

Free AI Will Cost Us

There's no such thing as a free lunch... or a free chatbot

[George Dillard](#)



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Like most things available on the internet for “free,” artificial intelligence is not really free.

As with “free” social media sites and search engines, we should assume that somebody, somewhere, is making money or planning to make money off of our use of these tools. This means that either a) we are paying in some other way — with [our data](#), for example, which may be used to train the next model — or b) we are in that sunny period in the lifecycle of a tech product, when its makers offer the product for free to grow their userbase before the VC money runs out and they have to, you know, make a profit. They’ll do this the way they always do: by eliminating or worsening the free version of the product on which you’ve come to depend, nudging you toward the paid tier.

I don’t begrudge these AI companies their profits. They are, after all, corporations, and we live in a capitalist society. One of the cardinal sins of internet culture is the belief that everything online should be free. It’s an idea that has hollowed out important industries (journalism comes to mind) and led many creative people to find themselves unable to make a living, even with excellent, popular work. People should get paid if they provide things of value to the world!

Another thing that bothers me about “free” stuff on the internet is the way the price encourages us to think about the product. I love a good deal, and am always happy to avail myself of a freebie. But the signal sent by a free item in a capitalist economy is that the item is either worthless or costless. If it’s free to me, it must be cost-free to society, too. And that’s simply not true.

Economists call the costs of a product that aren’t part of the price of that item an *externality*. Our economy is full of externalities: the company whose production of cheap goods pollutes a river that will be very expensive to clean up; the cost of the health care required for people sickened by air pollution from burning fossil fuels; the wear and tear on public roads from heavy trucks and SUVs. In all of these cases, the price of a good or service does not include all the costs associated with it.

So it goes with AI. There are many ways in which that AI chatbot or service will cost you, even if it appears to be free.

I'm a teacher, and I've been carefully watching how my students use AI in class. They're generally not allowed to use them to produce their classwork, of course, but many of my students feel comfortable with these tools and use them all the time. How can I tell? When I ask my students to do some internet research on a topic, more and more of them are trying to plug the questions I ask them directly into a chatbot.

In my classes, we've weighed the pros and cons of this approach, usually discussing whether the information they'll get is reliable and whether students can figure out where the model is pulling its content from. In many cases, the chatbot acts as an information launderer, taking stuff from unreliable internet sources and remixing it into competent and authoritative-sounding prose that students are more likely to trust.

This remixing of unreliable source material from the internet (which now likely contains a fair amount of AI-generated "slop;" it's like when my dog throws up something she's eaten and then snarfs it right back up again) is bad enough. But if people continue to "[ditch Google search for AI chatbots](#)," as they seem to be doing, these externalities will multiply.

Almost all of the major websites on the internet exist, as most things do in a profit-driven society, to make money. The business model of most of these sites is to allow readers to consume their product for free; they profit by selling ads that people will see when they visit the site. But what happens if fewer people visit the actual sites because they're getting the information second-hand through a chatbot?

First, many sites will simply go out of business as traffic declines. Some — likely the sites with a reputation for quality and an established presence — will be forced to pivot to a subscription-based model. This will allow them to bring in revenue, but will also limit their reach. A random teenager looking for information about a

new event will likely bounce off these paywalls and end up at a much less useful site.

The chatbots that scoop up all of this data and remix it for the public will do one of three things. They might simply [ignore copyright law](#) and pirate the information, as Meta seems to have done with many of the world's books. They might simply train their models on the freely available stuff, which means that the models will not have access to the most useful and reliable information. Or they may pay outlets for their data — which will probably fail to replace the revenue that came from subscriptions and advertising.

After all, if AI companies are trying to make a profit while offering many of their services for free, they will probably try to avoid paying a fair rate for the information that they shovel into their models' maws.

The upshot of all of this will likely be a world where it's harder for humans with expertise to make money by writing on the internet. Many more journalistic and informational outlets will go under, leaving us a world with less useful information, especially reporting on new ideas and events, even as the world drowns in AI-generated text.

So free AI may cost us by making our information environment poorer. What if it makes our brains weaker, as well?

The *New York Times* published an [article](#) a few months back about how all sorts of people in Silicon Valley were outsourcing major parts of their lives to Claude. The article focuses on Claude's charms (and I agree, it's the most conversational and least off-putting chatbot out there). The piece has a bunch of quotes like this:

Claude has become the chatbot of choice for a crowd of savvy tech insiders who say it's helping them with everything from [legal advice](#) to [health coaching](#) to [makeshift therapy sessions](#).

