

WORKERS' CAPITAL · A POST-IPO BRIEFING

Should Workers' Capital Buy Into the SpaceX IPO?

After the launch — the case for organized refusal.

Stephen F. Diamond · June 2026

THE SETUP

The deal is done. The question isn't.

Ten days after the largest IPO in history, the financial press called the first-day pop a vindication. It wasn't. **A pop proves the marketing worked — not that the price was right.**

Trustees no longer decide whether to buy. Within days, index rules pull SPCX into the Nasdaq-100 and every teacher's 403(b) buys it automatically.

Participation without consent, exposure without voice. That is not a market relationship. It is tribute.

\$135 → ~\$2.2T

Decreed price; first-day market cap

Largest ever

Biggest IPO in the history of capitalism

“Forced investment”

The AFT's warning to the SEC — 1.8M members

The governance option

A share of stock is a bundle of rights. Labor's task is to exercise the ones it has long left to lapse.

- 1 The firm is a centre of power.** Not neutral plumbing — ownership and control never separated. That creates a permanent problem of legitimacy.
- 2 Pension savings can't exit.** Beneficiaries are involuntary, hostage investors. When exit goes dark, the price signal that disciplines managers dies.
- 3 So deferred wages get “put” back as capitalist savings.** Unless labor acts, workers' own money becomes fuel for accumulation deployed by others, in others' interests.
- 4 The remedy: exercise the embedded rights.** Vote, information, the annual meeting, the derivative suit. Used collectively, they are the one real check on private power.

Ownership without power

Ownership without power: the control wedge

■ Elon Musk (Class B, 10 votes each) ■ Public investors (Class A, 1 vote each)

Voting power



Economic ownership



Musk's voting power is guaranteed to remain above 50% no matter how many shares are sold.

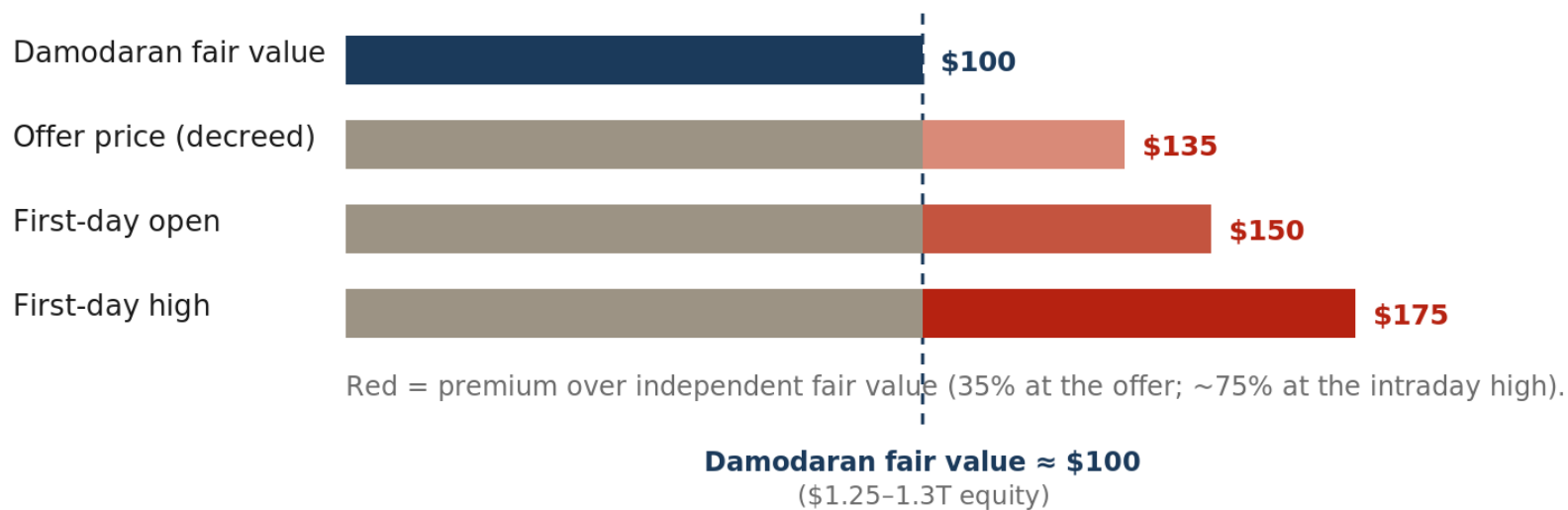
85.1% of the votes on 42% of the economics — permanent, and removable only by a Class B vote Musk himself controls.

*In Texas, the derivative suit — the remedy for self-dealing since the 19th century — now requires a 3% stake: more than \$60 billion.
The remedy wasn't weakened; it was priced out of existence.*

A great company can still be a terrible security

The pop is the problem, not the vindication

Price per share (US\$). Independent fair value vs. the manufactured offer and first-day trading.

