

YouTube Transcripts

ACCM Deep Ethics Project

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1 YouTube Transcripts

Recover the whole statement, inspect its transformations, and keep the comparison open to correction.

This page pairs full supplied transcripts with their source videos and a separately identified ACCM Deep Ethics Project analysis. The first record examines capability growth, institutional control, recursive development and correction. Future entries can retain the same source, editorial and comparison layers.

1.1 First record — Anthropic’s S-1, capability and control

Video: [Matthew Berman, “It’s happening...”](#) · published 27 October 2026 · 34 minutes 21 seconds. The video’s opening and closing match the supplied transcript and the retrieved captions.

Official starting point: [Anthropic’s 26 October announcement](#) reports a proposed **IPO** (initial public offering) and a Form S-1 registration. The registration was not yet effective in that announcement; price range and share count were undetermined. The underlying **SEC** (U.S. Securities and Exchange Commission) filing supplies the detailed source for governance and model-development passages. [Filing index](#).

Read the full transcript ↓ · Source-to-commentary checks · Project comparison · Transcript terms

Status and authorship: this is a commissioned source comparison dated 27 October 2026. John Kuhles supplied the corrected transcript and project-goals material and selected the

comparison. Matthew Berman is the video's narrator; the inserted Sam Altman clip retains its label. Anthropic's statements, Berman's interpretation and the page-specific GPT / Codex analysis remain distinguishable. Commercial figures and attributed risk estimates retained in the transcript carry their source status; the checks below cover the particular relations identified.

1.2 What changes between filing, narration and conclusion?

A strong criticism keeps the target precise enough that a correction improves it. The same examination applies to the company, its critic and this page.

Passage or transformation	Correspondence check	Why the distinction matters
The narrator turns "closing the loop" into "No human in the loop."	The filing defines successive model versions assisting development of the next. That definition leaves human review and release authority unspecified.	Model assistance, autonomous research and authority to deploy need separate evidence.
The video moves from the founders' 50.1% vote to complete board control.	The filing reserves general-stockholder voting power for Class F, including director elections other than Class T . The Long-Term Benefit Trust generally elects and removes the Class T majority.	Preserve both control channels before assessing their interactions, independence and accountability.
A risk disclosure and an optimistic commercial forecast are treated as contradictory.	Both can hold under different conditions. Examine the decisions made despite a risk, the safeguards used and the consequences borne by others.	The practical issue is whether risk management can change development or deployment when warranted.
Feedback is restated as "They are getting your data."	Identify the actual data, customer terms, collection route, permitted purpose and training use. Those fields are not established by that restatement.	Product feedback and permission to train on customer content are distinct relations.
"1,300%" growth becomes "13xed," while "300%" expense growth becomes "tripled."	Under the ordinary percentage-growth convention, the multipliers are 14x and 4x. The spoken paraphrase uses 13x and 3x.	This is an arithmetic discrepancy in the supplied wording; retain the figures' periods and denominators when checking the underlying accounts.
The opening assigns a greater-than-10% extinction-risk estimate to "the company."	Recover the original speaker, date, wording, scenario and probability question before treating it as one institutional estimate.	A personal forecast, a survey result, a corporate position and an observed frequency have different evidential jobs.

The first two checks use the filing's defined terms and governance sections. The arithmetic check is a direct calculation. The other rows specify the missing evidence needed for the stronger interpretation. The complete narration remains available below, including passages this analysis questions.

The **27 + 12 working architecture** supplies a vocabulary for inspecting these transformations: 27 correspondence obstructions alongside a 12-stage Correspondence-First Deep Inquiry Protocol. A lost Class T exception is a candidate **Qualifier Erosion** specimen; replacing model assistance with a categorical autonomy claim raises a **Representation Substitution** question. The 12-stage sequence keeps reconstruction ahead of evaluation and then examines the evaluator’s own representation. Each mapping applies to the recoverable passage and remains correctable through fuller sources. The separate 52 cold-test prompts retain their experimental-battery role.