“More and more of my friends are using Claude for emotional processing and thinking through relationship challenges,” said Jeffrey Ladish, an A.I. safety researcher at Palisade Research.

Nick Cammarata, a former OpenAI researcher, recently wrote a [long thread](#) on X about the way Claude had taken over his social group. His Claude-obsessed friends, he wrote, seemed healthier and better supported because “they have a sort of computational guardian angel who’s pretty good at everything watching over them.”

These people are offloading a lot of their cognitive tasks — from finding a place to eat dinner to making career decisions — to AI. And they’re not the only ones. Many young people I know have volunteered that they asked a chatbot to help them make a big decision, like where to attend college.

Many others use AI to do some part of their schoolwork. Much of the discourse around AI focuses on cheating, and there are certainly students who just ask a chatbot to write a paper for them. But I suspect that many more kids who know better than to do that are still offloading cognitive tasks onto the chatbots. They’re having ChatGPT outline an essay for them, or find the connections between things they’ve learned, or edit the essay when they’re done.

I don’t really blame them — if I could have asked a chatbot to think for me about *Hamlet* or the Civil War when I was 16, I probably would have. But what happens when a generation gets used to offloading its difficult thinking tasks to a piece of software?

Perhaps nothing — as AI advocates will tell you, everybody relies on a calculator to do arithmetic these days, and it’s no big deal. But — no disrespect to arithmetic — this is bigger than crunching numbers. Early studies are already finding that people who engage in more “[cognitive offloading](#)” to AI end up with weaker critical-thinking skills. Now imagine what will happen to a generation that had constant access to free AI tools and never learned to think for itself.

Free AI may also cost us a healthy planet.

It’s not that things were exactly going well on the climate-change front before AI arrived on the scene. But if you squinted, you could

see some hope on the horizon. People are electrifying their homes. Wind and solar are cheaper than fossil fuels. EVs are getting better and more popular. It seemed possible that humanity might figure out a way to start bringing carbon emissions back down.

Then along came AI. We know that AI systems use a lot of “compute,” which means that they use a lot of power and water. Tech companies’ energy demands are soaring. But nobody seems to know how much.

A recent paper in [*Nature*](#) tries to get to the bottom of the matter and comes up with various guesses:

- The unsolicited “AI overview” that Google gives you every time you search may use “23–30 times the energy of a normal search.”
- A chatbot answering 1,000 questions might use an amount of energy similar to the “energy required to fully charge a smartphone,” while generating 1,000 images might use an amount equivalent to about 10 hours of laptop usage (ChatGPT alone may receive over [1 billion queries a day](#)).
- Data centers may consume up to 15% of American electricity by 2028.

But these are all guesses made by experts based on the scant information available to the public. Tech companies are incredibly tight-lipped about anything that might give an advantage to their rivals, so they aren’t talking about their energy usage.

When China’s DeepSeek model came out, surprising the world with its efficiency and cheapness, experts assumed that it was also saving a lot of energy and that other models were also on a path to much greater energy efficiency. Maybe. But, again, nobody’s giving clear explanations to the public.

It seems to me that if the tech companies were making great strides in efficiency, they might be correcting the public perception that their product is destroying the planet with some actual data.

In the absence of hard, verifiable data from the AI companies, we have to assume that AI's energy demands are still massive — and that as AI gets built into everything, they will only grow. Whatever progress we were making in reducing our energy demand and our dependence on fossil fuels is in grave danger.

It's fun — and free — to get your computer to make a picture of a cartoon bear dressed like Elvis, but it may not be very fun — or cheap — to live in a world polluted by the energy needs of the model that produced it.

AI may cost us in other ways, too. I've written about the [effects it may have on democracy](#). Economists have [speculated](#) that it could create a more unequal society, suppress wages, or even create mass unemployment.

They say you “shouldn't look a gift horse in the mouth,” a phrase that goes back to St. Jerome, who wrote in the 400s CE. Jerome was repeating a proverb that advised people not to be too picky when receiving something for free.

But AI isn't a gift, it's a product in a capitalist system. Nothing is really free in capitalism. Go ahead and inspect that horse's teeth.