

The feud between Elon Musk and Sam Altman – explained

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The day after OpenAI launched in December 2015, its co-founder Sam Altman sat down with Vanity Fair to discuss what the magazine described as “a non-profit company to save the world from a dystopian future”. Altman talked up his vision for keeping artificial intelligence safe and distributing it widely, as well as his good working relationship with his co-chair – Tesla CEO Elon Musk. “I really trust him, which is obviously important to everyone involved,” Altman said. Almost a decade later, Musk and Altman are locked in a public spat and looming legal battle that revolves around the end of their previous partnership and OpenAI’s creation of a for-profit subsidiary now valued at \$80bn. Musk filed a suit against OpenAI in a California court last week, alleging that Altman and other executives had “breached the founding agreement” of the company by pursuing private commercial success instead of working to benefit humanity. “Mr Altman caused OpenAI to radically depart from its original mission,” Musk’s suit states. The lawsuit pits the most prominent name in artificial intelligence against one of the world’s richest men and escalates a years-long feud between Musk and Altman. It also adds to a growing number of lawsuits facing OpenAI, as a slew of authors and news outlets allege that the company violated copyright laws and illegally used original works to train its AI tools. Musk’s complaint is a sprawling document that gives his account of the founding of OpenAI, as well as Musk’s views on AI’s danger to society. The core of the suit, however, revolves around Musk’s allegation that OpenAI broke an initial agreement to share its technology with the public and help humanity when the company took billions of dollars in investment from Microsoft and turned into a largely for-profit venture. It also alleges that OpenAI has partially achieved the creation of Artificial General Intelligence – broadly defined as when AI is on par with human cognitive ability – which poses “perhaps the greatest existential threat we face today”. “OpenAI Inc has been transformed into a closed-source, de facto subsidiary of the largest technology company in the world: Microsoft,” the suit states. OpenAI pushed back against Musk’s suit in a lengthy blog posted to its website on Wednesday. Musk supported turning the company into a for-profit entity before he left the board in 2018 and attempted to merge OpenAI with Tesla to become CEO of both, Altman and other OpenAI executives allege in the post. OpenAI’s response accuses Musk, who launched his own generative AI company just last year, of professional jealousy. “We’re sad that it’s come to this with someone whom we’ve deeply admired—someone who inspired us to aim higher, then told us we would fail, started a competitor, and then sued us when we started making meaningful progress towards OpenAI’s mission without him,” the post states. OpenAI included several emails with Musk in its post, including one in which the company’s chief scientist Ilya Sutskever states that “it’s totally OK to not share the science” behind their AI since open-sourcing the technology could allow it to fall into unscrupulous hands. Musk replies in an email, “Yup.” Musk has mocked OpenAI and Altman on his social media platform X, formerly Twitter, in the days since

the company issued its reply. The 52-year-old billionaire posted a meme renaming OpenAI as “ClosedAI,” as well as shared a photo of Altman edited to show him holding up a company badge with “ClosedAI” on it, referencing the company’s pivot to keeping its technology under wraps. Legal experts have cast doubt on Musk’s suit against OpenAI, stating that he may not have legal standing to sue the company for changing its values. Claims OpenAI violated its fiduciary obligations would also potentially require the suit to be handled in Delaware where the company is incorporated, rather than California where the suit was filed. Likewise, many AI experts believe the milestone of artificial general intelligence is still far away, throwing a shadow over the suit’s assertion that OpenAI is already there. Also unclear is whether there is any concrete founding contract at all, since the suit does not mention a binding document with formal agreements and signatures of the company’s founders. Instead, the complaint details a loose series of discussions, emails and documents – handshake agreements, in effect – that may not hold up to legal scrutiny. The origins of Musk and Altman’s feud Before their partnership turned acrimonious, Musk was something of a mentor figure to Altman. The two met in the early 2010s while Altman was becoming increasingly powerful in Silicon Valley through his work at the startup accelerator YCombinator, and Musk was already a tech mogul. A partner at YCombinator took Altman on a tour of Musk’s SpaceX rocket company, which Altman has repeatedly described as an inspiring moment. “[Musk] talked in detail about manufacturing every part of the rocket, but the thing that sticks in memory was the look of absolute certainty on his face when he talked about sending large rockets to Mars,” Altman wrote in a 2019 blog post. “I left thinking ‘Huh, so that’s the benchmark for what conviction looks like.’” Altman and Musk began emailing around 2014 about artificial intelligence and its dangers, eventually deciding that if the potentially humanity-destroying technology was inevitable, they should be the ones to guide it. Musk’s suit alleges that Altman emailed him in May 2015 with the start of a proposal to create an “AI lab” that would rival AI leader DeepMind, which had been recently acquired by Google. “Thinking a lot about whether it’s possible to stop humanity from developing AI. I think the answer is almost definitely not,” Altman emailed, according to Musk’s suit. “If it’s going to happen, it seems like it would be good for someone other than Google to do it first.” Musk and Altman recruited AI scientist Ilya Sutskever and former Stripe chief technology officer Greg Brockman to join their fledgling company as co-founders. Musk pushed the group to announce that the company was launching with a \$1bn funding commitment, far higher than the \$100m that Altman intended, and claimed he would cover whatever wasn’t raised, according to emails OpenAI posted on their blog. The company ended up raising \$45m from Musk, it stated in the post. What started as a promising business relationship soon became a struggle for influence within the company, with Musk becoming impatient about the lack of advancement and suggesting the company become part of Tesla. He also hired away a prominent AI researcher from OpenAI to work for his car company and unfavorably compared OpenAI’s achievements in AI to competitors at Google. “My probability assessment of OpenAI being relevant to DeepMind/Google without a dramatic change in execution and resources is 0%. Not 1%. I wish it were otherwise,” Musk emailed the other founders in 2018. He left the company’s board that year, with OpenAI announcing his departure would remove conflicts of interest with Tesla. In the years since, Musk and Altman have at times praised each other’s work. But since OpenAI’s release of ChatGPT and rapid ensuing growth over the past year and half, the two have become more openly critical of one another. Altman described Musk as a “jerk” whose operating style he would not like to emulate while on journalist Kara Swisher’s tech podcast last March, while also acknowledging he believed Musk cared deeply about AI’s future. Musk, meanwhile, has repeatedly criticized OpenAI’s ChatGPT chatbot as “woke” and launched a rival chatbot called “Grok,” which has not achieved widespread adoption. He also suggested last year that Altman is creating harmful advancements in AI, and that OpenAI needs directors who will “stand up to Sam”. “I have mixed feelings about Sam,” Musk said during an appearance at a New York Times event last November. “The ring of power can corrupt and he has the ring of power.” Musk’s suit goes even further, characterizing Altman as a recklessly developing artificial intelligence that will harm humanity and setting OpenAI’s founding principles “afire”.