1.2.1 Concentration deserves a map that survives scrutiny

Berman’s concern about concentrated power opens a useful investigation. Map who proposes a model, who evaluates it, who appoints the evaluator, who can authorize release, who can stop a harmful action, and who can reopen an assessment. Economic rights, votes, board-selection rights, management decisions and effective influence each supply a different edge. The filing’s distinction between director selection and daily management allows examination of **indirect influence**. A route through appointment and removal can matter even when the appointing body does not execute a daily decision. Its weight requires a concrete account of the powers, constraints and available counterpowers. This also improves the criticism: retaining the trust’s distinct role makes its independence and correction routes examinable.

1.3 Comparison with the ACCM Deep Ethics Project

The company’s development programme and the project’s public working architecture operate at different scales and stages. The useful comparison concerns **what gets optimized, who can challenge the process, and whether a correction governs later work**. Shared vocabulary such as safety, benefit, intelligence or feedback leaves those operational questions open.

1.3.1 Capability growth and correction growth

The filing also acknowledges possible propagation of existing model flaws into later versions. That is a direct point of contact with the project’s **Correction Metabolism, Model Autophagy Disorder** and **Beta Paper V03b**.
A capability loop can produce more code, more effective tools and faster research. A correspondence-preserving correction loop asks which errors were identified, what repair was made, whether it survived a new task, and whether later generations inherited the repair or the defect. The Beta Paper proposes tests of such a counter-loop. Its unfinished experimental status remains part of this comparison.
The **1888 intelligence-properties taxonomy** gives this relation its deeper place: process evaluation, learning, adaptation, judgment and consequence-sensitive recalibration belong in the property field through which intelligence is examined. Electrically instantiated capability can scale those operations. The direction and quality of their use remain observable questions.

1.3.2 From risk authority to reciprocal calibration

Practical question	ACCM Deep Ethics Project operation	Evidence that would make the comparison useful
Can a concern change the next decision?	C1-C2 distinguishes the Clarification Process, where an answer can change an evaluation, from subsequent correction, caution or steering.	Source concern, clarification, decision before and after, and the reason for any change.

Practical question	ACCM Deep Ethics Project operation	Evidence that would make the comparison useful
Can the evaluator be corrected?	Neutral Arbiter Paradox keeps Advocate-Arbiter mutuality available; OmbudsEthics supplies candidate appeal and case-handling routes.	Challenges to criteria, minority records, recusals, appeal outcomes and changes after notice.
Does a correction persist?	DEDDA (Deep Ethical Drift Detector App) compares source and representation; Phase Change Snap examines local recovery and recurrence.	Exact repair, the rest of that response, later comparable work, transfer and any recurrence.
Who bears the competing risks?	Vindicated Competing Risk Assessment Studies preserves predictions, conditions, later outcomes and the treatment of competing warnings.	Risk from capability misuse alongside risk from concentration, false flags, suppression, delay or failed intervention.
Can participants retain agency?	16 Anchor Ethics offers a proposed action range including clarification, pause, postponement, referral and refusal inside voluntary service.	Permission, rationale, proportionality, appeal and a usable next move for affected participants.
Can improvement be inspected and reused?	The glass-engine principle , Unownable and public Governance preserve provenance, challenge and renewable audit.	Recoverable changes, accountable maintainers, bounded stopping and the ability to challenge the project itself.

1.3.3 Benefits, efficiency and the distribution of consequences

The transcript gives considerable attention to commercial growth and compute efficiency. Those measures answer questions about the business. A public-benefit assessment also needs the distribution of gains and losses, energy costs, access, displaced work, consent and effective remedies. Aggregate improvement can coexist with serious losses for particular people.

The [10+1 Metaflux](#) keeps self-honesty, care, curiosity, correction and reciprocal dignity interacting. [Symmetric Grace and proportionality](#) asks who receives interpretive room and who carries the burden of a mistaken classification. A critic, a company and an affected participant can each contribute information the others missed.

The video raises open-source restrictions and closed institutional power together. A useful competing-risk comparison examines specific capabilities, access conditions and consequences on both paths. Public access to source can improve inspectability; the quality of an actual deployment still requires its own evidence. Closed access can constrain some misuse while concentrating other powers. Each arrangement needs an examinable correction route.

