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Mike Allen

I'm Mike Allen, co-founder of Axios. Thank you to the Aspen Security Forum, Aspen Institute, Aspen Strategy Group, some of the best places in the world for diverse, nonpartisan thoughts. So, thank all of you and welcome. The last time we were together, we were crammed on a bus in Milwaukee.

Vivek Ramaswamy

That's right, you reminded me of that. Things changed a bit.

Allen

So, you're now co-leader of the Department of Government Efficiency - DOGE. *The Wall Street Journal* had a piece over the weekend talking about how everyone in corporate America is trying to suck up to you, is trying to get your attention. You said in there, my inbox and text message box look like Niagara Falls. Tell us what this has been like.

Ramaswamy

Look, I actually think one of the things that's been encouraging about seeing DOGE come into existence is how non-partisan and even apolitical the interest in this mission has been and I think that's been quite heartening for me. Think about business leaders, but people who have never in a million years thought about entering politics now, stepping up, raising their hands saying, "How can I serve?" that's actually been pretty encouraging to me, and in many ways, last year, when you and I met, when I was running for US president, that was the essence of my own vision and campaign was, how do we shut down the federal bureaucracy that's holding and choking so much of our country and economic opportunity and self governance? But it turns out that I wasn't alone in the business world and feeling that way, and so I take it much more as a positive, not as a cynical interpretation, but a positive interpretation of people who were not really drawn to politics in the historical partisan tug of war, but to say that if we're actually looking at restoring actual self governance, actually tackling the bureaucracy, actually restoring economic growth as a result from that, we've brought a lot more people into the fold than historically thought of themselves as political and I think that's been a good thing.

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Allen

You were a very, very successful entrepreneur putting on your business hat with DOGE. What is the problem to be solved?

Ramaswamy

So the overarching problem to be solved is the people we elect to run the government, they are no longer the ones who are actually running the government right, the people who are making the most important policy decisions in Washington, DC today, frankly, is true in most state governments too, are people who were never elected to those positions. And even not only were they not elected to those...

Allen

Talking about federal civilian employees?

Ramaswamy

Exactly, not even people who were appointed by the people who were elected. And I think that has resulted in a loss of the basic feedback loop that a democracy depends on the basic feedback loop of any democracy. I mean, there's not that much that's north of the Constitution, that's upstream of the Constitution. The Constitution was written in 1789 but if you want to go upstream to 1776 it was even a more basic principle than that, which is that if the people who you vote to write laws that bind you don't do a good job, you get to vote them out. That isn't how it works today. And I think as a consequence of that, we've lost our sense of accountability and self-governance in America, that if the people you could vote in or out aren't the ones who are actually making the decisions that affect your life, that results in a civic loss in America. And then downstream of that is the spending apparatus that ultimately, if you can't hold your elected leaders accountable, the people who are making a lot of those decisions weren't elected in the first place, you then have the economic consequences of that. You then have the spending and deficit national debt consequences of that, that are really downstream of this loss of self-governance. So, I think that is the core mission that we're in this to address is to restore accountability in government, and in the process to not only reduce the crisis of federal spending, but to stimulate the economy as we do so.

Allen

You have 3.3 million X followers, and the other day, you reminded them that DOGE, the Department of Governmental Efficiency is outside government and has an expiration date, July 4, 2026. That's 577 days from now. 530 days from the inauguration. What will success look like?

Ramaswamy

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Well, it's that many days from where we are right now and from the inauguration. It's also 250 years after the signing of the Declaration of Independence down to the day.

Allen

But success for DOGE, you'll be able to do a victory dance, if what?

Ramaswamy

Well, we'll be able to do a victory dance, hopefully, if we have restored the idea that the people we elect to run the government are the ones who are making the most important decisions, rather than unelected federal bureaucrats.

Allen

But you're a metric...

Ramaswamy

And I'll sort of give you, I'll give you two other ways to look at this. I think if you're looking at DOGE success exclusively through cutting the federal deficit, that understates the impact that we hope to have. That's an important part of the impact and I think it's a lot of been what's publicly discussed is how much is going to be cost cutting in the government's [profit and loss]. But I think a lot of what we're looking to do when you're looking at mass rescission or down or downsizing of the regulatory state, when you're looking at head count reductions in the federal government to go along with that, a lot of that is not just limited to cutting cost. It is also about increasing economic growth. So what are the actual metrics look like? I think it is, number one, in enhanced GDP growth in the country. Number two, downsizing the federal deficit and having a positive impact on the national debt. And number three is a revived civic renewal, a civic sense amongst the citizens of this country, that they can actually hold their government accountable when the government isn't actually serving them. That's what success looks like.

