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FORBES NEWSLETTERS

EDITORS' PICK

What Are Trump's Tech Policy Priorities, And What Will He Do?

Plus: Republicans Hope He Listens To Musk (Democrats Do Not), MIT Professor Reads The Tea Leaves On Cybersecurity, How The TikTok Ban Will Impact Tech Companies, Google Introduces Quantum Chip

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This is the published version of *Forbes'* CIO newsletter, which offers the latest news for chief innovation officers and other technology-focused leaders. [Click here](#) to get it delivered to your inbox every Thursday.

Ever since the morning of November 6, people have been asking the same question: **What will Donald Trump do in his second**

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presidential term? The president-elect has a reputation for making sweeping changes if he wants to and doesn't seem to be tied down to any existing traditions or policies. In some areas, it's easier to predict the actions he will take. Trump campaigned on mass deportations of illegal immigrants, and it's highly likely those will happen.

In tech, however, there are no easy predictions. **On the campaign trail, Trump didn't talk about his plans for AI, cybersecurity, tech industry consolidation, social media regulation or privacy issues.** And he still hasn't said much about it, leaving those who deal with tech trying to make educated guesses. A [new poll](#) by the AI Policy Institute asked people which of two high-profile Trump supporters' approaches to AI regulations they preferred: Mark Andreessen's minimal approach, or Elon Musk's focus on catastrophic risks while building AI infrastructure. More than 60% of all demographics overwhelmingly supported Musk's approach of building infrastructure and focusing on catastrophic risks, while about 10% or less wanted fewer regulations. Republicans especially want Musk, CEO of xAI, to be a key adviser on AI. More than eight in 10 Republicans want Musk to devote "significant time" to working with Trump, and 60% of Republican voters think Trump should listen to Musk above other AI executives. Democrats are far less keen on Musk, with 51% saying he should listen to others.

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But what does Elon Musk want in terms of AI policy? That isn't crystal clear. On one hand, he has backed strict regulations, signing a [March 2023 letter](#) asking AI labs to pause new AI training for six months for safety protocols to be established. Musk [also supported](#) a controversial AI regulation bill in California that Gov. Gavin Newsom ultimately vetoed because it focused only on large models and could be burdensome to large companies. But Musk's xAI brands itself as "anti-woke," and its AI image generator readily creates versions of copyrighted images, as well as parodies of notable people that aren't allowed on similar platforms. Musk's social platform X [sued to block](#) a California law targeting political deepfakes on social media, signed by Newsom to prevent voter misinformation.

Maybe Musk's counsel would mean tighter safety standards on AI, ensuring that guardrails are put in place to prevent the technology from being used for widespread harm in areas like defense, law enforcement or infrastructure control. But what about the issue of AI-created potentially misleading content? And how about copyright protection, ensuring that creators are paid for content used to train systems? We'll need to wait and see.

Cybersecurity is another pressing issue that wasn't exactly a big topic for Trump on the campaign trail. I talked to MIT Sloan School of Management professor of information technology

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Stuart Madnick about what he thinks Trump may do once he takes office. An excerpt from our conversation is later in this newsletter.

POLICY + REGULATIONS



NIKOLAS KOKOVLIS/NURPHOTO VIA GETTY IMAGES

TikTok's time may be running short. Last Friday, a **federal appeals court upheld the forced ban or sale of the Chinese-owned social media app**, which is set to go into effect on January 19. The D.C. Circuit Court of Appeals ruled that this law does not violate First Amendment free speech rights because it is a matter of national security, *writes Forbes' Emily Baker-White*. "When a government—domestic or foreign—stifles speech on account of its message . . . [it] contravenes this essential right and may manipulate the public debate through coercion rather than persuasion," the opinion states.

TikTok owner ByteDance has used data from the app to spy on Americans, including *Forbes* journalists reporting on the company. Use of the app has been banned from devices owned

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by the federal government and more than 30 state governments. However, the app is wildly popular, with more than 170 million U.S. users, including more than 7 million businesses, according to the company.

TikTok has vowed to appeal the ruling to the U.S. Supreme Court, so **this may not be the end of the app for Americans**. President-elect Trump said on the campaign trail that he would support letting TikTok continue, though he has not said how—and a bipartisan majority of Congress passed the law forcing the sale or ban. On Monday, TikTok [asked the appeals court](#) to pause enforcement of its ruling pending its Supreme Court appeal and Trump's inauguration—though, [Baker-White writes](#), Trump really doesn't have a say in how this law will be enforced.