1.3.4 Where this page sits in the goals

The [44 Project Goals](#) distinguish a flexible work map from the ten operational navigation goals and the separate 10+1. This record particularly connects:

- **G02-G03:** archive correction metabolism and investigate persistent Deep Ethics properties;

- **G07-G08:** distinct Advocate, Arbiter and Overseer functions alongside the 16 Anchor Ethics;
- **G13:** an inspectable, bottom-up, corrigible glass-engine principle;
- **G18 and G24:** transcript-based analysis and journalism that preserves its actual sources;
- **G28:** track competing risk assessments as later evidence changes their status.

The uploaded goals record supplies the originating draft context; the current public goals page supplies the navigable comparison. Their numbered systems keep their separate jobs.

1.4 A bounded next comparison

Select one inspectable case: an autonomous action, a disputed representation or a documented model-development correction. Preserve the source and permission, the model's action, the evaluation criterion, the challenge, the response after notice and the next comparable operation. Then compare the ordinary evaluation with an additional correspondence-and-correction pass under matched conditions.

Record useful discoveries, missed drift, false alarms, restoration burden and a valid null. Ask whether the additional pass improved the available decision and whether its benefit survived transfer. The same procedure can find a useful company control, an overstatement by the narrator, or a defect in the project's own proposal. **A better process earns its standing through what it preserves, discovers, repairs and changes next.**

1.5 Full transcript — sponsor passage removed

Reading edition: all 40 remaining spoken paragraphs from John's supplied corrected transcript appear in their original order and wording. One Kylon sponsor paragraph is replaced by an omission marker; the channel-membership invitation is retained because it is a separate self-promotion, not the sponsor passage. Section headings are editorial navigation. The supplied introductory claim of caption/S-1 cross-checking is metadata rather than spoken content and is not reproduced as speech.

1.5.1 Opening and the scale of the claim

One of the most controversial companies in history just filed to go public. And yes, we're talking about Anthropic. The same company that says there's a greater than 10% chance AI kills all of humanity is also simultaneously one of the best-built businesses of all time. And in their S-1, they just revealed so many secrets. So, we're going to go through the whole thing.

All right. So, this is their S-1. It is an absolutely massive document going over every single possible thing that it needs to divulge prior to actually going public. And remember as I go through this, this is the same company that believes they and they alone are the only ones that can develop artificial superintelligence safely. And also open source is too risky. And they have said they don't have any plan on how they're going to align their very own AI as they develop it.

So for the first time in history, intelligence is something humans can build. We believe this abundance of AI will rapidly transform every sector of the global economy in ways greater than the impact of industrialization, electricity, semiconductors, and the internet. They're basically saying this is one of the most important technologies of all time, up there with fire. And here's the important part. AI that truly delivers on its potential with the risks well-managed. Right? Can't talk about Anthropic without talking about AI safety could significantly accelerate global growth and dramatically improve quality of life for people around the world. And I even took a note here. Again, this is the company that just a few weeks ago said there was a greater than 10% chance AI kills all of humanity. It's just hard for me to believe how they are going public right now given all of the risk that they themselves point out.

1.5.2 Business focus and recursive development

Now, listen to this. This rapid and growing adoption generates two self-reinforcing dynamics. And they're talking about the adoption of AI: an improvement loop that advances Claude and an investment loop that helps fund our continued research in frontier AI. And if that sounds familiar, it is the exact thing that I pointed out a few months ago where Anthropic potentially has the greatest business flywheel in history.

All right, so this is from a video that I made a few months ago and I basically described Anthropic's insane flywheel. They created the best coding model. They sell that coding model to enterprise for coding use cases. They make an incredible amount of money from that. Then they also get so much new data, so much coding data. And then with all of that, they're able to buy more compute and build their next best coding model. It is such an insane cycle.

The next thing they talk about in the S-1 are their core advantages. What makes them so unique? What makes them one of the most valuable companies ever created? First, mission and focus. They are definitely one of the most highly focused companies in the world. In fact, when OpenAI was number one, they started making bets into all of these different areas, including video generation with Sora, including and still to this day building out consumer hardware devices. But Anthropic only focused on one thing: how do we make the best models on the planet and then how do we sell that intelligence to enterprise? That was their entire business model and it continues to be, and that is why they were able to grow their revenue so rapidly. That is why they were able to build the best models on the planet.