Allen

So my colleagues at *Axios*, who are writing this for *Axios PM*, that might be that DOGE is looking far beyond cost cutting. You've tweeted about efficiency. Elon has tweeted about efficiency. What are some of the efficiency approaches, metrics, that you're looking at beyond cutting humans?

Ramaswamy

Well, look, one of the ways, if you run a business, you look at whether or not the dollars of the company, which belong to the shareholders of the company, are being used in the highest ROI

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manner or not. I think the way that the federal government ought to think about the dollars it's spending on behalf of its taxpayers is look at the taxpayer as the shareholder. Are we actually getting the highest ROI possible out of those taxpayer dollars or not? And I think the answer to that question today is undeniably. I think people on both sides of the political I would say this.

Allen

Where do you start with that?

Ramaswamy

Yeah, so I think that there is a little bit of a counterintuitive approach here, where some of the biggest items right are mandated, mandatory spending on entitlements that require Congress to change but often, when you're running a business, you have many people who have come in for turnaround artists who have successfully turned around businesses would tell you, it's some of the smaller items that you can move more quickly but add up to be pretty big when you actually add them all up together. For example, about over half a trillion dollars a year is now not even authorized by Congress in terms of spending that's going out the door. The magnitude of waste, fraud, abuse, error or program integrity issues with even the kinds of entitlement payments that we talk about, Medicare, Medicaid, Social Security, that alone adds up to, we believe, probably hundreds of billions of dollars in savings, as well. So, one of the things I've noticed coming at this, not as a politician, but as an outsider, is that sometimes you use these traditional political debates, philosophical debates, about to cut entitlement spending or not as a way to sidestep in some ways, the harder question, but also the more practical question of, "What if you could just look at what savings we could get to by making sure that nobody who isn't even supposed to receive that payment is actually getting it?" And I think it's irresponsible to begin a discussion around cutting entitlements before we've actually wrung all of that waste and all of that excess error out of the system. Same thing you'll get into grandiose discussions about whether or not the President has the power to impound funds. Well, if you read the statute, it actually says the president doesn't have to spend the money if it's known to go towards waste, fraud or abuse. And so I've seen this pattern in Washington, DC, where often there's it's a bit of a deflection, a bit of a conflation, to say that there's this grand, political, philosophical question that that we would rather be debating, or banging our heads on the wall about when, in fact, there's lower hanging fruit that we can all deliver in ways that require real work, require actually barreling through but actually would be far more united in the support that we would have for those basic kinds of changes. So we want to get to the doorstep of those more complex political questions that belong to the electorate. But in the meantime, the low hanging fruit of waste, fraud, abuse, error, regulations that fail the Supreme Court's existing tests, not a philosophical approach of what your view of the regulatory state is or should be, but what the Supreme Court has already told the executive branch that it cannot do, but it has nonetheless been doing already, that's the kind of thing that we view is in scope for driving major change in a relatively short period of time.

Allen

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That's very interesting. And candidates and office holders have been talking for decades about waste, fraud and abuse. DOGE, though, is going to use AI to look for it, right? Can you give us a sneak peek of how you'll find waste, fraud and abuse that has escaped others?

Ramaswamy

So look, I think one of the things that's unique about this project is that Elon and I are not actually politicians. We're from the outside. We're of the outside.

Allen

You ran for president.

