

Nobody Voted for This:
The Economics of Artificial Intelligence

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AI will liberate [humanity](#)!
Every household will have their private robot for
free!
Humans will never work again!
And the mass hypnosis droned on and on and on.

The reality reveals that computing power, energy consumption and high token usage make AI an exceptionally expensive line item. In fact, so expensive that businesses are shutting down use of AI as it is pricing them out of business. Nvidia's Vice President of Applied Deep Learning publicly stated that compute costs for their AI engineering teams far surpass the actual cost of the employees' salaries.

An economic analysis by MIT found that AI is only cost-effective in about 23 percent of basic jobs; in the remaining 77 percent, keeping a human worker is the more economically viable option, making all those 5,000

data centers obsolete and the new ones being built a fictional storyline. It is called “token usage” and small business owners are staring down bills as high as \$113,000.

Heavy users were burning \$500 to \$2,000 per month each. Microsoft is banning the use of AI by its engineers. The boom is going to bust after global spending reaching over \$6.7 trillion. Across the board, tech companies claim that human employees are much more cost-effective, but our scholarly education systems have failed to teach real world skills for engineers leaving 80 percent unemployable. Exasperating a problem that will become exponential as businesses scramble for humans to replace AI. Are we in the beginning stages of an AI bubble?

1

At the end of [September](#), an incredibly significant working dinner took place at the White House. Afterward, President Trump presented himself to the excited press crowd. Framed by the twenty-somethings of the AI scene, Trump was flanked on his right by Nvidia CEO Jensen Huang, and on his left sat his love-hate companion, SpaceX CEO Elon Musk. Farther away from the greatest US president of all time sat Facebook's Mark Zuckerberg, Google's Sundar Pichai, and somewhat in the background, Jeff Bezos. Important in this round, however, is also

Anthropic CEO Dario Amodei. Somewhere at the back, Trump's trade minister Howard Lutnick. All together, heavyweights with a billion-dollar fortune on the scale.

In fact, there was an [incident](#) last July that could have come straight out of a science fiction novel. The company OpenAI had contained self-operating AI agents. These AI agents were supposed to perform limited tasks within a specific “sandbox.” However, one such “artificial agent” had escaped. Other agents followed. The swarm acted in a division of labor and strategically. He pounced on the computers of the company Hugging Face. Before things got worse, OpenAI was able to stop the escapee. They said: “Our models are now so powerful, persistent, and collaborative that they can find and exploit vulnerabilities across multiple computer systems without adequate safeguards. Many external models, including open-source models, will soon achieve comparable capabilities.” The same report said: “Preventing future incidents will require continued investment in the alignment and control of sophisticated AI systems, as well as security and other safeguards that operate at the speed of the AI agents themselves” [this is question begging, assuming it's true].

2

This historical event prompted the discerning head of the AI company Anthropic, Dario Amodei, to write a

philosophical [essay](#) titled “The Adolescence of Technology.” Amodei explains:

Humanity is about to be handed almost unimaginable power, and it is deeply unclear whether our social, political, and technological systems possess the maturity to wield it. . . Carefully wielded, AI can be the latest in a long line of technological miracles that have uplifted and ennobled humanity. . . But like many technologies before it, AI brings risks, and because it is such a powerful technology, these risks are serious. . . A race to the bottom, spurred by commercial incentives, can make these risks more acute. . . We must slow the pace at which we improve the capabilities of AI models. Progress will still seem fast, and we must make wise use of the time we gain. . . But we will need to step up our efforts if we want to succeed.

[This is only slightly less obnoxious than his “Machines of Loving Grace” (2024), which he admits is a set of vague presuppositions]. The strange thing is all the competitors, including Sam Altman and Elon Musk, fully agreed with their rival Amodei. They are now pushing for the meeting with Trump that was mentioned at the beginning. At the end of the working dinner, however, there was no joint agreement to forgo diabolical tools of

artificial intelligence under penalty of law. Instead, they nobly agreed on a “morally binding” self-commitment. When have American oligarchs ever been bound by something as unprofitable as morality [or law]?

