Why Musk failed and flopped

For all the turmoil he and DOGE have engendered, they haven't been able to keep federal spending from soaring.

By Jeff Jacoby

Not even the wealthiest man in the world, it turns out, can get the federal government to stop spending so much money.

At a Donald Trump rally in New York City shortly before the election last fall, Elon Musk confidently forecast that the cost-cutting operation he was preparing to lead in a new administration — the Department of Government Efficiency — would slash "at least" $2 trillion in government spending, more than enough to eliminate the entire deficit in the current federal budget.

By early January, Musk was no longer quite so cocksure. A reduction of $2 trillion, he said, would be the "best-case outcome." In March, he told an interviewer that DOGE would deliver $1 trillion in spending cuts by the end of May. By the time he attended Trump's April 10 Cabinet meeting, Musk said he was anticipating savings of only $150 billion.

According to the headline number on the DOGE website, meanwhile, Musk's operation has achieved "estimated savings" of $170 billion from "asset sales,

contract/lease cancellations and renegotiations, fraud and improper payment deletion, grant cancellations, interest savings, programmatic changes, regulatory savings, and workforce reductions." Yet the fine print on the same web page, in what DOGE calls its "Wall of Receipts," lists only a paltry $71 billion in spending reductions.

Advertisement

And even that modest level of success is belied by the Treasury Department's monthly tally of federal outlays. As Jessica Riedl, a budget expert at the Manhattan Institute, points out, any actual spending reductions achieved by DOGE should be reflected in Treasury's authoritative spending data.

Advertisement

But they aren't.

"Total federal outlays in February and March were $86 billion (or 7 percent) *higher* than the levels from the same months a year ago," Riedl reports.

Spending under Trump and Musk, in other words, is on pace to increase by $500 billion in the administration's first year.

News outlets have been emphasizing DOGE's aggressive moves to downsize the federal workforce and shut down agencies and programs the White House disapproves of. But for all the attention they have gotten, Musk and his operatives haven't touched the main drivers of federal spending: Social Security, Medicare, Medicaid, the military, veterans' benefits, and interest on the national debt.

Together, those account for three-quarters of the federal budget, and DOGE couldn't lay a finger on them.

Similarly, far from plugging the deficit spending of recent years, the White House is overseeing a *surge* in the flow of red ink.

"The federal budget deficit totaled $1.1 trillion in the first seven months of fiscal year 2025," the Congressional Budget Office reported on May 8. According to CBO, while revenues in current fiscal year have risen by $146 billion, outlays have risen by $342 billion. Musk may be a visionary who has revolutionized the electric vehicle and space industries, but not even he can shrink the federal budget while spending keeps going up.

It is true that DOGE has forced a large reduction in the federal workforce, with at least 121,000 workers having been (or scheduled to be) laid off, according to a CNN

analysis. But the entire civilian payroll of the US government, including wages and benefits, adds up to just $336 billion. That is less than 5 percent of federal spending. DOGE could have fired *everyone*, in theory, and more than 95 percent of government outlays would remain untouched.

Advertisement

"DOGE has hollowed out or shut down 11 federal agencies and says it has terminated more than 8,500 contracts and 10,000 grants," Politico reports breathlessly. "It has wiped out foreign aid and volunteerism in the U.S., slashed education spending, and made sweeping changes to the way the government makes procurements, hires contractors, and shares data." Politico might be overstating the case — even with cuts to AmeriCorps, for example, volunteerism in America is robust — and its summary might be colored by DOGE's cancellation of $8 million in Politico subscriptions.

But the bottom line is that for all the turmoil DOGE has engendered since Jan. 20, it has done nothing to improve the fiscal outlook of the US government. It has not curbed the entitlement spending that is driving the federal establishment deeper and deeper into debt. It has not made a dent in the vast amount of money the government annually loses to fraud and abuse — as much as $521 billion, the Biden administration estimated last year. It has not clawed back any of the improper

payments disbursed by Medicare and Medicaid, which amounted to $101 billion in 2023.

Despite Musk's bromance with Trump, he has plainly been unable to make the president see that as long as Social Security, Medicare, and the other so-called "mandatory" spending programs are treated as untouchable, deficit spending will continue to soar. Nor has he been able to persuade Republicans in Congress to take the issue seriously.

Advertisement

To his credit, Musk now acknowledges that his early confidence that he could singlehandedly squeeze a trillion dollars or more from the federal budget was naive.

"You know, it's really difficult," he told reporters on April 30. "It's sort of, how much pain … are the Cabinet and is Congress willing to take?" If lawmakers won't rein in spending, Musk has learned, nothing DOGE does will make a difference. And there is no indication of "sufficient political will in Congress anNot even the wealthiest man in the world, it turns out, can get the federal government to stop spending so much money.

At a Donald Trump rally in New York City shortly before the election last fall, Elon Musk confidently forecast that the cost-cutting operation he was preparing to lead

in a new administration — the Department of Government Efficiency — would slash "at least" $2 trillion in government spending, more than enough to eliminate the entire deficit in the current federal budget.