Ramaswamy

Yeah, I did. I call myself one for a year, as an outsider, and I think we need and that's, I think, one of the things that I respect about Donald Trump, as well as he too, is at his core, he didn't grow up in the world of politics. He's an outsider. I give a lot of credit for having the creativity to do something very different to tackle a problem where... You're right, people have been talking about the federal deficit and government overgrowth for a very long time. Not a lot has been done to address it. So if you're going to try the same method has been tried in the past, you can expect the same result. We're trying to dress this very differently. We bear no illusions that this is going to be easy work. This is going to be difficult. This is going to be hard. I think there's a reason why even well intentioned congressman, elected leaders, senators, presidents, who have taken this on, haven't really made a ton of progress in the past. So we're going in eyes wide open to that fact. But I think you know, the best advice I got at the age of 22 is, in your life, you takes about as much effort to do something really small and to do it really well as it does to do something really big and to do it really well. And I think we're taking on a very big, very big, a very big problem here, and I think we're going into it with an appropriate level of humility, but also open mindedness, to say, the tool kit we're going to have to use, be it advanced technology, be it the kind of people were recruiting, the way in which we're organizing the effort from the outside, we're certainly taking different approaches that have been tried in the past, and that is part of why we're optimistic for a different kind of answer.

Allen

How much do you think AI will help?

Ramaswamy

Look, I think that advanced computing and the use of data in de-siloing, there's a problem with sort of non technical discussions about the use of AI to sort of fetishize, you know, one tool, but I would say the broad use of technology, technology improvements across the federal government could be... are not only are only going to be important, I think is necessary in order to actually get the job done. Right now, for example, you think about the data silos. You got to

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compare whether or not you have excess spending or waste, fraud, abuse by some by comparing different databases. Often you can't do that because that information is siloed in different houses, in different parts of the federal bureaucracy that don't talk to each other, that don't even operate on the same kind of code, that don't operate even according to some of the same enterprise systems. So in some sense, I'm resisting the AI illusion, not because I don't think AI can be useful, of course...

Allen

Not to fetishize it, but...

Ramaswamy

But there are a lot other lower hanging fruit.

Allen

Yeah, what are some other low hanging fruit? What's an example of another technological tool that you have your eye on?

Ramaswamy

I would say, even using synchronous systems, right? Actually, the same kinds of software that can talk to other kinds of.. be compatible with other kinds of software that are being used in a part of the federal government that's working on a similar problem, but because it's in a different silo, isn't even using compatible software. You have a lot. I mean, cobalt on mainframes is basically the norm and a lot of the federal government today, and yeah, maybe overstating the case on that, but not by a lot. And so I do think that a basic modernization of the software, of the technology, of the rails on which the federal government's information actually flows, that's low hanging fruit, that I don't care if you're Republican or Democrat, it's going to strictly improve the effectiveness with which the taxpayer dollar is actually spent. And I do think that I'm not alone feeling this way, and Elon's not alone feeling this way. I think that's part of why we're seeing business leaders across the country, especially those who have dealt with the government, to step up and say, "How can actually help in this effort?" And I hope that's why our success is going to be one that isn't a partisan victory, but it's something that goes beyond traditional politics to say that we're actually making government function more efficiently and effectively, and as a result, it turns out that we have to spend a lot less money. We need a lot fewer bureaucrats doing it. We restore that sense of civic accountability and revival, where people feel like the government is actually responsive to them, in part because they can vote out people when they're doing a bad job, but in part because they're getting a better result as a consequence of dealing with the government as well.

Allen

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Will you and Elon Musk disclosed, divest potential conflicts of interest?

Ramaswamy

Look at everything's got to be done in the exact proper way. We're outside government. That's different from when people are inside government. But I think the transparency is the way forward, right? And so I think that the answer is, anybody who's in government or outside, if you're evaluating advice, my best advice to you is, if you're evaluating somebody's advice, you got to look at whatever their self interest is in evaluating that advice, right? That includes me. Now, again, I don't want that to be used to deflect away from the content of the actual recommendations we're making, which is where I think we need a more robust debate.

Allen

What kind of transparency do you personally plan?

Ramaswamy

Well, in my case, I think it makes it pretty easy. I ran for US president, and I don't know if people want to go through the hundreds of pages of, you know, disclosures or whatever that I made for that process last year alone is a great starting point for knowing where I'm at. But I believe we have to do everything in the obviously proper, legal, ethical, compliant way. But the more important point is, even beyond that, my advice to anybody would be, if somebody's got self interest, evaluate that in the quality the recommendations they make, but then pierce through that and do it in all directions. Because I think that in many cases, we could talk about that all day long here. We don't do that with respect to government bureaucrats who go on to join the industries that they regulate in industries ranging from health care to the defense industries. And so I would be the biggest proponent of taking that lens 360 degrees, including in the way that existing government operates today, in a way that's far less than transparent. And so if you want to, if you're in part, making the case for greater transparency in the way government functions, I'm all in favor of it.