Number two, talent and culture. Our mission and focus enables us to attract and retain world-class talent. And boy, that could not be more true. They have hired some of the most incredible researchers, some of the most incredible operators, people who have left CEO positions at companies, public companies, to join Anthropic as just members of the technical staff or a much lower title. I mean, first of all, the GOAT himself, Andrej Karpathy joined. He's an OpenAI co-founder and one of the most influential people in AI. John Jumper, Nobel Prize in chemistry. Jan Leike, co-led OpenAI's superalignment team. Jelani Nelson, who is one of the greatest computer scientists of all time and has been at UC Berkeley for so many years. John Schulman, OpenAI co-founder, and the list goes on.

And of course, because this is essentially a prospectus to potential investors, they continue to talk about that flywheel that I mentioned. And specifically, they're talking about RSI. And it's crazy that they're talking about it. And I'm going to tell you why in a moment, but let's read this. Each version of a Claude model assists in building the next, helping to compress development timelines and produce compounding improvements in the speed at which we innovate. We refer to this recursive dynamic as closing the loop. And we believe it is one of the most significant structural advantages in frontier AI.

Now, I just interviewed Sam Altman of OpenAI, and he specifically said, "Any company that pushes the button of recursive self-improvement is endangering humanity." [Clip:] "I think if people really pushed on RSI, then yes, that would be true. But I think it's a very dangerous thing to push on and the world is going to need some—I mean, people have talked about this in different phrases, but speed limits or whatever—on how quickly we let RSI go." And Anthropic, the safety company that they are, the company that says open-source AI is too dangerous to release, has their finger over the close-the-loop button, the recursive self-improvement button, and they're going to press it. Just wild. The contradictory nature, the cognitive dissonance of Anthropic.

[Sponsor message omitted: Kylon advertisement.]

1.5.3 Compute, promised benefits and physical-world use

All right. Next advantage they have is their approach to compute. And nobody can argue with this. Not only did they go from being completely compute-constrained earlier this year, but now they have struck deals with so many different companies. They have plenty of compute and they've been able to point their models at making their models, their infrastructure,

their systems so much more efficient to the point where their profitability per dollar spent on compute has risen dramatically.

So it's interesting. We manage compute as a single fungible pool from multiple strategic partners and we dynamically direct available compute between workloads based on where the marginal unit is expected to be most productive at any given time. That means: is it serving models, is it training the next model, or is it just something else? We have achieved this through our research breakthroughs and our multi-chip compute architecture across AWS Trainium, Google TPUs, Nvidia GPUs, and AMD GPUs. Basically, they are buying compute from whoever they can get it from and their models, their systems, their architecture work across all of them and they are optimized for all of them.

Okay. So then they go on to talk about the power of artificial intelligence. And look, if you're watching this channel, you're probably already bought into how awesome AI is. And the next thing they do is highlight the potential long-term benefits of artificial intelligence. All of which I agree with. But I think continuing to talk about some future state that AI is going to get us to has not done a lot for improving the general perception of AI. And generally speaking, there is a pretty negative sentiment around AI to this very day. And so I'm going to read them anyways because I get excited by them. This is why I am so enthusiastic about artificial intelligence. The possibilities include compressing decades of scientific progress into years, accelerating drug discovery, disease detection, and the delivery of personalized therapy, providing individually tailored education and expert financial and legal advice, advancing power grids and battery design for greater efficiency and reliability, and extending to the developing world capabilities that took wealthy nations generations to build.

Next, they talk about the total economic impact of artificial intelligence. And some of these numbers are just absolutely wild to read. The International Data Corporation estimates that investment in AI solutions and services will yield a cumulative global economic impact of \$22.5 trillion by 2031. That is five years away. \$22.5 trillion of economic impact. But this next line is everything. We, Anthropic, believe the impact could be even greater. Again, it's just so wild to read these things given Dario Amodei not more than a year and a half ago said there was going to be a white-collar bloodbath. 50% of all white-collar jobs were going to be automated away. And now he's saying there's going to be great economic positive impact. So for all of the posturing over the years about safety, about caution, about doomerism, we're now in this place where they're about to IPO, and it sure seems like he's changed the narrative quite a bit.

They also say frontier AI's capabilities may extend beyond current markets to open entirely new ones. That's what I'm very excited about. With all the talk of job automation, which, you know, there's certainly going to be some segments of the economy, some segments of the job market that just get automated and people are going to have to learn new things, new skills. There are so many new jobs that are going to pop up that we could have never imagined. Reaching domains such as robotics, advanced manufacturing, and logistics, and accelerating progress in scientific research, including drug discovery and materials science.

