

A photograph of Elon Musk speaking into a microphone, overlaid with a semi-transparent blue filter. He is wearing a dark suit jacket over a light-colored shirt. The background is dark and out of focus.

DISCUSSION PAPER

Technofeudal Lord: Elon Musk and the Rise of a New Digital Empire

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Introduction

The concept of "Technofeudalism" was introduced by economist and politician Yanis Varoufakis to critique the evolution of the modern capitalist economy under the influence of major technology corporations. It describes a system where tech giants like Google, Amazon, and Facebook amass enormous wealth and power, while treating their users like modern-day serfs, essentially establishing a new form of feudalism (Varoufakis, 2024).

In this system, a small number of companies control vast sectors of society, from economic power to information dissemination, creating a new social hierarchy. People, in turn, become increasingly dependent on these corporations for employment, goods, services, and information—similar to how serfs were dependent on lords in feudal society.

Varoufakis' "Technofeudalism" emphasises how these tech corporations have adopted quasi-feudal roles, influencing social structures and mechanisms of control. This idea has gained traction among scholars and critics exploring the intersection of big tech, capitalism, and social inequality.

Elon Musk, often regarded as a "Technofeudal lord," has steadily grown in influence on the global

political stage. His involvement spans U.S. politics, a role at the Department of Government Efficiency, and his outspoken views on European political issues.

While Musk is hailed by some quarters as a "visionary" or "genius," his influence is far greater than these labels. Musk represents the face of the modern neoliberal economic system and globalisation, with his ventures—Tesla, SpaceX, and Neuralink—symbolising groundbreaking technological progress. However, his rise requires analysis within the context of global connections between technology, capital, and political power.

Musk's expanding global reach and ambitions challenge traditional state-centric notions of power. His projects, such as Mars colonisation, Starlink's global communication network, and AI initiatives, go beyond technological and economic advancements—they reflect a broader vision for global leadership that transcends state borders. Musk's actions, both in his business and rhetoric, signal the pursuit of a new ideology and hegemony, one that aligns with the concept of hegemony as defined by Antonio Gramsci. This discussion paper will explore Musk's strategies and the systemic forces behind his rise, examining how they shape contemporary power dynamics.

From Pretoria to Silicon Valley

With a fortune of \$421.6 billion, Musk is recognised as the world's richest person. He was born on June 28, 1971, in Pretoria, South Africa. Speculations about Musk's life in South Africa are often shaped by debates surrounding the source of his father's wealth. Some claims suggest that the economic privileges enjoyed by the Musk family were rooted in the exploitative system created by South Africa's apartheid regime. Specifically, it is argued that the wealth Musk's father accumulated from emerald mines provided crucial support during Elon Musk's early career (McGreal, 2025).

Musk's migration to the United States in 1995 marked a critical turning point that launched his Silicon Valley career. He was accepted to Stanford University for a master's degree in applied physics and materials science but dropped out just two days later to pursue entrepreneurial ventures (South China Morning Post, 2024).

Musk's first major venture in the tech world was Zip2, a software company he co-founded with his brother, Kimbal Musk. Founded in 1996, Zip2 provided internet-based mapping and directory services, pioneering an innovative



(Tayfun Coşkun - Anadolu Agency)

business model at the time. Compaq acquired Zip2 in 1999 for nearly \$300 million, earning Musk \$22 million. This sale paved the way for his permanent entry into the tech industry (Huddleston, 2018).

After Zip2, Musk founded X.com in 1999, an online payment platform that merged with Confinity and rebranded as PayPal. In 2002, eBay purchased PayPal for \$1.5 billion, netting Musk \$180 million (Gregersen, 2025).

Musk's income from PayPal allowed him to invest in projects such as Tesla and SpaceX. However, his rise was not solely driven by private ventures; state support and international connections also played a role.