Allen

What's a surprise or outrage that you found in government that you and Elon Musk believe you can actually fix?

Ramaswamy

Well, keep in mind, this project is about three weeks old as of now.

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Allen

You're a quick study.

Ramaswamy

And January 20, but we're not in now. The transition only completes on January 20, and the new administration only takes over on January 20 next year. So, I expect that we're going to find a lot that shocks us, in part, because even learning based on the public information of a lot of the expenditures that are flowing out the door were eye opening for me to understand exactly what's going on. Take the NIH grants, as I dug deeper into this issue. A lot of people complain about the direction of politicization of medical schools or the "university medical research complex," miss the reality of how the NIH dollars actually contribute to that reality. Let's say the woke policies or the DEI policies at universities. Where do they come from? Turns out that if you're getting an NIH grant, you think that those grants go to individual scientific recipients. That isn't exactly the case. There's up to upwards of, in some cases, more than 70% but it's 70% in some cases, more, that go strictly to the overhead costs at that university. So if you're going to think about the dollars that flow out the door to an individual scientific grant recipient behind closed doors, 70% is matched, 70% or more of just overhead slush funds to those universities that are really pushing agendas that have nothing to do with the content of the scientific grants themselves. Now, the interesting thing is that is actually how those universities reward their researchers for who does or doesn't get tenure, because they're the ones bringing in the bucks to the slush funds at the universities. And here's another dirty little secret, and I said, "Okay, well, that works for the government, I know these universities are funded by nonprofit entities like foundations or private foundations as well." That rate for private foundations is only 10% so whatever you think about the university slush funds, you ultimately see the taxpayers here left holding the bag, because if you're a private foundation, given Yale or Harvard or or Kansas State or whatever, that's only a 10% rake that you charge the private foundation for how much goes to the slush fund. But somehow, when it's the taxpayer that 70%. That's unconscionable. It's unacceptable. That is tiny by way of absolute dollars. But what I've seen is, you could look at any one of those instances of grants or giveaways to non governmental organizations. The amount of government aid that goes to non governmental organizations really turns the NGO idea into an oxymoron. So when you go into the details of understanding, I would say the callous disregard with which the taxpayer money is handled, if this was in a corporate context, that would be a fiduciary breach. And I think it is in some sense an even more sacred duty that a public servant or the public servants have to the taxpayer, a kind of fiduciary duty that I think has been wildly breached and we want to rectify. And I think that if we are able to bring that business mentality to the way that federal government operates, that's going to be a win.

Allen

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You mentioned Congress earlier. Every one of these programs that you talk about has a patron. What do you think Congress is going to go gladiator on that it will be impossible for you to fix based on bureaucracy or habit?

Ramaswamy

Look, I think that the first step is going to be what can be done through existing executive authority without relying on Congress to take those steps. I actually think that there's historical been a philosophy, of course, the executive can't spend money if Congress hasn't authorized it, but if Congress has authorized it, and yet it's being spent in a wasteful or in an unethical or in a fraudulent or even in an error-prone manner. That's a one way ratchet to be able to turn that down. So I think focus number one is what can be done through existing executive authority to reduce the waste, the fraud, the abuse, the error regulatory overreach is also in this category that the Supreme Court is already constrained with the executive branch should be allowed to do the executive branch isn't really operating in accordance with that. That's the first wave. And then I hope that those wins lay the foundation for Congress to say, "Hey, you know what? The sun still rises in the east and sets in the west. Nothing broke. People are worse off. People are better off actually, as a consequence of making these changes." That gives them, then, the courage to make the legislative changes needed to pare back spending in ways that do have to go through statute. That's the way I see this play now.

Allen

To make a real dent, you'd have to go after Social Security, Medicare. Do you have the stomach to take on entitlement?

