

# Trump-Musk wrecking operation illegally shuts down 2 federal agencies, gains access to Treasury payment system

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Acting with the approval of US President Donald Trump, representatives of billionaire Elon Musk, the world's richest man, took control early Monday of the US Agency for International Development (USAID), firing hundreds of employees and instructing all of the agency's nearly 10,000 employees worldwide to stay home and stop working.

A similar operation was carried out a few hours later at the Consumer Financial Protection Bureau (CFPB), an independent federal agency set up after the 2008 Wall Street crash. Trump named Treasury Secretary Scott Bessent—himself a hedge fund billionaire—as interim administrator of the agency. Bessent then told the 1,600 employees of the CFPB to stop working while he reviewed its operations, which include numerous lawsuits against major banks and corporations over consumer fraud.

Both actions were entirely unlawful. The two agencies were established by Congress, the USAID under the Kennedy administration in 1961 and the CFPB in 2010. Neither can be shut down on the say-so of the president alone, without congressional action. But Trump's policy since his inauguration has been to break the law whenever he pleases, relying on the impotence of the Democrats and support of his fascist partisans in the Supreme Court.

In relation to the USAID, several officials from the "Department of Government Efficiency" (DOGE), the Musk-run group Trump established by executive order, arrived at the headquarters Saturday but were denied access to some of the premises by agency security officials. A confrontation ensued, with threats to bring in US Marshals, before the Musk aides were given access.

The two top security officials at USAID were immediately placed on administrative leave, and Musk tweeted, in the gangster lingo both he and Trump embrace: "USAID is a criminal organization. Time for it to die." He later declared on X, which he owns, "USAID was a viper's nest of radical-left marxists who hate America." Trump added his own vilification, claiming USAID was run by "a bunch of radical

lunatics. And we're getting them out."

Such language testifies to the fascist mania that is now gripping the US financial oligarchy. While the bulk of its \$50 billion budget funds food aid and refugee relief projects in 60 countries, USAID was established as an instrument of American imperialist foreign policy during the Cold War. It has long been used as a cover for US intelligence operations in countries where the official military-intelligence agencies lacked access.

The closure of the USAID and CFPB is a dress rehearsal for the shutdown of much more important agencies, with genuine popular support, like the Department of Education, the Department of Housing and Urban Development, and much of the Department of Health and Human Services. These have all been targeted for elimination or deep cuts, spelled out in the 900-page blueprint for the new administration drawn up in Project 2025.

The USAID and CFPB employees have been put out on the street with little or no chance of either returning to work or finding an equivalent position if the two agencies are integrated into larger federal units, like the State Department or the Treasury, as some officials suggest.

Musk is effectively treating the workforce of the federal government like the super-exploited workers in his Tesla factories or the workers at Twitter, fired en masse after he bought the social media platform and reorganized it, turning it into a mouthpiece for fascist propaganda.

The ruthless treatment of the federal workers is a warning to the working class as a whole. In 1981, President Ronald Reagan gave the green light for a wave of corporate union-busting when he carried out the mass firing of striking PATCO air traffic controllers. Trump and Musk are following that example, only this time applying it more broadly, to a vast array of federal workers.

The shutdown of the two federal agencies follows Trump's attempt last week to halt all federal grants and payments in an order issued by the Office of Management

and Budget (OMB), the White House agency that oversees federal spending. A federal judge temporarily blocked that order, which had already led to the shutdown of federal payments to state, local and non-governmental agencies, including for Medicaid, the most widely used US health insurance program.

Trump vowed to continue the attack on federal social spending. On Friday, at his instruction, DOGE was given access to the Bureau of Fiscal Service (BFS), the Treasury system which carries out more than 1 billion transactions a year. The BFS sends out 90 percent of the payments made by the US government, including Social Security checks, income tax refunds and federal paychecks. The Treasury's top career civil servant, David Lebryk, abruptly retired after objecting to the blatant political intervention into a previously purely technical apparatus: The Treasury merely executes payments approved by other federal agencies but does not rule on their merits.

It is clear that Trump and Musk are seeking direct control of the payment mechanism to enforce the cuts that they were temporarily barred from carrying out by the court order. While Treasury Secretary Bessent claimed that the access was "read-only," Musk has already boasted on X that DOGE aides are "rapidly shutting down" payments. Although Musk claimed that "terrorist" groups were receiving funds from the Treasury, the only acknowledged cutoff was a funding for a Lutheran charity.

The operations of DOGE are aimed at giving Musk, and through him Trump, direct control over the day-to-day operations of the federal government. Musk aides, many of them on loan from Tesla, SpaceX and other companies, have been installed at the Office of Personnel Management, which functions as the federal Human Resources department, the General Services Administration, which manages government property, real estate and leasing, as well as the Treasury.

The response of the Democratic Party to these unprecedented assertions of dictatorial power was a combination of handwringing and warmongering. Democratic senators Jeanne Shaheen and Tim Kaine complained that the Musk aides who took over USAID lacked proper security clearances for handling the agency's secrets. There were similar criticisms made of the open door for Musk aides at the Treasury.

Appearing on MSNBC, former Obama National Security Council official Ben Rhodes denounced the shutdown of USAID as "essentially ceding the whole globe to China and other countries to fill the space that was once filled by the United States." He added, "it's also incredibly strategic national security interests of the United States, which, you know, Elon Musk just seems to care less about, and Donald

Trump as well."

The truth is that Trump is a no less rapacious defender of American imperialism than the Democrats and vice versa. That has already been demonstrated by his drive to construct a Fortress North America through the acquisition of Greenland, the absorption of Canada, and "taking back" the Panama Canal. But he disdains the "soft power" methods represented by the USAID, in favor of brute force and economic bullying.

The events of Monday confirm the assessment which the WSWS has made of the incoming Trump regime. As our New Year's statement declared:

The incoming administration will be a government of the rich, by the rich, and for the rich. To a degree unprecedented in American history, the oligarchy itself will exercise direct control over the state--from Musk, the world's richest man and head of the Orwellian "Department of Government Efficiency," to the assemblage of billionaires that will staff Trump's cabinet and White House. ... The character of the new government marks a violent realignment of the state to correspond with the nature of capitalist society itself.

Musk's ever more direct personal involvement also makes clear that the fight against the social counterrevolution being carried out by the Trump administration is inextricably bound up with the expropriation of the vast wealth controlled by the oligarchs, as part of the socialist reorganization of economic life.



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