

A Dire Warning From the Tech World

Matteo Wong

Dean Ball helped devise much of the Trump administration's AI policy. Now he cannot believe what the Department of Defense has done to one of its major technology partners, the AI firm Anthropic.

After weeks of negotiations, the Pentagon was unable to force Anthropic to accede to terms that, in Anthropic's telling, could involve using AI for autonomous weapons and the mass surveillance of Americans, as my colleague Ross Andersen [reported](#) over the weekend. So the government has labeled the company a supply-chain risk, effectively plastering it with a scarlet letter. The Pentagon says that this means Anthropic will be unable to work with any company that contracts with the administration. That could include major technology companies that provide infrastructure for Anthropic's AI models, such as Amazon. The supply-chain-risk designation is normally reserved for companies run by foreign adversaries, and if the order holds up legally, it could be a death blow for Anthropic.

[Read: Inside Anthropic's killer-robot dispute with the Pentagon](#)

Ball, now a senior fellow at the Foundation for American Innovation, was traveling in Europe as all of this was unfolding last week, staying up as late as 2 a.m. to urge people in the administration to take a less severe approach: simply canceling the contract with Anthropic, without the supply-chain-risk designation. When his efforts failed, Ball told me in an interview yesterday, "my reaction was shock, and sadness, and anger."

In the aftermath of the decision, Ball published an [essay](#) on his Substack casting the conflict in civilizational terms; the Pentagon's ultimatum, in his reckoning, is "a kind of death rattle of the old republic, the outward expression of a body that has thrown in the towel." The action, he wrote, is a repudiation of private property and freedom of speech, two of the most fundamental principles of the United States. In today's America, Ball argued, the executive branch has become so unstoppable—and passing laws has become so challenging—that the president and his officials can do whatever they want. (When reached for comment, a White House spokesperson told me in a statement that "no company has the right to interfere in key national security decision-making.")

Yesterday, I called Ball to discuss his essay and why the standoff with Anthropic feels, to him, like such a dire sign for America. Ball is far from a likely source of such harsh criticism: He's a Republican with close ties to the Trump administration who departed on good terms after its [AI Action Plan](#) was published, and an avid believer that AI is a transformational technology. Other figures who are influential among conservatives in the tech world, including the Anduril Industries co-founder Palmer Luckey and the Stratechery tech analyst Ben Thompson, have vigorously supported Defense Secretary Pete Hegseth's move. Luckey, a billionaire who builds drones for the military, [suggested](#) on X that crushing Anthropic is necessary to defend democracy from oligarchy. Thompson wrote yesterday in his widely read newsletter that "it simply isn't tolerable for the U.S. to allow for the development of an independent power structure—which is exactly what AI has the potential to undergird—that is expressly seeking to assert independence from U.S. control." Thompson likened the necessity of destroying Anthropic to that of bombing Iran.

But Ball sees the Trump administration's strong-arming of the tech industry as a sign of his country falling apart—a decline, he told me, that he has been watching for decades, and which the AI revolution might only accelerate.

This conversation has been edited for length and clarity.

Matteo Wong: A number of people have described the Pentagon's designation of Anthropic as a supply-chain risk as

illegal or poorly thought-out. Why did you take a step further in saying that this is not just bad policy, but catastrophic?

Dean Ball: What Secretary Pete Hegseth announced is a desire to kill Anthropic. It is true that the government has abridged private-property rights before. But it is radical and different to say, brazenly: *If you don't do business on our terms, we will kill you; we will kill your company.* I can't imagine sending a worse signal to the business community. It cuts right at heart at everything that makes us different from China, which roots in this idea that the government can't just kill you if you say you don't want to do business with it, literally or figuratively. Though in this case, I'm speaking figuratively.

Wong: Walk me through the multi-decade decline you situate the Pentagon-Anthropic dispute in. What precisely about the American project do you see as being in decay?

Ball: America rests on a foundation of ordered liberty. The state sets broad rules that are intended to be timeless and universal, and implements those rules. We have not always done that perfectly, but the idea was that we were always getting better. And during my lifetime, a lot of things have started to break down.

It reminds me very much of the science of aging. A very large number of systems start to break down, all at similar times for correlated reasons, and then each one breaking down causes the others to do worse. I think that something similar happens with the institutions of our republic. The fact that you can't, for example, really change laws means that more and more gets pushed onto executive power. Once that's the case, you have this boomerang—*I only know that I'm going to be in power for four years in the White House, so what I need to do is use as much executive power as I can to cram through as much of my agenda as possible.* And we've seen that just get more and more and more extreme, really, since George W. Bush. It's just these swings back and forth, and it feels like we're departing from the equilibrium more and more. It's possible for something to go from being a crime in one presidential administration to not a crime in another, with no law changing. The state can deprive you of your liberty—that's the most important thing in the world. We can't have that at the stroke of the executive's pen.

[Read: Anthropic is at war with itself](#)

There are already Democrats who are [talking](#) about how if you work too closely with the Trump administration, when they get in power, they're going to break your companies up. Right now, with Anthropic, Republicans are punishing a company that is associated with the Democrats, and I suppose in some sense that because I'm a Republican, I can cheer that on. But the point of ordered liberty is for that never to happen—because if I do that to you, when you take power, you're going to do it to me even worse, and then around and around we'll go.

If you read any “new tech right” thinker on these topics—Ben Thompson, whom I've loved for years—saying it's a dog-eat-dog world, that's the way it goes. Palmer Luckey, same thing—equating property expropriation with democracy. These are people who have fully accepted that we live in the tribal world and that the republic is already dead.

Wong: You were the primary author of the White House's main AI-policy document. How does the Pentagon's targeting of Anthropic differ from your own vision for good AI policy?

Ball: I don't think the actions of the Department of War are consistent with the persuasion toward AI laid out in the AI Action Plan. But more important than that, they're not consistent with the persuasions toward AI articulated by the president in many, many public appearances.

The people who were involved with this incident were not, by and large, involved in the creation of the AI Action Plan. They looked at the cards on the table and made their calls. I assume that they did what they thought was best at the time. I don't think they acted with particularly great wisdom. Maybe I'm wrong; I don't know. But they made very different decisions from the ones I would have made.

Wong: As all of these negotiations were happening, the Pentagon was also preparing to bomb Iran. The war seems like a pretty clear example of the stakes of the growing executive authority you're describing.

Ball: We live in a state of perpetual emergency being declared, and that has all sorts of corrosive effects. Because then it's like, *Oh, well, did you know that Anthropic attempted to impose usage restrictions on the U.S. military during a national-security emergency?* And it's like, yeah, we've been living in a national-security emergency for my entire life, or at least since 9/11. We've been living in a state of endless emergency, perpetual emergencies, perpetual war. This is just cancerous.

Wong: One other possibility, of course, is that the growing backlash to the Pentagon's decision to target Anthropic could actually strengthen the nation's institutions—that the courts or Congress, for instance, could ultimately protect Anthropic or prevent such future standoffs.

Ball: The optimistic version of my interpretation is that there's enough about the American system that's resilient that these things will be reined in by the judiciary. I don't think you can bet against America. The country has been remarkably resilient over time. At the same time, I view the sickness that we face as being pretty deep. And I also view the challenges that we have to navigate together as being more profound than any we've faced in our history. So I harbor fairly significant concerns that this time will be different. But I remain fundamentally an optimist. If I were a pessimist, I wouldn't be sitting here talking to you.