Ramaswamy

So as I said earlier, that's a policy decision that belongs to the voters, ultimately, through the people they elect to Congress for whether or not they're going to pass the laws that would or would not cut entitlements like Medicaid, Medicare and Social Security, that sidesteps the thing that we unambiguously should be doing with all of those programs, which is making sure that their program integrity is intact. Right now, there are hundreds of billions of dollars flowing out the door of all of those programs ending up in the hands of people who, even under the statute, should not be receiving those payments. And so, let's figure that out first, nail the savings we harness from that, before just jumping to the question of taking away entitlements that people have paid into that feel that they are therefore entitled to, who are in a good hearted way have been promised that by politicians on both sides. I think it is intellectually lazy to just jump to saying, "How are we going to fix the problem?" by taking that away without actually doing the more necessary work of stopping the people who, literally, under the current law, should not be receiving those payments yet, who still are, many of which are individuals, many which were entities as well. You think about the federal contracting process, the amount that it takes for many federal contractors to charge the federal government, which is very different than what

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they would be charging a private party in the same position. That's the kind of saving that we owe an obligation to the people of this country to deliver first before we're even approaching any discussion about cutting actual entitlements to individuals who are rightly receiving them today, and we haven't done that yet, and I think that's irresponsible, and I think it's a big part of what we want to take on.

Allen

This is the Aspen Security Forum, so we will do a rapid round on foreign policy and national security last evening. You tweeted last year we sent this foreign aid to China that revealed, as you put it, a parody of how our government works. We borrow money from China with interest only to donate it back. Foreign aid, you tweeted, has become nonsensical and requires scrutiny. A lot of interest in that in this room. Where do you start?

Ramaswamy

So I think that you've got to look at what is the purpose of that foreign aid and the amount to try to acknowledge this in my tweet, it's not a big number. It's not that it's \$13 million or something like this last year. It's not the big number, that that's an individually a big number individually, that was actually a small number. But it's the illogic of saying this is the number one country we're borrowing from in order to then donate that money, you will pay the interest, but when we donate it back, there's no interest on the way back. It just doesn't make any sense. It is devoid of logic at the core of what we're actually doing with that cycle of money flow. And so I think one of the things we look at, foreign aid will get any other expenditure domestically as well, how does this actually advance a purpose that serves the US taxpayer and the best interest of the United States of America? We haven't gone through that zero based budgeting mentality, not only in the context of foreign aid, but in a wide range of other areas. But I don't think foreign aid should be exempt from that category either. A lot of the funding of these non governmental organizations or NGOs, again, if they're truly non governmental organizations, they should not be propped up by the taxpayer and I do think that there has been a culture in the foreign aid complex of thinking of itself as immune from the same standards of spending scrutiny that we would otherwise apply elsewhere and I think that should change.

Allen

So zero based, you don't look at what you cut, you start with zero and look at what you absolutely have to have, need in addition to foreign aid. Where else do you plan to apply a zero based approach?

Ramaswamy

Well, I think one of the things to remember here, let's just talk about broadly in the area of defense, right? I mean, this is where the dollars at a big obviously, the Pentagon has failed,

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what, I think it's that seventh consecutive audit in a row? I think that that's unconscionable. But again, it's this historical, lazy debate about whether or not, does that mean more or less defense spending, versus asking the question of, actually, are we deploying the right kind of federal spending? You look at, actually, if you want to make real improvements to the defense and security of the United States of America, we would be investing more in drones, we'd be investing more in hypersonic missiles, rather than in a wide range of other expenditures for new kinds of fighter jets or whatever that aren't the highest ROI use of the dollar to even protect the best interests of the United States or to protect the United States itself. And so this broader discussion of or if we spend less on defense, that means we're going to be less secure, and if we spend more, that means we're gonna be more secure. That's a faulty premise. The real question we ought to be asking is, what type of investment and what type of spending is actually going to achieve the goal of the US Defense Department, which is to protect the US homeland, to stay out of wars, and, God forbid, if we are in wars, to win them. That's not the question that's being asked today. It's not the way it's been run. And you know, I mean, I, I've had my share of criticisms, for the likes of, you know, say, you know, policy decisions involved, involving those decisions made by like, likes of Donald Rumsfeld. He actually gave a fascinating speech that I encourage everybody here to go check out on September 10, 2001 notably, the day before 9/11, effectively making a lot of the points that I'm making my discussion right here with you about the way our own defense industry, our defense industrial base, is built, but also even our own Defense Department is spending its own dollars. It's not about more versus less. It's about the quality of those expenses. And if you look at how much we're actually spending on drones, spending on drones or hypersonic missiles, it's actually a tiny, like a shockingly and alarmingly tiny percentage of the Defense Department's budget, when, in fact, those are two of the kinds of investments where we ought to be spending more. But that doesn't mean that the overall defense budget needs to be bigger. It means that there's a lot of that money that isn't even being accounted for today that should be spent on what actually matters versus what doesn't. So that's the philosophy I would take.