SpaceX's partnership with NASA from its inception is a clear example of this support. Between 2011 and 2021, NASA paid SpaceX more than \$3.1 billion, enabling the company to take on critical roles in projects such as cargo transportation to the International Space Station (ISS) (CNBC, 2021). This funding not only supported the prominence of private companies in the space industry but also aligned directly with U.S. geopolitical goals.

The Pentagon's collaboration with SpaceX further elevated the strategic nature of this support. SpaceX's privileged position in launching military satellites and strengthening communication networks demonstrated its role not just as a commercial enterprise but as an extension of U.S. defence policies (Erwin, 2024).

The Starlink project serves as an important example in this context. Aiming to increase global internet access, the project also has the potential to strengthen U.S. global communication infrastructure and provide intelligence advantages in certain regions. By 2023, Starlink satellites exceeded 4,500, becoming a critical component of the U.S. communication network. Notably, during the Russia-Ukraine war, the Ukrainian military relied on Starlink for communication, illustrating SpaceX's geopolitical significance beyond mere speculation (Satariano et al., 2023).

Tesla, another company led by Musk, is not just an automotive manufacturer but also plays a central role in U.S. energy policy. In 2009, Tesla received a \$465 million loan from the U.S. Department of Energy, and it is estimated that the company benefited from over \$2 billion in total government incentives, including tax credits for electric vehicle purchases (Department of Energy, 2013). These incentives significantly contributed to Tesla's market dominance.

Massive investments in Musk's projects are another key factor behind his success story. For example, major financial institutions like BlackRock and Vanguard are among Tesla's largest shareholders. By 2023, Tesla's market value exceeded \$800 billion, with strategic investments from global financial networks playing a decisive role. Additionally, SpaceX's valuation surpassed \$150 billion, with investors including tech giants such as Sequoia Capital and Andreessen Horowitz (Capital, 2024).

Musk's influence on social media allows him to shape cryptocurrency markets, further strengthening his economic power. In 2021, Musk's tweets about Bitcoin caused significant fluctuations in the crypto market. When Tesla announced a \$1.5 billion Bitcoin purchase in 2021, Bitcoin's price rose by over 20%. Later that year, when Musk announced that Tesla would no longer accept Bitcoin payments due to environmental concerns, the cryptocurrency's price dropped by 15% (Stevekovach, 2021). His influence on Dogecoin was even more remarkable, with Musk's humorous tweets leading to an over 800% increase in value, highlighting the speculative nature of cryptocurrency markets and Musk's individual influence on financial systems (Browne, 2021).

In this context, Musk's rise, shaped by extensive financial and strategic support, is more than just an economic story. It is closely intertwined with the hegemonic dynamics of neoliberal globalisation. Viewed through Gramsci's concept of hegemony, Musk's dominance in sectors such as technology, energy, and space is reinforced not only by market mechanisms but also by ideological and cultural leadership strategies. Consequently, the values and projects Musk represents can be interpreted as those of a new hegemonic figure within the neoliberal global order.

Elon Musk's Hegemony and Neoliberal Globalisation

Gramsci defined hegemony not merely as an economic and political power but also as a mechanism of cultural and ideological control (Gramsci, 1971). Musk's rise on the global stage calls for renewed use of Gramsci's concept of hegemony within the framework of technology and capitalism.

Companies like Tesla, SpaceX, and Starlink are not just leading the technology sector but also establishing new norms on how global society should be organised in critical areas such as energy, space, and communication. This indicates that Musk is both a product and a carrier of the neoliberal globalisation ideology.

Neoliberal globalisation promotes the unrestricted liberalisation of markets and the withdrawal of the state from economic affairs, enabling private companies to play a more influential role in reshaping the global order

(Harvey, 2020). In this context, Musk emerges as both a product and an agent of this system. For instance, Tesla's production of 1.37 million vehicles per year as of 2023 and its 65% market share in the electric vehicle sector present a serious alternative to the fossil fuel-dependent economic model. However, this growth also reveals the company's heavy reliance on market fluctuations and speculative ventures. Tesla's 65% drop in market value in 2022 starkly highlighted this fragility (Statista, 2024).