By early January, Musk was no longer quite so cocksure. A reduction of $2 trillion, he said, would be the "best-case outcome." In March, he told an interviewer that DOGE would deliver $1 trillion in spending cuts by the end of May. By the time he attended Trump's April 10 Cabinet meeting, Musk said he was anticipating savings of only $150 billion.

Get The Gavel

A weekly SCOTUS explainer newsletter by columnist Kimberly Atkins Stohr.

Enter Email

example@email.com

Sign Up

According to the headline number on the DOGE website, meanwhile, Musk's operation has achieved "estimated savings" of $170 billion from "asset sales, contract/lease cancellations and renegotiations, fraud and improper payment deletion, grant cancellations, interest savings, programmatic changes, regulatory

savings, and workforce reductions." Yet the fine print on the same web page, in what DOGE calls its "Wall of Receipts," lists only a paltry $71 billion in spending reductions.

Advertisement

And even that modest level of success is belied by the Treasury Department's monthly tally of federal outlays. As Jessica Riedl, a budget expert at the Manhattan Institute, points out, any actual spending reductions achieved by DOGE should be reflected in Treasury's authoritative spending data.

Advertisement

But they aren't.

"Total federal outlays in February and March were $86 billion (or 7 percent) higher than the levels from the same months a year ago," Riedl reports.

Spending under Trump and Musk, in other words, is on pace to increase by $500 billion in the administration's first year.

News outlets have been emphasizing DOGE's aggressive moves to downsize the federal workforce and shut down agencies and programs the White House disapproves of. But for all the attention they have gotten, Musk and his operatives

haven't touched the main drivers of federal spending: Social Security, Medicare, Medicaid, the military, veterans' benefits, and interest on the national debt.

Together, those account for three-quarters of the federal budget, and DOGE couldn't lay a finger on them.

Similarly, far from plugging the deficit spending of recent years, the White House is overseeing a surge in the flow of red ink.

"The federal budget deficit totaled $1.1 trillion in the first seven months of fiscal year 2025," the Congressional Budget Office reported on May 8. According to CBO, while revenues in current fiscal year have risen by $146 billion, outlays have risen by $342 billion. Musk may be a visionary who has revolutionized the electric vehicle and space industries, but not even he can shrink the federal budget while spending keeps going up.

It is true that DOGE has forced a large reduction in the federal workforce, with at least 121,000 workers having been (or scheduled to be) laid off, according to a CNN analysis. But the entire civilian payroll of the US government, including wages and benefits, adds up to just $336 billion. That is less than 5 percent of federal spending. DOGE could have fired everyone, in theory, and more than 95 percent of government outlays would remain untouched.

Advertisement

“DOGE has hollowed out or shut down 11 federal agencies and says it has terminated more than 8,500 contracts and 10,000 grants,” Politico reports breathlessly. “It has wiped out foreign aid and volunteerism in the U.S., slashed education spending, and made sweeping changes to the way the government makes procurements, hires contractors, and shares data.” Politico might be overstating the case — even with cuts to AmeriCorps, for example, volunteerism in America is robust — and its summary might be colored by DOGE‘s cancellation of $8 million in Politico subscriptions.

But the bottom line is that for all the turmoil DOGE has engendered since Jan. 20, it has done nothing to improve the fiscal outlook of the US government. It has not curbed the entitlement spending that is driving the federal establishment deeper and deeper into debt. It has not made a dent in the vast amount of money the government annually loses to fraud and abuse — as much as $521 billion, the Biden administration estimated last year. It has not clawed back any of the improper payments disbursed by Medicare and Medicaid, which amounted to $101 billion in 2023.

Despite Musk’s bromance with Trump, he has plainly been unable to make the president see that as long as Social Security, Medicare, and the other so-called “mandatory” spending programs are treated as untouchable, deficit spending will continue to soar. Nor has he been able to persuade Republicans in Congress to take the issue seriously.

Advertisement

To his credit, Musk now acknowledges that his early confidence that he could singlehandedly squeeze a trillion dollars or more from the federal budget was naive.

“You know, it’s really difficult,” he told reporters on April 30. “It’s sort of, how much pain … are the Cabinet and is Congress willing to take?” If lawmakers won’t rein in spending, Musk has learned, nothing DOGE does will make a difference. And there is no indication of “sufficient political will in Congress and elsewhere to actually do that.”

Republicans spent much of the last four years lambasting Biden and congressional Democrats for driving spending into the stratosphere. They vowed in their 2024 party platform to “immediately stabilize the economy by slashing wasteful government spending.”

That’s a promise the GOP always makes when it’s out of power and never keeps when it regains control. Perhaps Musk imagined that he and DOGE would be the ones to finally break that pattern and force federal spending to retreat. He knows better now.d elsewhere to actually do that.”

Republicans spent much of the last four years lambasting Biden and congressional Democrats for driving spending into the stratosphere. They vowed in their 2024

party platform to “immediately stabilize the economy by slashing wasteful government spending.”

That’s a promise the GOP always makes when it’s out of power and never keeps when it regains control. Perhaps Musk imagined that he and DOGE would be the ones to finally break that pattern and force federal spending to retreat. He knows better now.