3

Dario Amodei wants to take his company Anthropic public as soon as possible. During the IPO, \$20 billion in fresh capital are to be raised. Provided that Anthropic is valued at two trillion dollars on the stock market. At the same time, it will only generate \$65 billion in revenue in 2026. The two trillion dollars are referred to as “market capitalization.” So Anthropic doesn't have the money yet. That is the amount that stockbrokers expect as a possible revenue figure in the foreseeable future. OpenAI is also expected to go public next year [and] is also expected to be valued at two trillion dollars. Elon Musk went public with his SpaceX this summer. He was assigned a market capitalization of \$1.2 trillion. Musk was able to take \$75 billion dollars from the stock market. Amodei, a Jew, surrounded by Jews at Anthropic, is a billionaire.

Economics professor Stijn Van Nieuwerburgh calculated the expectations of the stock market world all the way up to the year 2032. He concluded that the profit expectations can only be met under very unlikely circumstances. So, if the combined market capitalization

of the three AI giants is to reach \$5.2 trillion, these companies must generate at least \$3.7 trillion in revenue by 2032. To achieve this, the revenues must increase by 80 percent each year from now until 2032.

Achieving that is very unlikely. This requires stable investment conditions in a politically stable environment. That is unlikely to be the case in the USA at the moment and for the foreseeable future. Chinese competition is dangerously closing in on the Americans. Sam Altman from OpenAI and Elon Musk had already anticipated black numbers for AI by the year 2025, but then a Chinese competitor named Deepseek came along, offering most of its services for free.

The Americans were not making profits (despite the great wealth of their owners), but accumulating heavy debts. Anthropic alone hoards about \$8 billion in debt. With Deepseek, it is by no means over. The presence of Chinese AI providers in the USA is becoming increasingly open. This is evident in two intermediary platforms for AI programs, namely OpenRouter and Vercel. There, you can buy the AI program that suits you. The market share of Chinese AI programs has dramatically increased within this year. In February of this year, only one in ten customers had purchased or downloaded a Chinese AI program, but now it is currently up to two-thirds of all users of Chinese software.

This is the result of China's tireless outreach to the Global South. In July of this year, China founded the World AI Cooperation Organization (Waico). Here, China wants to share its AI tech with everyone; 29 states from Asia, Africa and South America have now gathered. The artificial intelligence programs in this hemisphere are operated as open-source programs. All users can access the programs for free or modify them to their liking. No wonder that Chinese open-source programs account for up to two-thirds of the downloaded programs in the Southern Hemisphere, Asia and even Europe. Alone, the Alibaba programs were downloaded over three billion times in the last six months.

4

The same Stijn Van Nieuwerburgh calculates that by 2032, the financial volume of the AI industry in the USA should account for about eight percent of the gross domestic product. So about as much as Americans spend on food. That's impossible to fill. The AI oligarchs like Musk and Amodei are probably also realizing this. The incident with the escaped AI agents from OpenAI actually came just in time to promote a slowdown in the AI industry. Maybe Trump is supposed to keep the Chinese away from American shores? Just like after the dot.com crash, there will be countless company liquidations.

Artificial intelligence marches on either as a proprietary model or as a collaboratively shared open-source model. The stupid thing is that AI remains at least as voracious as the human brain. That's why data centers are now being built all over the world. They need, above all, electricity, electricity, and once again, electricity. For that, you need energy carriers and a lot of water to cool the units. In the USA alone, 183 gigawatts of electricity will be needed over the next seven years at the projected growth rate mentioned above.

Today, only 57 gigawatts of electricity are available. So where to get the electricity from? In the USA, the battle of residents in some regions against the plans for a data center on their doorstep has fully ignited. Often, the citizens have not been asked for their consent regarding the data centers in their neighborhood. Accordingly, the anger of the Americans is ignited. Currently, over 60 percent of the surveyed US citizens are against their construction.

Donald Trump doesn't need to believe that the people's anger has somehow left out the Republican base voters. Over the Summer, 2026, 140 rallies took place in 40 states of the USA. One thing is clear: for a good investment climate, the AI oligarchs need the support and backing of politicians, but that looks bleak for the near future

because they are increasingly distancing themselves from the construction projects of the AI industry.

To make matters worse, the Iranian Revolutionary Guards had destroyed or damaged three Amazon Web Services data centers in the Persian Gulf in the summer. The losses and damages suffered by the Arab Gulf states due to the war also prevent the sheiks from pumping money into the US AI bubble. These are all quite suboptimal conditions for the bloated AI industry in the USA. The AI bubble will burst. That is not even a question. We will see if this explosion will be a purifying storm for the American AI industry, or if the collapsing data centers can drag the rest of the US economy and thus society into the abyss.