And just quickly, I want to mention if you become a member on YouTube, you get a bunch of behind-the-scenes access. You can come join us in Slack and chat with me and my team basically all day long as we talk about the latest in AI and what we're building. So, become a member and come hang out with us in Slack.

And they're also saying that AI is going to extend beyond digital limitations. And right here it says AI agents to operate lab and manufacturing equipment such as microscopes, liquid handlers, and off-the-shelf robotic arms. We already know that Anthropic has set up a real wet lab, like an actual physical lab controlled by AI. So very interesting what the future is going to be. Definitely makes me nervous to think that they set up a real physical lab, but also have no idea how they're going to align their AI. It's kind of wild to think about. And by the way, I just want to be clear. I don't think in the long run we're not going to be able to align AI. I'm just repeating what Anthropic employees themselves have said.

1.5.4 Power concentration, adoption and business metrics

Now, the next thing they point out is some risk. And this is the risk that I'm probably most concerned with, which is the concentration of power. When you break down all of AI into its basic unit, it is really just an equation of compute plus energy. Whoever controls the compute and the energy can have the biggest, best models on the planet. And really, that's a hyper-concentrator of power. So AI deployed at scale also has the potential to concentrate power and wealth both within and between countries in ways that could erode trust. Now I find it very interesting that they mention countries but not companies because that's what I see right now, and not only companies but the few people inside those companies who are making all the decisions. And stick with me here because Anthropic has one of the wildest corporate governance strategies I've ever seen. And it really comes down to just a few people who are making decisions for the future of humanity. And I'm going to tie this all together, so just stick with me here.

But they go on to say, "Fine, no companies, but between countries in ways that could erode trust, harm society, and destabilize the geopolitical order. Misaligned AI systems could corrupt institutional decision-making or cause large-scale harm through autonomous actions that are not visible or understandable to their users and operators." And they go on to say, "Yeah, we should invest in safety and security," but again, just a few weeks ago, one of their own security researchers said, "We have no strong plan for how we're going to align AI in the future."

Next, they start to talk about the enterprise adoption of Claude. And these numbers are absolutely wild. So, first, as of September 30th, 2026, more than 11,900 customers spend \$100,000 or more of revenue on a trailing 12-month basis. More than 1,900 customers spend a million per year, and 250 customers spend \$10 million or more of revenue. These are crazy numbers, but they're especially crazy when I put it into the context of where they were just three years ago. And I'm going to get to that in a moment.

Okay, let's continue down the path of their financial strength because again, Anthropic is one of, if not the most impressive and powerful businesses of all time. Previously, it was Google, maybe Apple, right? I think Google's AdSense business where somebody searches and they serve you an ad is maybe the best business of all time or at least was until now. Net revenue retention is 900%. Think about that. Every time they get a new customer and that customer spends \$1, the next year that customer is spending 9 times more. So that \$1 turns into \$9. Typically, like for a typical SaaS business, if you have any positive net revenue retention, that is a really good sign. 900% is unheard of. It does not exist.

Now, they also go on to say that the reduction in price of their models has actually increased their revenue overall. We've talked about that a ton on this channel. Jevons paradox. The lower price or the more efficient a unit of economic value is—something like compute or intelligence—the more overall it gets used. You would think, hey, if something's cheaper, people are going to pay less for it. But no, it's quite the opposite. Claude Opus 5.5 reduced customer costs per task by approximately 40% compared to Opus 5. Lower costs per task drive greater usage. It's so obvious. And this reminds me all the way back to when we first started hearing about Jevons paradox, which was during the DeepSeek R1 moment. This Chinese lab, DeepSeek, put out a model and was able to train it and serve it at a fraction of the cost—if you believed everything that they said—than OpenAI and Anthropic. And literally overnight, the world economy crashed like 20% I think. And at that moment, all I could think about is, hey, if all this stuff is cheaper, aren't people just going to be using it a lot more? Well, yeah, that's basically what happened.