SpaceX's activities further underscore Musk's hegemonic influence. The company's multi-billion-dollar contracts with NASA and the private sector's pioneering role in space exploration have completely transformed traditional state-centred space programs. This situation aligns with Gramsci's discussions on the relationship between civil society and the state (Gramsci, 1971).



(Handout / SpaceX - Anadolu Agency)

While companies like SpaceX appear to act as part of civil society, they wield power that directly influences and even determines state policies. For example, the Starlink satellite network played a critical role in Ukraine's communication infrastructure during the Ukraine-Russia war, simultaneously serving the strategic interests of the U.S. and NATO. What stands out here is the central role a private company could assume in a global conflict, even overshadowing the role of states. This reflects how hegemonic forces are being reshaped under neoliberal globalisation.

Musk's acquisition of the social media platform X (formerly Twitter) has enabled him to establish hegemony over global information flows. He uses this platform not only as a financial tool but also to disseminate ideological messages and influence political discourse. During the 2024 U.S. presidential election, Musk's support for Donald J. Trump faced criticism from Democratic circles, who alleged that X's algorithm was engineered to amplify Republican narratives and boost Trump's support (Yüksel, 2025). Additionally, X became a platform supporting right-wing parties in Europe. In Germany, Alice Weidel, co-leader and prime ministerial candidate of the far-right Alternative for Germany (AfD) party, engaged with Musk on the platform (Nicholls et al., 2025).

According to Gramsci's concept of hegemony, ideological leadership is established by gaining the consent of society. Musk's ability to garner public support by promising a utopia based on free expression and technology can be seen in this light. However, this ideological leadership also draws criticism (Gramsci, 1971). Musk's manipulation of markets via the platform, such as inflating and deflating the value of cryptocurrencies like Dogecoin, raises questions about the ethical boundaries of this leadership.

The Digital Empire

Just as the energy and financial cartels of the 20th century played a decisive role in political and economic balances, today's technology giants have become key players in shaping these dynamics. Projects led by Elon Musk—such as Neuralink, SpaceX, Tesla, and Starlink—represent the construction of a new digital empire that challenges traditional power structures by eroding the sovereignty of nation-states. This phenomenon necessitates a critical assessment within the contexts of globalisation and technological determinism.

Neoliberal globalisation tends to perceive technological advancements as inherently positive progress. Musk's companies are central to this narrative, presenting technology not merely as a tool but as an ultimate goal (Veltmeyer, 2014). In this context, Tesla's autonomous driving technology and SpaceX's vision of colonising Mars offer a vision where humanity's future is entirely shaped by technology. Consistent with Gramsci's concept of cultural hegemony, this illustrates the imposition of economic power and a value system.

Yet, critical voices challenge this hegemonic discourse. For instance, Tesla's environmentally harmful activities, such as lithium mining, raise ethical concerns about the transition to renewable energy.

It is necessary to analyse how Musk operates both as an individual and as a system to understand his hegemonic influence. Although Musk is perceived as an entrepreneur on an individual level, he is, in fact, a central figure in the reproduction of the global capitalist system.

Gramsci's view of hegemony as both a superstructural phenomenon and an infrastructural process helps explain how Musk's companies simultaneously operate in economic, political, and ideological spheres.

Elon Musk's hegemonic influence is not merely limited to his individual success or the innovative power of his companies. His hegemony emerges as a combination of economic, cultural, and ideological forces, offering critical insights into how the global order is being shaped.

Technological determinism posits that technological advancements shape societal, economic, cultural, and political structures. From this perspective, technology is not merely a tool but the driving force behind societal transformations (Drew, 2016). Musk's projects exemplify this theory in contemporary times, showcasing the influence of technology on emerging global power dynamics. Viewed through this lens, Musk has become a symbol of this deterministic approach, extending his influence across domains ranging from digital communication networks to space technologies. The Starlink project stands as a

concrete example of this impact. Its strategic use in conflict zones demonstrates that digital infrastructure is not just an economic enterprise but a geopolitical tool.