Allen

Super interesting. So the Trump administration will be spending more on drones, hypersonic missiles, other emerging, new technologies.

Ramaswamy

I'm giving you my perspective here, right? We're offering, as I said, recommendations from the outside. But it's an example of a lens. It's a mentality of what actually maximizes the ROI of the taxpayer dollar.

Allen

What other technologies do you see in that bucket?

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Ramaswamy

Well, I would say, you know, on military, we can, we can have a whole separate discussion on that more broadly. I think one of the areas actually you and I were talking backstage about is, what is the US' position, leadership position, in the future of the AI race? I think this is something that we have not yet really wrapped our heads around, because we've again gotten hung up on the short term question of, is more or less? Do we want more AI or less AI? What role should the government play in constraining it, rather than asking the question of, how do we want to ensure the US is a leader in the development and deployment of one of the tools that could improve human productivity? Or think about broadly, not only national security, but you want to think about also the prosperity of the United States or economic growth, one of the things that we want to do is improve the productivity of our actual worker. That's something that we haven't really thought about versus looking at new tools like AI. I want to think about parts of the government that have historically been, you know, maybe engaged in naval gazing analysis about the future of scientific councils to actually instead, look at how we can use those as offensive areas to make sure the United States is at the bleeding edge of, for example, developing the kind of AI that improves worker productivity. That's, I think, the way this discussion ought to be framed, but also can be a major part of our national security future as well.

Allen

What other investment do you expect, foresee, recommend in AI?

Ramaswamy

So look, I think that we've seen massive private sector investment. The question is, what's the right framework for potential regulation of the risks associated with this? And I think there are real risks. I think a basic principle to start with is, let's treat AI with the same lens that we would treat any other form of potential technological risk to human beings. One of the things that we're probably not doing enough of is thinking about what is the liability born by companies that develop algorithms or protocols that have unintended consequences. You can't dump in somebody else's river as a chemicals company, shouldn't be any different if you're developing a new kind of product. But that's different from saying that you know what, we're going to adopt constraints that other countries are adopting, like China or other countries, that are going to ultimately put us at our own competitive disadvantage. So I think those are some basic principles as we don't want to adopt constraints that make us any less competitive than another country at the same time, how do we achieve a competitive economy? General piece of caution I would offer is, anytime you see members of a regulated industry, especially the larger incumbents in that regulated industry, advocating for a form of regulation that is usually a basis for an alarm bell growing off for why that larger incumbent is advocating for that form of added regulation, we want to ensure that we have continued competition as well. And I do think that one of the ways, one of the best ways of safeguarding against the risks of AI is actually the best

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check on the risk of any one form of AI is the existence of competitors that are taking a different approach and can offer a market competitive check on what one one form of AI, if it was truly a monopolist developing it would actually represent to a country. So I think it's, it's time tested principles of competition, of ensuring that manufacturers internalize the risks of their economic activity. It's old school solutions, but applied to new age challenges and problems, and that's how I think about the future of AI.

Allen

What other areas do you expect surprises to the upside? That is, other places where you would advise, foresee more investment.