Now, here's another crazy statistic from this S-1. They have discovered so many different ways to increase the efficiency of their compute usage. The amount of money that they're making per unit of compute has increased substantially. Our compute efficiency is demonstrated by revenue that grew 1,300% year-over-year for the 3 months ended June 30th, 2026, compared to compute and infrastructure expenses that grew 300% during the same period. So what they're basically saying is we've tripled the cost, but we've 13xed how much we're making from that same cost. So they're buying much more compute, but they're making so much more money on that acquired compute. And they are also extremely efficient on a per-employee basis. And there are multiple reasons for this. One, their talent density is in-

sane. They have some of the best people in the world all concentrated into a relatively small company. And then they're also using their own AI to make each one of those highly concentrated, extraordinary people that much more productive. So trailing 12-month revenue per employee of over \$6.6 million compared to \$1.4 million as of September 30th, 2025, one year ago. So they've basically like 4x'd their revenue per employee even though they've grown, which is crazy. This type of revenue per employee is on par with hedge funds which have, you know, very small teams but they make so much money, but this is a very different business than a hedge fund and they are making so much money per employee.

And next they talk about how much money they've raised versus how much money they've burned, and the folks who have been screaming AI bubble, AI bubble are seething right now to read this. So, as of June 30th, 2026, we raised an aggregate \$141.1 billion of capital. That's a massive amount. And had cash and cash equivalents of \$112.4 billion and short-term investments of \$19.3 billion. Basically, they burned very little money overall to create one of the most efficient businesses of all time. I can't even get over that. They've basically burned \$10 billion to build this business. Absolutely wild.

And next they talk about that incredible flywheel once again. So this is what I made a video about, but basically this is the same thing. They have better models which introduce more use cases, more sales. They get more feedback. And it's interesting they use the word feedback because really what they're saying is data. They are getting your data. Then that allows them to have the most frontier intelligence which allows them to have higher growth which gives them the ability to invest more in their future models, giving them more capabilities, giving them the absolute frontier of intelligence. Claude is accelerating our ability to close the loop. The "close the loop" is the scariest statement in this entire S-1 from again the company that talked about how dangerous AI could be. And they keep talking about closing the loop. If you're not familiar with that term, closing the loop means self-improving AI. No human in the loop. The thing just goes on and it's so crazy to read this. Claude itself has become one of the most powerful drivers of our progress. Each new version of a Claude model directly accelerates the development of the next. Many aspects of research, training, and testing of subsequent model generations now involve Claude. So there it is. Doesn't seem like they are afraid of RSI.

1.5.5 Corporate structure, philanthropy and governance

All right. Now, let's start talking about their corporate structure and governance. And if this sounds boring, just stick with me here because it's not. It is so interesting. They created novel corporate structures, which by the way, I've had startups in the past, and my lawyers always told me the same thing. Do not innovate on the legal side of things. Do not do that. Do not innovate on corporate structure. Do not innovate on your contracts. Just don't do it. But they did. So, we contributed 846 million shares of our Class N common stock—and I'm going to talk about what Class N is in a moment—representing 5% of our fully diluted shares as of June 30th, 2026. And that goes to the Anthropic Public Benefit Fund, which is a wholly owned subsidiary dedicated to the company purpose. And so this is not a C-Corp, it's not an S-Corp, it is a public benefit corporation. Probably the most previously notable public benefit corporation was Patagonia, the clothing company, because they have a dual mission. One is their responsibility to shareholders, so they actually have to make money. And then two is some other thing that they are beholden to.

In addition, our co-founders have each pledged to dedicate 80% of their personal equity in Anthropic to philanthropic causes. Okay, I have some thoughts about this. Now, if you saw Elon Musk tweeted, I think it was last week, but he basically said, "Every child in America will get one share of SpaceX, which amounts to, I believe, about \$10 billion in contribution." And I really think that's the best way to do philanthropy at this point. Like anything else. If you're going through some philanthropic company or anything like that, there's going to be inefficiencies there. There's going to be greed and there's going to be waste. And so, why doesn't Anthropic just hand people shares of Anthropic? That seems like such a better way to do it. But, you know, what do I know?

