LAURA FLANDERS & FRIENDS

THE DATA CENTER REVOLT: JOHN CASSIDY & FAIZ SHAKIR ON PEOPLE VS. AI OLIGARCHS

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LAURA FLANDERS: Donald Trump is on record as saying, "I love AI," but most Americans don't. Amid all the hype and the hundreds of billions of dollars invested by big tech firms like OpenAI, Amazon, Google, Facebook, and Microsoft, protests are happening all over the country as concerned residents tell their political leaders to slow down or back off on developing the massive data processing centers that are required for AI. As it stands, around 5,400 data centers currently exist in the US. By 2030, they're expected to multiply by almost 50%, but the polls are stark. There is hardly any issue less popular than unchecked AI development. And by contrast, a 2025 Pew study showed that only 17% of Americans think AI will have any positive impact on us over the next 20 years. It is certainly not the first time that we have seen commoners stacked against oligarchs in a fight over new technology, but it is coming right now at a very particular moment in time. So where could all of this go? Our guests have been watching very closely. Faiz Shakir is the founder and executive director of the online news platform More Perfect Union, some of whose reporting we've just played. Faiz also served as campaign manager for Senator Bernie Sanders' 2020 presidential campaign. He sees parallels to the fight against NAFTA, the North American Free Trade Agreement. John Cassidy, staff writer at The New Yorker magazine is the author of a 2025 book, "Capitalism and Its Critics: A History: From the Industrial Revolution to AI." He's been drawing our attention back to the Luddites, but not in the usual way. Coming up, our own reporter's coverage of a shocking scene at a public comment meeting in peaceful Wisconsin when a local woman was arrested and literally dragged out of the room. But first, welcome to both of our guests. I am so glad to have you here. Coming to you Faiz, we gave people a taste of what you've been reporting on More Perfect Union, but how would you describe the degree of protest?

FAIZ SHAKIR: Well, there's a fleecing of America going on by the oligarchs who want to position and plant a lot of these data centers and communities that they deemed that they can exploit. They felt a lot of these rural communities and places like Louisiana, Indiana, Missouri, Arizona, wherever the case might be, that they don't have political power, that they can't stand up and stop them. And as a result, what you have are non-disclosure agreements with many of these communities. You have them taking electricity and raising rates, you have them exploiting water and a lot of other land issues there. And the communities, thankfully, are not taking this laying down. They know what is going on, and increasingly they've been showing up by the hundreds at local town council meetings. And what should give us hope is that that's what democracy is, a

sense that we have power, economic democracy. You cannot make these decisions alone, dear oligarchs. And there's more and more pushback to them, which hopefully portends the possibility that a lot of these communities can strike better deals if they are going to have data centers. There's no reason why we can't be asking that the teachers are well paid in those communities, that the electricity rates don't go up, that we have decent affordable housing in those communities. That is all possible because we're playing with incredible amounts of dollars and deep-pocketed people who want to use and build these data centers.

LAURA FLANDERS: Coming to you, John, I don't know what it was like living in, you know, Britain in the 1770s, but it's sometimes hard for us who are living through a moment like this to realize what a juncture we are in, technologically speaking. You quote people in your book, MIT economists I think, who say this digital tech could be as transformative, not to mention as disruptive, as the steam engine. How so? Why is this such a important moment?

JOHN CASSIDY: Most economists think we're living through the early stages of a new industrial revolution. They compare it out of the first industrial revolution, as you mentioned, in sort of 17th, late 17th, early 18th century Britain, which was based on the steam engine basically. But before that, water power. And what that did basically was displace a whole generation, generations, several, of skilled artisanal workers in the north of England. From a technological perspective, it was revolutionary, from a financial perspective, it was revolutionary because it enabled the rise of factory capitalism. And we've seen technological change before in various junctures and various junctures of history. But I think what's sort of got economists concerned this time is the sheer scale of this. A lot of economists and technologists obviously think that this is a sort of what they call a general purpose technology, a transformative technology on the scale of nothing we've seen before.

FAIZ SHAKIR: And can I just add to what John is referencing that for a long period of time, of course, America itself was also a beneficiary of what he referred to as factory capitalism. And for a long period of time, there has been this compact within America that the sense that if there is going to be major investment from these major corporations, call them Ford or even Google, that if they were going to go into a community and source a factory, that there would be benefits to that local community. However, when you look down, you know, the next 10 years of the maintenance of such a data facility, maybe the first time where you would have hundreds of billions of dollars investment in a community at which the community sees almost none of it because the jobs will not be long-term. The money is being sucked out of the community, being moved to a different place and location. And as a result, the people who would benefit most off of it, the wealth creation, would be the CEO suite, the major investors and the shareholders. And the local community in which the data centers is housed has actually just been fully exploited.