In response, the European Union (EU) has highlighted the need for an independent communication infrastructure and launched the "IRIS" satellite project as an alternative to Starlink. With a budget of approximately €6 billion, the project aims to bolster communication security among member states and maintain digital independence in the face of global competition. The EU intends to complete it by 2027 (European Commission).

Similarly, China has developed its independent satellite communication system, known as the "Guowang" mega-satellite network. This initiative is a direct response to Starlink, with the Chinese government investing heavily in its development for national security purposes. The first phase of the Guowang project plans to deploy 13,000 satellites (South China Morning Post, 2024).

Musk's control over data and communication through the Starlink network is a major concern driving these developments. During the Ukraine-Russia war in 2022, Starlink ensured uninterrupted communication for the Ukrainian military, becoming a decisive factor in the conflict.

The U.S. Department of Defence's dependence on Starlink is also noteworthy. In 2023, the Pentagon signed a \$900 million contract with SpaceX to ensure the continuity of Starlink services in Ukraine (Stone & Roulette, 2023). This dependency raises serious concerns about defence strategies being left in the hands of private sector giants, highlighting that the power dynamics created by digital platforms extend far beyond communication.

Tesla's production further exemplifies this dynamic. The company not only manufactures environmentally friendly electric vehicles but also creates a vast data pool through the information collected by its vehicles. According to Tesla's 2022 report, the global fleet collected approximately 3 billion kilometres of data per month (Lambert, 2023). This data economy reinforces Musk's influence on global strategies.

However, extracting raw materials required for electric vehicles, such as lithium and cobalt, is linked to environmental degradation and human rights violations. Reports by Amnesty International reveal that child labourers working in cobalt mines in the Democratic Republic of Congo expose the exploitative economy behind Tesla's environmentally friendly image (Amnesty International, 2022). In this context, Musk's vision of "clean energy" can be seen as technological progress and a symbol of a new form of digital colonialism.

Musk's projects cannot be viewed merely as individual entrepreneurial successes. They exist at the intersection of technological determinism and globalisation, constructing a new geopolitical order defined by digitalisation and the data economy. This new power dynamic increasingly shapes areas from U.S.-China competition to Europe's digital sovereignty strategies. China's efforts to develop its own satellite communication systems underscore the global scale of this competition.

In this context, Musk's "digital empire" has become a focal point not only for economic gains but also for critical questions about the future of global politics, necessitating a closer examination of his objectives and ambitions.

Global Political Impact: Musk's Goals & Geopolitical Musings

Following Donald Trump's re-election, Elon Musk's role in the U.S. government and influence on global politics has become even more pronounced. As part of the "Department of Government Efficiency" under the Trump administration, Musk's position holds the potential to impact both domestic and foreign policies directly. Particularly, regulations and government spending reforms could significantly transform the technology and energy

sectors. This scenario will affect Musk's relationships with other business leaders and global economic balances.

In this context, Musk's strategic goals are poised to exert even greater influence on political, cultural, and economic shifts worldwide. Understanding Musk's future impact requires analysing his short-, medium-, and long-term goals and assessing how these objectives will fit into the global strategic equation.

Musk's short-term goals, as expected for a businessman, are focused on reinforcing his companies' leadership in global markets. As of 2024, Tesla holds a 20% market share in the electric vehicle sector, maintaining its industry dominance. On the other hand, SpaceX launched over 85% of orbiting satellites by early 2024, establishing an unrivalled position in space exploration and commercial spaceflight (Gregersen, 2025). Musk's strategies aim to deepen innovation in these fields to sustain market leadership. However, these goals extend beyond mere economic gains, establishing political and cultural hegemony in global markets. For instance, SpaceX's leadership in space technology reflects Musk's ambition to assert dominance beyond Earth. By 2024, its Starlink project was operational in 114 countries, providing global internet access. Thus, Musk's short-term goals can be interpreted as efforts to achieve commercial success while shaping societal expectations for future technologies.