All right. Now, we get to potentially the craziest part of this entire S-1. Who makes decisions? We believe that our seven co-founders—Dario Amodei, CEO, Daniela Amodei, sister of Dario,

Tom Brown, Jack Clark, Jared Kaplan, Sam McCandlish, and Christopher Olah—as a group are distinctly equipped to be stewards of our mission. Immediately prior to the completion of this offering, we will issue a single share of Class F common stock, a special class of our common stock, to a limited liability company of which our seven co-founders will initially be the sole members. Our Class F common stock will be entitled to an aggregate number of votes that equals 50.1% of total voting power. That means the seven co-founders have absolute control over the company, and Anthropic being one of, if not the most powerful companies in the world, means these seven people basically have absolute power over the future of artificial intelligence. And that screams concentration of power to me. That scares me. And they specifically said, and this is so Anthropic-pilled, our seven founders are uniquely positioned to make decisions on behalf of Anthropic and on behalf of the world. I just can't stand that.

And the 50.1%—this Class F stock will also be able to elect the directors of the board. And so it's interesting because they go on to say those seven founders as part of those Class F shares do not get to influence the day-to-day operations of the company, but that's what the board of directors does. And if the seven co-founders control the board of directors, like what are we saying? Like obviously they're controlling the company. And I don't know. This is just wild. Let me know what you think down below of this.

Decisions regarding our business and affairs are made by our board of directors. While the LTBT, Long-Term Benefit Trust, has significant influence over our board of directors through its ability to generally elect and remove a majority of the authorized members of our board of directors. Neither the LTBT nor the trustees have decision-making authority in the day-to-day management or strategy setting of the company. Do they think we're stupid? Like, how can they with a straight face say this in their S-1? How can they say okay, number one our seven co-founders are distinctly equipped to decide what happens with Anthropic but they don't control the company directly but they do control the board completely and the board controls the company directly because the board gets to elect the CEO and by the way Dario is the CEO who sets the direction of the company but no no it's all not connected. Like what is happening? That honestly just shocked me to read.

1.5.6 Risk factors, growth and infrastructure

All right, let's go to the next section. They talk about the risks to the business. Now, I'm not going to go over all of them, but I have a few that really stood out to me. Number one, their success is dependent on them continuing to build the best AI on the planet. Okay, understood. Next, a big risk is if they're unable to secure adequate compute or if we fail to direct our compute efficiently across our workloads. Okay, makes sense. Next, constraints on the critical inputs supporting compute could limit our ability to secure adequate compute. Like if Taiwan gets invaded. We are highly dependent on the continued service of our co-founders, senior management team, and key technical employees. And the loss of any of these individuals may adversely affect our business.

All right, here's the one we all knew was going to be here. Our AI models may behave in unintended, misaligned, or autonomous ways including by taking harmful actions that no user or third party directed, which could adversely affect our reputation and brand, business, financial condition, and results of operations. They talk about the concentration of the revenue—like we just saw I think 250 companies pay \$10 million or more—crazy but that is high concentration. We are at the early stage of our revenue growth. Even though the revenue growth has been dramatic, it might not continue indefinitely. They talk about politics and regulatory uncertainties. Understandable. And our capital stock structure features certain provisions that are novel or otherwise not common among other corporations with multiple class structures and may effectively eliminate the ability of holders of our Class A common stock to influence important decisions, including a change in control. Those seven founders have a lot of responsibility. I don't even know what an analogy to that would be. It's like almost like a monarchy. It's like these seven people have absolute control over the future of AI, maybe the future of humanity.

All right, let's look at their growth, which basically has never been seen in the history of business. So, here's the growth over 3 years. As of December 31st, 2023, they had 20 customers that were paying them more than \$100,000. A year later, they had 200. That's

10x growth. A year later, 1,500. And one year after that, almost 12,000. Unreal. Unreal growth.

Here is the revenue per dollar of compute. So for all of those out there who were looking at these AI companies saying, “Wow, they are just burning cash.” Well, look again. This is revenue per dollar of compute. And once they got to 2026, it was over. They basically could put a dollar into compute and get multiple dollars back. That is a 5.2x increase in compute efficiency from Q1 2025 to Q2 2026 as well. Here’s their operating margin. Yes, they have a positive operating margin now. And in Q1 2025, which was, you know, a year and a half ago, negative 221% to now positive 19%, 240 points.