LAURA FLANDERS: Exploited and environmentally devastated, which is one of the big concerns that was raised at this hearing in Wisconsin. People were speaking out against a proposed $15 billion data center in their community that will service vantage data systems for Oracle and OpenAI. Citizens were invited to give public comment, but then one at least was probably arrested soon after she did so. Here's the footage and you tell me, did this speaker do anything to merit this kind of treatment?

- The people of Port Washington proudly stand here tonight, united in their belief that the power of their collective voice cannot be silenced. For months this mayor and common council have ignored the pleas from their constituents to oversee this project with due diligence to assess its impact on Port Washington, Ozaukee County and the incredibly unique Great Lakes region in which we all reside. We asked for town halls to allow better communication between the local government and the people. And no action was taken. The people no longer know who to turn to as they are repeatedly cast aside and told their opinions, do not matter. Most leaders would've tabled the issue after receiving public input and providing sufficient notice.

- Thank you.

- But you did nothing and you laughed about it! Shame! Recall! Recall! Recall!

- You can leave please.

- Why? You were done speaking...

- Yes, and I left.

- Please, leave.

- I left. I left. I left.

- I'm not going to ask again.

- Okay.

[COUNCIL MEMBER] Those costs will be absorbed By the companies that are doing this.

- Come on.

- No.

- Stop it.

- This is wrong.

- Stop it.

- This is wrong.

- Stop it. Stop it.

- This is an abuse of power.

- This is an abuse of power.

- Stop it. Don't touch her. Don't touch her. Don't touch her. Do not touch her. Leave her alone.

- Get off of me! Get off of me! This is... Get off! Get off! Vantage.

- [Speaker 2] It's going really well.

- Yeah.

[SPEAKER 2] It's going really well. And also, happy low property tax day today. It's up by 500 at least.

- Yeah.

[SPEAKER 2] Maybe we get more police.

- Ow.

LAURA FLANDERS: That reporting there from our colleague Jonathan Klett in Wisconsin. There's a longer piece he's posted on YouTube. We should say that the Port Washington data center broke ground just 15 days after that hearing took place. John Cassidy coming back to you, Faiz was talking earlier about the kind of requests, demands, expectations that people have had in the past. They haven't always been met, but it's a good opportunity to remind people that the Luddites didn't just break up machines, they had ideas.

JOHN CASSIDY: This sort of struggle over the impact of technology goes back to the very beginning of capitalism and the first major incident of movement was the Luddites in Northern England who were skilled artisanal workers, handloom weavers being the most famous ones, who worked in their own homes with hand looms rather than, factories came along the power looms, you know, displaced them en masse. But despite that, the first response for the workers wasn't to start smashing things up, it was actually to take some political action. And they organized large petitions, which they then presented to Westminster even though they weren't represented there. And as things got worse and worse, the workers took it into their own hands and sort of spontaneous mass movement arose, the Luddites. And they started threatening some factory owners and actually smashed up some of the machinery. But as I said, you know, Luddites, when I was growing up, was a term of abuse. It was people who were sort of antediluvians and just didn't understand the modern world. There was actually a lot of logic behind the Luddites' actions from their point of view. They understood the modern world as it was in their times perfectly. And they saw it was moving against them and they saw that the political system wasn't coming to their defense. I spoke about, you know, the famous treaty of Detroit in postwar America, which helped form the basis of sort of post-war social democracy and Keynesianism. The history of capitalism through the sort of centuries is that sort of workers and other people coming together to demand rights and sort of balance things out more. And we haven't seen any of that at all so far in AI.

LAURA FLANDERS: Well, I was going to ask you Faiz to come in on that. I mean, you have drawn parallels to the fights around NAFTA, which I have to remind people weren't won by labor and the critics of that pact, and that pact did transform our lives and the lives of people around the world. Not in positive ways for the most part. What makes you think this could be a transformative moment of a different kind? And is there any party taking advantage of this uproar, of this protest?

FAIZ SHAKIR: Laura, it needs to be a transformative moment. Certainly whether politicians rise to the challenge and show integrity and understand what's at stake is a question that remains to be answered. We are seeing at least voices speak out. No surprise to any of us that Bernie Sanders, been a leading voice of calling for a data center moratorium. But in addition, on the Right, you have had people like Ron DeSantis and Marjorie Taylor Greene and a few others express reasonable concerns that their communities are being taken advantage of. And that these data centers, by the way, are getting huge tax breaks in order to build these data centers. And the community benefit is very little to marginal. And as a result, I think this next presidential cycle, 2028 will be in part a referendum on a direction of AI in this country. Do you want to see what currently is the path of Donald Trump and those around him and his allies saying that there should just generally be federal preemption, that if any major tech company would like to go and

conquer any community in America and source and cite a data center, they have the right to do so?