Musk's medium-term goals extend beyond technological innovation to rebuilding societal and economic infrastructures. Tesla's energy solutions, including solar power and energy storage systems projects, exemplify this objective. The company's Megapack product supports the integration of renewable energy by providing grid-scale energy storage, enhancing the sustainability of energy infrastructure. These projects reflect Musk's desire to transform global economic and energy policies.

Moreover, Musk's medium-term goals encompass an ideological emphasis on transforming societal structures. Ventures such as Tesla's electric vehicles, SpaceX's space projects, and Neuralink's brain-computer interfaces are not merely technological innovations but also tools aimed at reshaping societal values. Musk aspires to lay the foundations for a more sustainable, integrated, and technologically advanced societal structure through these projects.

Another aspect of Musk's medium-term goals involves strategies to amplify his political influence. Tesla and SpaceX's agreements and collaborations with governments worldwide form the basis of Musk's global political strategies. For example, SpaceX's partnership with NASA to transport astronauts to the International Space Station underscores Musk's emergence as a significant figure on the global stage.

Musk's long-term goals reveal that he is not merely an economic actor but also a leader striving to shape humanity's future. His ambition to colonise space, particularly Mars, is a prime example of this vision. The

plan to establish settlements on Mars aims to create a new living space for humanity, reflecting Musk's desire to solidify global dominance. The colonisation of Mars transcends technological and societal boundaries and symbolises Musk's aspiration to secure his place in human history.

Similarly, the Neuralink project, despite its ambitious technological promises, presents significant societal and ethical concerns. While the project claims to enhance cognitive capacity through brain-computer interfaces, its complete control by a private company raises questions about ethical oversight. Although Neuralink is praised for its potential solutions for individuals with disabilities, unanswered questions remain about how this technology might create societal divisions in the long term.

Musk's projects should not be viewed merely as scientific and technological advancements. These initiatives are part of his strategy to increase ideological influence on a global scale. Efforts such as space colonisation and integrating human brains with technology are legitimised through narratives presenting technological development as inevitable. However, these projects necessitate a deeper discussion on how major capital and private sectors shape the future.

When examining Musk's global strategic goals, it becomes clear that they are not limited to technology and commerce but can potentially transform power dynamics in international relations. By increasing his influence in state relations, Musk could become a significant figure in future global geopolitical equations. Particularly as he secures a place in U.S. politics, collaborations with states and international organisations will grant Musk even greater global influence.

Conclusion

In conclusion, Elon Musk's rise represents more than just an individual success story; it embodies the convergence of big tech, capital, and political power. His ventures, such as Tesla, SpaceX, and Neuralink, are reshaping industries while pushing boundaries in space exploration and energy sustainability. Musk's pursuit of global leadership transcends business, with his influence extending into geopolitical, cultural, and ideological spheres.

As his projects evolve, they not only redefine technological progress but also challenge traditional power structures, blurring the lines between corporate control and state sovereignty. Musk's projects should be seen not only as economic success stories but also as processes redefining technology and social structures. In particular, Starlink's

capacity to control communication infrastructure on a global scale has become a strategic element impacting power balances between states. As seen in the Ukraine-Russia war, this technology could trigger geopolitical transformations not just in limited regions but on a broader scale.

Musk's strategies highlight the growing dominance of technofeudalism, where private entities wield significant control over global systems, further consolidating the influence of a technofeudal class in shaping the future of society. The future trajectory of the influence wielded by Musk and similar figures will remain a crucial topic, not only for the economy and technology but also for social structures and geopolitical reordering.



(Ismail Aslandağ - Anadolu Agency)

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