Ramaswamy

Well, I don't, surprises to the upside, meaning seeing more investment or less investment. You I don't know exactly how to think about that at that general level. Yeah, I want to spend more on what actually advances the goals of the federal government. What should the federal government actually do well? The federal government should do, I think, a couple of things well. One is to provide security to the United States of America as the top job of the federal government. One of the great jobs of government, more broadly, is to protect and preserve the rights, including property rights and the constitutional rights of individuals, those are the two things our federal government should be doing. And I think it's not doing as good of a job as it possibly could today, in part because it's spending money on a wide range of other things, generally through the regulatory state and the growing entitlement state that were outside the purview of what our founders envisioned for the federal government. The beauty of living in America, in our country, which is a creedal nation, founded on a set of ideals, is that we don't have to make up those ideals every generation. We can just stick to the original, time tested version that said our country into motion the first time around. Follow the Constitution, the Constitution with three branches of government. The legislative branch makes the laws, the executive branch enforces the laws, the judicial branch interprets the laws. It's actually something... It's a brilliant idea with separation of powers. We don't follow that today. In most binding edicts, most government decisions are made by people who fall in none of those three branches of government. I think if we fix that, if we get rid of mostly, get rid of this fourth unelected branch of government, the administrative state, I think our constitution actually works pretty well in getting us how far we've gotten. For most of our history, we didn't have an administrative state. We had a federal government that was tiny by comparison to the one we have today. We have one that actually was pretty consistent with the one that our founders envision. We did pretty darn well. We got pretty far with the federal government of a size that would make our founders proud. A big part of this is a lot of the questions that are taken on by the federal government also belong to the states. That's really what federalism itself was about. Think about the Department of Education, for example. In this category, that doesn't mean that public education isn't important for the future the country to say, we want to shut down the Department of Education. But what it does mean is that that is a function that is reserved to the states in exactly the way our framers envisioned in the 10th Amendment, which said that which

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is not explicitly reserved to the federal government in the Constitution is risk reserve, respectively to the States and to the people. So, I think those are two principles of restoring federalism, restoring the separation of powers, shut down the unelected fourth branch of government that gets in the way. And I do think that that's a blueprint that's not original, and I'm glad it's not original, because what we believe in in this country, and what's gotten us to where we are to be the greatest nation, I believe, known to the history of mankind, is following the greatest operating manual for a nation known to the history of mankind. And that's the US Constitution.

Allen

All politics is local. We're in Washington, DC. You talked about mostly getting rid of the administrative state. The federal government, the administrative, the executive branch, it sounds like will be notably smaller.

Ramaswamy

I think if we get our job done, absolutely. I mean, I think that this is a government where, if you ask George Washington and Alexander Hamilton, even John Jay and Thomas Jefferson, is this federal government recognizable to the republic they set into motion. I think they would tell you, this is unrecognizable. That it's a technocracy disguised as a democracy. And I think if we restore a federal government to a size that would make our founders proud, then yes, I believe that our best days as a country are still going to be ahead of us. If we fail to do it, then I can't make you that promise. But I think that if we restore a federal government back to size, that would make the signers of the Declaration of Independence and the framers of the Constitutional Convention proud, then I am rock solid, confident that America's best days still lie ahead.

Allen

Now we're looking forward to bringing you into the conversation.

Niamh King

Great thanks, Vivek and Thanks, Mike. I'm going to turn it over to our executive director Anja Manuel for the question, please.

Anja Manuel

Thank you so much for coming. Great presentation. Thank you. I'm 100% with you on the low hanging fruit. I spend a lot of time working with the DOD. I'm glad they're not immune from reform for DOGE. I just want to get in a little more detail at your point on the fourth unelected estate. Under President Nixon, about 1.1% of the US population worked for the federal government. Now it's about 0.6% so it's steadily gone down as a percentage of the US

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population, and about 70% of those federal government employees work in what we would consider the national security agencies. So most of those are DOD, Intel, etc, etc. How low do you want to go and where are you going to cut?

