week.

At his other companies, he had a habit of requesting and attending weekly meetings for ongoing projects, weighing in with his ideas and granular feedback. He attended weekly brainstorming sessions for Tesla's Optimus robot and received weekly updates on America PAC's voter contact metrics during the presidential campaign.

"I think I'll continue to spend a day or two per week on government matters for as long as the president would like me to do and as long as it is useful," Musk said on the earnings call.