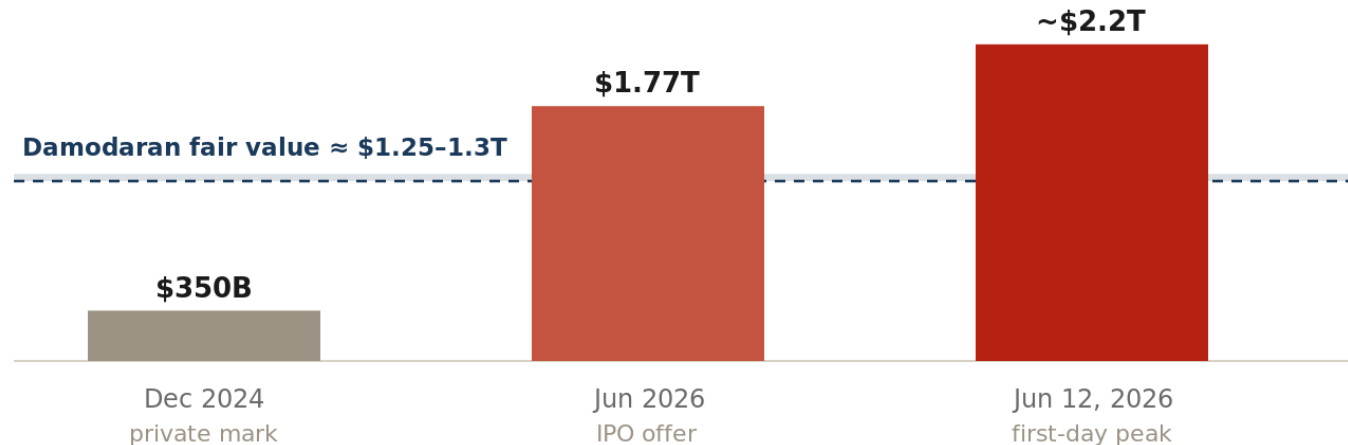


Damodaran values the equity near \$100 — it traded at \$175. **The prospectus' \$28T addressable market (“borders on fantasy”) is the largest ever asserted.**

A manufactured valuation

A mark manufactured: \$350B to \$2.2T in 18 months

Reported valuation (US\$ trillions). Bars left-to-right by date.



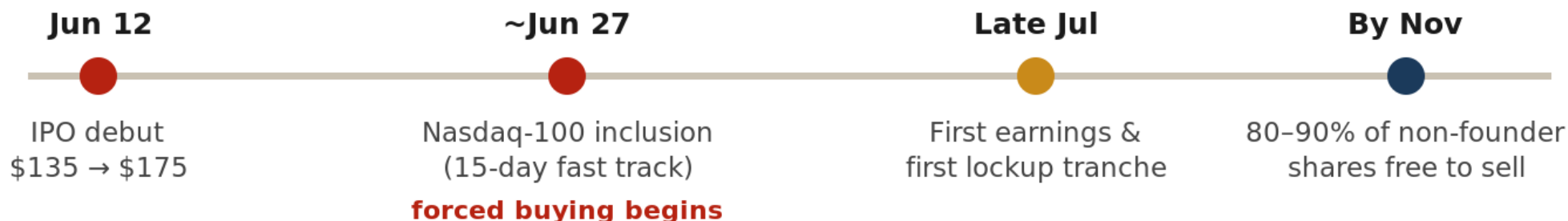
“Musk negotiates with himself, sets the terms, and outside shareholders absorb the risk.”

— Electrek, on the \$250B SpaceX-xAI deal (the step-up rested on it); echoed in Bloomberg and Techdirt.

Forced investment: conscription, then exit

The forced-investment clock

From debut to the unlocking of insider exit liquidity.



Retail and index funds buy the top as insider lockups release. (Market estimates.)

A 15-day Nasdaq-100 fast-track the issuer itself lobbied for pulls in index and 403(b) money automatically — just as insider lockups begin to release. Retail and pensions buy the top; insiders get the exit.

Workers would fund their own disenfranchisement

As employees

SpaceX sued to have the NLRB declared unconstitutional after firing workers who criticized Musk — and won by attrition when the Board dropped its case in February 2026.

Reuters has documented 600+ worker injuries — amputations and a death.

As owners

We already ran the experiment. CtW's funds warned Tesla's board in 2016; I took the floor of the 2018 annual meeting against the captive directors.

The answer: redomestication to Texas and a bigger pay package. SpaceX offers strictly worse terrain — no vote, no court, no board, no exit.

Prudence and solidarity, so often said to conflict, here point the same way.

An agenda for the post-IPO fight

1

Contest the index layer. The new frontier of the exit problem — fight fast-track inclusion; demand benchmark governance standards.

2

Rebuild the option through law. SEC comment letters, the materiality case, and challenges to the Texas derivative threshold.

3

Reclaim stewardship. Take proxy voting back from Wall Street intermediaries who 'put' the option to management.

4

Unite owner and worker. Run the NLRB defense and the capital strategy as one campaign, not two.

5

Refuse — on the record. An alternative roadshow for the trillion-dollar founder: restricted lists, public justification, candor with beneficiaries.

THE PRECEDENT

Refusal from below can reprice a deal and rewrite a rule.

In 2000, an AFL-CIO campaign cut the PetroChina IPO from a hoped-for \$10 billion to under \$3 billion — and won a new SEC disclosure rule. **The stakes now are larger, because the capital being requisitioned is labor's own.**

Workers' capital should stay out — loudly, publicly, and on the record. The point is not to miss the biggest deal in history. The point is to contest it.