LAURA FLANDERS: No, I won't be the first person to say, but Elon Musk invested $300 million in the last presidential campaign. How much do you imagine he'll invest next time around, Faiz? I mean, what chances do regular people really have here?

FAIZ SHAKIR: Yeah, and increasingly, sadly, it's not just Elon because now you've seen OpenAI's Sam Altman want to get involved politically. You've seen all the crypto billionaires, the Winklevoss twins, all kinds of folks who are saying, you know, the stakes for them have increased because as you get increasing oligarchy in America and you have increasing wealth and coupled it with it the rise of authoritarianism, that benefits oligarchy because it's easier then to make business decisions if I know that a federal trade commission is run by one kind of dictatorial sense of person at the top and that everybody works for him or her. That benefits the business community, at least in the corrupted transactions they would like to make. So the fight that we're engaging is actually to devolve power away from the top and actually to give more sense of community to people and to be a grassroots actor at your heart. Are you somebody who likes to be with workers as they are rising and building unionized work environments and tenant unions and all of the sort, if you are that kind of person, this moment is made for you.

JOHN CASSIDY: I've been talking to economists and technologists for years about this stuff and I think they foresaw that there would be sort of political opposition to the job losses associated with AI when they came. So you saw people like Altman and even Elon Musk trying to get out ahead of that by saying things like, you know, we may need some sort of a UBI program accompanying the rise of AI.

LAURA FLANDERS: The universal basic income that maybe we don't get a share and yeah...

JOHN CASSIDY: Universal basic income. Of course they never volunteered to pay wealth taxes to finance the UBI, but whatever. But the thing that surprised them, and it surprised me to some extent as well, is the sort of preemptive opposition in the form of this local opposition to the data centers. I don't think the tech oligarchs and tech bros really foresaw that at all. That was just a sort of necessary condition, you know, to produce the power to run the computers to do the AI. So I think that sort of local backlash, you know, is surprising to them. And especially the fact that Faiz mentioned that, you know, it seems to be bipartisan, there's opposition in red and blue areas and you are seeing some, you know, Republican politicians speaking out against this, which I think was entirely unexpected. When AI was originally advertised a few years ago, I don't think most people realized the immense power demands it would place on the system. Then you've got Microsoft restarting a nuclear plant, this is something new in the world.

LAURA FLANDERS: Three mile Island to be clear.

JOHN CASSIDY: Yeah, exactly. So, you know, it's a whole new political economy here, I think, which involves environmental, it involves the impact on workers, it involves the impact on local communities. It is something new in the world. And people like Bernie Sanders obviously lept on it early.

LAURA FLANDERS: Now we have seen several billion dollars worth of these data centers actually either blocked or delayed, Faiz. I mean, there is some good news on this front. And then I do want to pick up on what you raised earlier about what models exist for doing this differently and can the environment actually sustain those?

FAIZ SHAKIR: Right. Well, first of all, you're right that there have been communities in Tucson, Indianapolis, St. Charles, Missouri, a few others who have said no. And increasingly that number is ticking up by the month. I mean, I think I was seeing some numbers recently that in the last month we've had as many oppositions there had been in this prior six months combined, which is a sense where the momentum is going. I just want to also make sure viewers also understand that when people are talking about buying and invading Greenland, what is that about? It is related to data center. There's mineral extraction in Greenland that many billionaires would like to facilitate the development of much of their business technology here. In addition, you have bitcoin mining and you have copper mining, you have all kinds of resource allocations and extractions going on that are related in tangential to the data center development. One of the ways in which you want to think about solutions is if you are not a crass, greedy capitalist like Donald Trump is, but you were someone who was interested in raising the working class standards of this country, then you're doing some of the same tactics with different results. So if you were going to take Intel share, right, which is he has done, or take shares in rare Earth mineral companies as he has done or take share in any of these data center development corporations, then I think those benefits from that should then create a dividend of going back into working class hands. That is one way in which you execute some kind of a share of a worker compact. But in addition to, I would say that the business, you know, that at the end of the day the government is almost also going to have to get invested in the mission of creating jobs where many are going to be displaced, and believing that we need teachers for the future and doctors of the future. Many in the AI industry will tell you we don't need any of those people and it will be a governmental role to say, "No, we actually do," because there's a whole swath of lower-income middle-class workers who are going to be left out in the cold if the rich make the rules and govern the economy of the next 50 years, and it will become government's role as a backstop to ensure do 80% of Americans still exist in your mind's eye or not?

LAURA FLANDERS: I will say your book John, is both great in that you hear all the critiques and they're so smart and so many roads not taken, and then you end with, well maybe somebody

will come up with a road taken, you know, the road that is taken. Your final chapter is "Capitalism Beginning or Ending?" I mean, which is it and what are our options in this moment?