Ramaswamy

So a couple of things. First is the idea of reducing the federal employee headcount is not really about saving cost. I think that's either been a misunderstanding or mischaracterization of the objective, actually, it's a very small portion of the total federal costs that are the head count expenses to individual employees. I think that part of what you have is an overgrown federal government that is doing things that were never supposed to be done by the federal government in the first place. You look at the number of times in the last two years alone, or two to three years that the action of a federal agency has been struck down by the US Supreme Court. You look at *Loper v Bright*. You look at *West Virginia v EPA*. You look at *SEC v Jarkesy*. Countless cases just in the last several years where the federal government is doing things that you otherwise should not have done as a federal agency, it's illegal, according to the Supreme Court, unconstitutional under the laws and constitution of this country. Part of the problem is, when you have a lot of people coming to work who shouldn't have had that job, they earnestly find good things to do, or what they believe are good things to do. Turns out, we've already been put on notice that violate the law. And so, I think part of the project of thinning out the federal bureaucracy, that's less about the headcount expenses, and it's more about actually respecting the rules of the road in the constitutional republic. Now, one way to do this is in a logical matter, what is the set of regulations that fall outside the scope of what the Constitution authorizes using those Supreme Court standards? If that's ten or 20 or 30% fewer regulations, maybe it's more than that. Well, the industrial logic would say, if the federal government is doing less, if the regulatory state, at least, is doing less well, then you need less head count to be able to carry that out. And I want to emphasize that the individual federal employees are mostly not bad people, actually, because most human beings are not bad people. To the contrary, most people who are federal employees are doing what they do because they believe they're serving their country, and I respect that. And I think most of those federal employees, all of them, deserve to be treated with respect and dignity, no matter what changes are made. But I actually think it will happen to improve the productivity of the United States and our economic pie as a whole, because I don't believe that the highest and best use of any of those talented people is what they're doing in the federal government today, much of which even the Supreme Court tells us is outside of what's lawful in the federal government. And the way you improve the productivity of a country is the more you're actually tying what somebody is doing to a higher productivity activity that increases the productivity in the economic whole and the economic pie of the nation as a whole. And so I think that this is going to be a positive development, both for the economy as a whole, both for compliance with what our constitution actually says is permissible to be done or not by the federal bureaucracy. But I'm hopeful it's going to be even good for many of the individuals who may make a transition from government service back to the private sector in a manner that respects them, in a manner that, because this wasn't about that wasn't really about ringing the biggest source of cost saving anyway, gives us a lot of latitude to be able to treat those workers and their families in a respectful way, in a way that doesn't leave them in a

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lurch, that might even be, by private sector standards, generous in transitioning. I think those are opportunities to both demonstrate respect to the individuals, while saying that you the individual federal worker, you're not the bad guy, but the existence of the bureaucracy that involves too many of those federal workers, that is what we're up against. And I think if we're able to separate those two things, we're going to be successful at doing this in a respectful but also, but also aggressive manner.

Allen

Thank you. Excuse me a second. We're about to get the hook, but Vivek at *Axios*, we always end with one fun thing. We have a double header here. The number one "People's Choice" question people wanted me to ask is, what's it like to work with Elon Musk?

Ramaswamy

I mean, I have never worked with somebody who I feel more challenged by in being surrounded by. I mean, he's, he is somebody who's able to think outside of the box, outside of the matrix, in a way that I haven't actually seen before.

Allen

Like, what is his approach?

Ramaswamy

He's actually very focused. He's incredibly focused on, "What is the mission?" And the mission of this project is to deliver not incremental reform, but major reform. That's what the voters voted for. They didn't vote for small reform and I think that his focus on that, and his genuine motivation focus on that over any other objective, I think is actually really motivating. I've learned a lot from working with him, even in the short time we've been in the trenches together. And, you know, I think it is not surprising to me, having worked with him, that he's created some of the greatest manufacturing companies that America has ever seen from the realm of electric vehicles to sending objects to outer space. I think it is not surprising having worked with them, to see that he's somebody who's been at the bleeding edge of that, and he's somebody who has probably challenged me and the people around him, even in the short time in this project, in our in our infancy, more than I've seen it for anybody I've actually worked.

Allen

And as we say goodbye, you told me that you had a memorable night at Mar-a-Lago.

Ramaswamy

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Oh, yeah, you were asked about the night that, or shortly after the election, when we decided about how DOGE was going to look and my involvement in it. I actually was on track. I've been doing something since I left the presidential campaign that's been good for me this year, which is, I've been picking up my tennis game. Actually, I used to be a good tennis player. Didn't play for a couple years, really, having two kids, infant, and then running for US President isn't good for your tennis game I've discovered. But I took that back up after I left the presidential campaign in January, and I had been working out, practicing with the Ohio State team, I live in Columbus, for a professional tennis tournament that they had given me a wild card to, and this was on Monday, November 8. And so it had been, it had been the pinnacle of my athletic career. Yeah, I had a feeling that that might not be the most auspicious date for tennis, but when it came for the match, they finally said I was ready. I had my spot. And that Sunday night I had to head to Mar-a-Lago for more important business, and about 48 hours later, we had set with the leadership of DOGE would look like. So I do think the people at Ohio State still take that as a cop out, because they saw it as a wimpy way to default the match, which is exactly what I did. But I'll see if I can stay on my toes, and maybe by next year we'll show up and do it again.

Allen

Thank you, Aspen. Thank you, Vivek. Happy holidays.