SpaceX no longer needs NASA, and that’s a problem for America’s space agency

Trump could still have hurt Musk’s businesses through regulatory review, particularly with the Federal Communications Commission and Federal Aviation Administration. And the two made up. But one indisputable takeaway from this brouhaha is that the US government now needed SpaceX more than SpaceX needed the US government.

“The dust-up with President Trump, when Musk threatened to take away Dragon, was utterly irresponsible,” said Chris Davenport, a professor at Arizona State University and author of *Rocket Dreams*. “If Falcon and Dragon go away, that is a huge disservice to the US government. NASA desperately needs SpaceX, and SpaceX knows it, and Elon knows it.”

This represented a truly remarkable shift for everyone who watched SpaceX fight so hard, for so long, to get its foot in the door at NASA and the Space Force. But as jarring as it is, this shift is no longer deniable.

What is Elon Musk thinking?

Around the time of his dispute with Trump, Musk came to fully believe that artificial intelligence was not just the next big thing. Rather, it was *the* industrial revolution of his lifetime. He began vectoring his two biggest companies, Tesla and SpaceX, toward dominating AI software, AI hardware, and computing power on the ground and in space to run it all.

This largely explains SpaceX’s acquisition of xAI and its

subsequent IPO. It is also behind the potential merger of SpaceX and Tesla. This will give Musk more direct control over Tesla, something he values. But more critically, it gives him an immense pool of assets to deploy toward building data centers terrestrially and in space, autonomous vehicles, robots, massive rockets, and more.

No other company on Earth has the potential, at least in the near term, to own an entire stack of artificial intelligence. Elon Musk wants to manufacture the chips and electricity infrastructure for data centers, he wants to build the data centers that will power the AI revolution, he wants to develop and train the AI models that will provide its intelligence, and he wants to build physical products that he believes will become the shaping force of the 21st century.

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