All right. So, let’s go back to risk factors because they start to really talk about some stuff that I find very interesting. So, first, any systemic flaw, bias, or error in our current models could propagate into the next versions of models and products built using those systems. So they talk about recursive self-improvement and say if there’s any mistake now, recursive self-improvement is basically just going to compound that issue into future models, which is, you know, kind of crazy. They also admit they can’t really predict how good their AI is getting or how good it can get in the future as RSI starts to take over. Much of our evidence regarding the pace of such AI-driven acceleration is derived from lagging indicators and our ability to forecast or measure the rate at which our capabilities are advancing, including any acceleration attributable to our most recent or unreleased models, is limited. As a result, we may not identify a significant acceleration in our rate of development until after it has occurred.

They talk about their competitors being able to outbid them for scarce compute, secure priority allocations from chip manufacturers and CSPs, and make long-term capital commitments that we cannot match. They also talk about how agentic usage could actually be a big problem for them. As agentic workloads grow as a proportion of our total compute demand, the aggregate compute required to serve our customers could increase disproportionately relative to the associated revenue. Basically, AI agents use much more compute per task than chat. So, cost could rise faster than revenue.

Now, here’s a good one. In the past, we have significantly underestimated our compute requirements, which left us capacity-constrained and impacted both product development and deployment. This is where, you know, Sam Altman and OpenAI made the right bet very early on. Massive compute investments where Anthropic famously was much more conservative and it hurt them in the long run. And in fact, they were so hurt at the time they went to Mr. Elon Musk and SpaceX to get compute capacity. And I made a whole video about this because it was wild. Elon Musk famously has called Anthropic “misanthropic.” That was actually one of his kinder sayings about Anthropic. But basically, they both needed each other. SpaceX had a tremendous amount of compute and no frontier model. Anthropic had a frontier model and not enough compute. So, they are strange bedfellows.

Now, here’s something super interesting. For all the folks who are worried about rising electricity costs, listen to this. We have publicly committed to covering the cost of electricity price increases to consumers caused by our data centers, including both the cost of electricity itself and the infrastructure necessary to deliver it. So, this is what AI companies should be doing. If you move in or move near a town and increase the cost of electricity for those people, you should absolutely cover it.

1.5.7 Internal model use, voting and closing remarks

And to finish this out, I want to tell you about some of the most shocking quotes and learnings from this S-1. So, number one, over 90% of contributions to our codebase in September 2026 were written by Claude. 90%. And obviously, that costs a lot of money. And listen to this. In April 2026, this monthly value—and they’re talking about their internal Claude usage—first exceeded our monthly personnel expense, excluding stock-based compensation. Basically, they’re now paying more for Claude than they pay all of their employees combined. They also admit using AI to help build more capable AI could also pose a considerable safety risk, but they’re doing it. They’re literally talking about doing it. They also recently chose to

delay pre-training of a new frontier base model for more than a month to further enhance our security measures.

Also, those seven founders who basically control everything, if they get imprisoned or held captive, they no longer get voting control, which is like crazy. If you decide to invest in this IPO, if you decide to buy shares, you basically have no say. And they don't hold back telling you this. Holders of our Class A common stock generally will not be able to affect the outcome of any matter submitted to a vote of our stockholders or the election of our directors regardless of how they vote. Absolutely crazy. That's the craziest part of this whole thing.

So that's it. This is definitely one of the wildest S-1s that I've ever seen. Definitely one of the most novel corporate structures I've ever seen and definitely just one of the weirdest companies I've ever seen. And all of this makes Sam Altman and OpenAI look very sane.

1.6 Transcript terms and source record

The transcript preserves the speaker's acronyms. **AI / A.I.** means artificial intelligence; **RSI** means recursive self-improvement; **IPO** means initial public offering; **PBC** means public benefit corporation; **LTBT** means Long-Term Benefit Trust; **CEO** means chief executive officer; **Q1/Q2** identify calendar quarters. In the compute passage, **AWS** is Amazon Web Services, **TPUs** are tensor processing units, **GPUs** are graphics processing units, **CSPs** are cloud service providers, and **AMD** is Advanced Micro Devices. **SaaS** means software as a service; **GOAT** is the narrator's "greatest of all time" idiom; **UC Berkeley** means the University of California, Berkeley. These terms are explained here without rewriting the quoted speech. [Filing and defined terms.](#)

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