EVELYN CARO · SEPTEMBER 19, 2026 · POSITION-PAPER

DOI: 10.5281/zenodo.24356902

The AI Cartel and the Sovereign Response™

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Who Decides How Fast AI Moves?

A builder's answer to the policy conversation

Evelyn Caro September 19, 2026

AI Collaboration Disclosure

This paper was developed in collaboration with AI. The author directed the research, structure, and argument. AI assisted with drafting, organization, and reference verification. All claims, decisions, and conclusions are the author's own.

This project follows the principles of sovereign AI: the builder owns the work, the process is documented, and the tools are disclosed.

The act of producing this paper — local models on consumer hardware, no cloud dependency, no enterprise license — is itself an example of the argument this paper makes.

Abstract

Four AI CEOs asked Congress for permission to coordinate this month. The request was framed as safety. The effect would be cartel enforcement. This paper argues that the answer to concentrated AI power isn't just policy — it's ownership. Builders should own their stacks. Communities should own their utilities. Policy is downstream of infrastructure. You can't regulate what you don't own.

I. The Cartel Moment

On September 12, 2026, Anthropic CEO Dario Amodei published "We Must Pace the Frontier" — a 3,800-word essay calling for coordinated slowdown among leading AI labs. Within days, Elon Musk, Sam Altman, and Demis Hassabis all publicly backed him. The request wasn't just rhetorical. Amodei acknowledged that "some forms of coordination that would be impactful for pacing are legally challenging, and will require government support." In plain language: they needed an antitrust waiver to coordinate without collusion liability.

Stacey Abrams covered the story on her podcast *Assembly Required* on September 17, 2026. Her framing was direct: "the AI industry's cartel playbook." Four companies asking government to bless coordination. The public asked to trust the outcome.

The pushback was immediate and bipartisan. Senator Josh Hawley: "There is absolutely no world in which I will consent to giving the most powerful companies in the history of the world — a small group of three or four of them — antitrust exemptions so they can collude together." Senator Ted Cruz: "To watch AI CEOs saying, 'We're about to destroy the world, so give us control of the government so we can lock in our monopoly status and prevent any innovation from challenging us,' is just lunacy."

The irony: Bloomberg reported on September 15 that OpenAI, Anthropic, and Google had already been coordinating for weeks — without any waiver. They didn't need permission. They needed cover.

II. The Cost Shift

While the CEOs talked coordination, communities absorbed the bills.

A peer-reviewed study found that a single hyperscaler facility raises household electricity prices by 4% — and a standard deviation of ten data centers raises them by 13%. Households bear a disproportionate burden compared to other customers.

In Virginia, home energy costs have spiked by up to 267% over five years. In Georgia, the latest resource plan extended the life of coal plants and cited data center growth as a key reason. In North Carolina, hundreds protested an 18% rate hike blamed on data centers that haven't been built yet.

Abrams' point: decisions happen behind closed doors, between utilities and hyperscale companies, and ordinary customers cover the gap. The locals don't show up to town meetings. The corporate people do. So the outcome is predetermined.

III. The Policy Gap

The policy conversation is real and necessary. The AI Security Institute, the US AI Safety Institute, the EU AI Office, and the organizations that signed the September 18 letter demanding independent evaluators — all of them are doing work that matters.

But policy is downstream of infrastructure. You can regulate what you can see. You cannot regulate what you don't own.

The four companies asking for coordination control the models, the compute, the data centers, and the deployment pipelines. A regulator can write rules. A regulator cannot make the companies follow them if the companies control the infrastructure the rules apply to. Enforcement requires leverage. Leverage requires alternatives.

The policy conversation has no builder in the room. It has researchers, advocates, and former officials. It does not have people who have actually built a sovereign stack on 8GB of RAM with no venture capital and no safety net.

IV. The Sovereign Response

Sovereign AI is not a product. It is a position. AI infrastructure should be owned by the people who use it, not rented from the companies that gate it. Builders should own their stacks. Communities should own their utilities.

This is not abstract. It is already happening:

- **DV14™: The Box** — a containment architecture the author has built independently. Private repository. Details available under NDA.
- **The Fleet** — five RAG pipelines built from open-source models, containerized, deployed independently of any cloud provider.
- **A Mirror of My Becoming™** — a sovereign AI system for genealogy and heritage, built for communities that enterprise AI ignores.

None of these required permission. None of them required a waiver. None of them required four CEOs to agree on anything.

The sovereign response is not to wait for policy. It is to build the alternative so that policy has something to point to. Distributed ownership is distributed power. A sovereign ecosystem is the most democratic ecosystem — because no cartel can gate what no cartel owns.

V. The Convergence

Abrams names the cartel. This paper names the response. They are not competing arguments. They are two layers of the same problem.

Abrams	Sovereign AI
Democratic control of AI	Distributed ownership of infrastructure
Policy remedy	Ownership remedy
Communities at town meetings	Builders owning stacks
"Who gets our data and our loyalty"	"Who owns the infrastructure that thinks"

The convergence is this: **sovereign AI is the infrastructure layer that makes democratic AI enforceable.** Policy without alternatives is performance. Alternatives without policy are isolated. Together, they are a movement.

VI. The Case

You don't need Stanford. You don't need a garage. You don't need a waiver. You need a laptop, a mission, and the refusal to wait for permission.

The Silicon Valley origin story is not the only one. It is not the natural one. It is a choice made by a specific group of people in a specific place with a specific set of incentives. Another origin story is possible — and it is being written right now by builders who refuse to wait.

VII. References

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