

Tech giants need oversight to protect national security

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America's most powerful technology companies have outgrown their corporate governance framework. Their infrastructure — from satellite networks to frontier AI — is now as essential to national power as missiles and the dollar. Yet our dependence on them is precisely what makes them so difficult to govern; the same technologies that amplify US strength can threaten national security and even reshape society itself.

Anthropic recently withheld from public release a frontier AI model, “Mythos”, reportedly capable of exploiting thousands of unknown vulnerabilities across every major operating system. Meanwhile, Space X is preparing an IPO while its critical satellite launch infrastructure remains under the control of one man. In both cases, the state sees only what the company chooses to disclose and has little formal standing to influence the outcome.

New AI models are not being governed in the same way as nuclear weapons, the last technology with comparable civilisational stakes, which were created under direct public control and oversight. Private decisions are being made about AI safety and deployment, with government visibility solely at corporate discretion. The call to withhold Mythos was probably correct, but it is a warning shot. The next firm to wield such power may not be as scrupulous.

Worryingly, the standard policy toolkit offers no answer. Antitrust is the wrong instrument because fragmenting big tech companies while China builds integrated national champions would be strategic self-harm. Taxation redistributes wealth but leaves governance untouched. And regulation will not work. It arrives after deployment, proceeds at a crawl and depends on information the company controls.

Congress should instead designate technology companies above a defined capitalisation — say, \$1tn — or those deploying technologies of extreme national significance as Systemically Important Technology Entities. That designation would trigger one requirement: a presidentially-nominated, Senate-confirmed director on the company's board as a full voting member. This director would have one seat, one vote and full access and a responsibility to alert Washington when matters of national consequence arise.

This is not product regulation. It imposes no approvals, innovation taxes or compliance bureaucracy. The point is not control; the point is to have one fully informed public actor inside the room when it matters.

Converting this idea into law would require careful drafting. It raises tensions around fiduciary duty, conflicts, confidentiality and recusal while challenging America's free enterprise ethos. This pattern would not be new, however: when Theodore Roosevelt fought to

establish the Bureau of Corporations in 1903, the targeted companies decried limited federal scrutiny as unconstitutional. A generation later, the principle that corporations must open their books was written into the securities laws. What was once an outrage is now just called an annual report.

The idea that national security can override normal corporate governance is also not new. For decades, the US government has required foreign-owned defence contractors to establish proxy boards of American directors holding voting control to insulate sensitive capabilities from foreign influence. Our leading technology companies are far more consequential than any foreign-owned defence contractor. It makes no sense to require a government presence in the boardroom of one but not the other.

Americans are rightly sceptical of government intrusion in private enterprise but we have a long history of reconciling that scepticism with the necessity of oversight when private power reaches a systemic threshold. Indeed, Washington has repeatedly tilted in favour of the country's largest companies, often at the expense of competing social priorities. The regulatory and antitrust tools forged for the era of railroads and steel were the correct settlement for the industrial age; the age of AI and space-based technology demands a new set of tools.

Some will call this state capitalism. But the US already blends public and private power through industrial policy, regulation, procurement and executive action. Companies such as Anthropic and SpaceX possess the reach of a state without the accountability of one. One voting board seat is not nationalisation. It is the minimum accountability this moment requires.