JOHN CASSIDY: Well, that's obviously, you know, a very large question. I mean, the way I look at it in historical terms is that we're now in a sort of interregnum period. We had this sort of post-war, what I call managed capitalism, social democracy, and which broke down in the 1980s basically with the election of Thatcher and Reagan. We then had a 30-year experiment in neoliberalism and what I call "hyperglobalization", which basically sort of let the markets rip. That's produced a huge backlash both in the rise of, you know, Bernie Sanders and Elizabeth Warren on the left of the Democratic Party, but also a lot more ominously obviously with Trump and Right-wing economic populism in the US but also in other places around the world. Now the big question now is where does it go from here? Which of these rival visions, you know, is going to win out, and it's taking place when we've got another huge disruptive force, AI coming into effect. And it seems to me there are various sort of, you know, options out there. One of which is, whatever you think of Donald Trump, he's got a very clear policy out there. Economic nationalism, throw out the immigrants, protect American businesses, America first, let the sort of oligarchs, you know, rebuild the economy. On the Left, I think it's unclear what the options are. We're still sort of groping towards them. Obviously, if AI is going to produce a huge maldistribution of income even more than we see now, there's going to have to be some sort of socialization of the AI wealth. And one of the crazy things which we may face is if AI is all that it's promoters are cracked up to be the Luddites of the future, could be middle class professionals because it looks like the people it's going to target you know, most directly are people like doctors, lawyers, computer programmers, et cetera. Are we going to have a radicalized sort of upper middle class? We need, I think, you know, a big discussion on the Left and the center Left about what's the alternative paradigm that we've got to offer in this new age.

LAURA FLANDERS: It is kind of extraordinary. You alluded to it, Faiz, you know, the President Trump buying up these shares in private companies. If Bernie Sanders was president and he was doing it, people would be screaming, "This is state socialism and how evil," but somehow Trump is getting away with it. If it wasn't about the private profit aspect, if somehow this was a publicly-owned business or maybe democratized or localized, you'd still have the environmental challenges, but certainly more incentive for local communities to solve them. Is that a sort of picture that you're seeing put forward by anyone out there?

FAIZ SHAKIR: No, it's been a struggle so far. Hopefully.

LAURA FLANDERS: Okay, well we're helping, we're trying to help. After this show. Just wait.

FAIZ SHAKIR: You know, and we've been largely critical of AI in the conversation so far. But if, you know, we represent that there could be potentially benefits to some AI implementation,

one of them actually could result in us having better senses of how to decrease carbon in the atmosphere. It would not surprise, right, that we could come up with innovative technological solutions to get carbon out. Also, like taxing the rich is something that I've really wanted to do for a long time.

LAURA FLANDERS: Has a ring to it.

FAIZ SHAKIR: Wouldn't it be wonderful if an AI helped us generate a good clean audit of who should be paying what and how much? I mean, you could conceive of ways in which, particularly a government led by good ethics and good integrity, utilizing some of the advanced knowledge and resources to say, "Well, we're going to work on behalf of the American public and get better outcomes for you." That is what governs me to this day, right? And we are hunting, we are seeking those types of people because it is required. If you can get that integrity in public service, I think you can then actually fashion a world in which we would stand up to AI in the proper and appropriate ways and actually prosper some of its development for beneficial uses.

LAURA FLANDERS: Faiz, thank you so much for your reporting and your work. It is critically important. John, thank you for your book. I appreciate your time, both of you here on "Laura Flanders & Friends."

JOHN CASSIDY: Thank you.

FAIZ SHAKIR: Thank you.

LAURA FLANDERS: There is no overstating the importance of this moment. The dual fights against authoritarianism and for humanity and the planet are the fights of our lifetime. And as you can see, we seem to be up for that fight. It is on, we are in it. At the same time, just like the Luddites, it's like likely that the impact of what we do today may not be felt for years, but that's all right. There is still no sitting this one out. No one is coming to save us. As we've seen again this week when one of the co-founders of Anthropic, an AI company, issued the most dire warning yet about where that technology could lead us, even as his company released the next generation of tools that could take us directly to that place. No, the rich and the powerful have never yet given up power voluntarily. History shows us that. History also shows us that we, the people, have miraculously, at least so far, never given up on caring for each other or for the future or given up on our willingness to act on that caring. So 'til the next time, stay kind, stay curious, and if you want to hear my full uncut conversation with John Cassidy and Faiz Shakir, which I recommend, sign up for our free newsletter or podcast or my Substack, all the information's at our website. 'Til the next time. Stay kind, stay curious. For "Laura Flanders & Friends," I'm Laura.

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