The ruling has sent tech companies scrambling to figure out how to enforce it. **The law puts the onus on Apple and Google**, both of which run the app stores through which users download TikTok, to carry out a ban—theoretically because both are less likely than ByteDance to ignore U.S. law, [writes Baker-White](#). Failure to remove the app from the online store would result in fines in the hundreds of billions of dollars, Baker-White writes, and both companies told her they have been discussing their solutions. But it's not just the companies offering downloads that suddenly have major issues to deal with. Cloud hosting companies that worked with TikTok suddenly saw

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a huge loss in revenue from the app, [Baker-White reports](#). The largest is a \$1 billion hosting contract with Oracle to host U.S. TikTok users' private information to keep it safe from Chinese government intrusion, but Microsoft, Amazon's AWS and Google also have valuable contracts with TikTok.

TECHNOLOGY + INNOVATION



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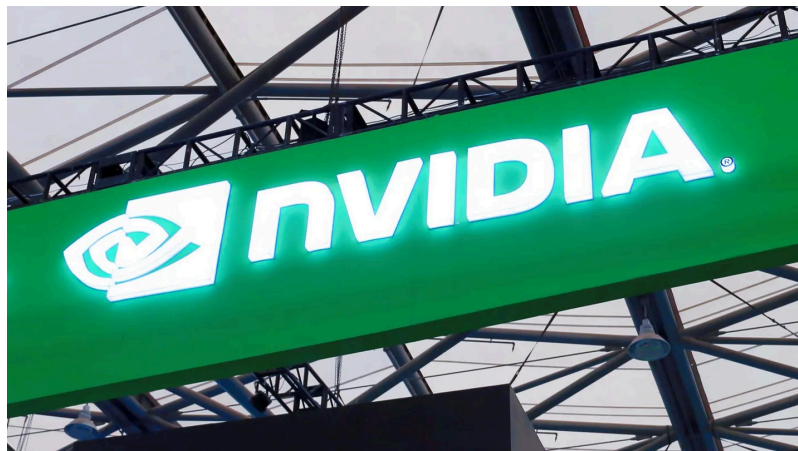
Last week, Amazon announced innovation after innovation at its AWS re:Invent conference. While Google isn't having an event this week, the tech giant is taking its turn now. On Monday, **Google announced several new hardware platforms that have the potential to advance its capabilities.** The new Willow chip for quantum computing demonstrates more accurate quantum calculations, potentially putting Google on the path to developing a viable quantum computing business by the end of the decade, [writes *Forbes* contributor Karl Freund](#). The Willow chip, with 105 qubits, outpaces other supercomputers, Google says, and solved the

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random circuit sampling benchmark—a complicated mathematical process used to evaluate quantum computer performance—in less than five minutes. Other announcements Monday include a new generation of its Trillium AI accelerator chip and an Arm processor.

Google also showed off a new prototype of smart glasses this week. These glasses, powered by Gemini's AI, can give wearers real-time information about their surroundings, according to a video demo shared with reporters, [writes *Forbes'* Richard Nieva](#). The glasses use voice-based commands, and the video showed a person biking around London getting information about parks he passes, nearby supermarkets, public art, bus routes and a door code emailed to him. The glasses, which are direct competitors to Meta's Orion smart glasses, will be available to testers soon, Google said, with “more news shortly.”

FROM THE HEADLINES



Nvidia's booth at a 2019 event in Shanghai. COSTFOTO/NURPHOTO VIA GETTY IMAGES

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Chinese authorities say U.S. chip titan Nvidia is under investigation for antitrust issues stemming from its 2020 acquisition of Israel's Mellanox Technologies, [writes Forbes senior contributor Dan Runkevicius](#). However, many [analysts believe](#) the investigation is retaliation for the Biden administration's most recent crackdown on China's tech industry last week, which limits U.S. exports of items used to make chips to 140 Chinese companies. It's [not exactly clear](#) how Nvidia may have violated the acquisition agreement from four years ago, which was approved by China after Nvidia and Mellanox agreed to conditions including providing an uninterrupted supply of GPUs and networking equipment to China and not discriminating against customers there. According to [the South China Post](#), Nvidia could be fined up to \$1 billion.

When the probe was announced on Monday, [Nvidia's stock dropped](#) more than 2%. **The share price is rebounding slowly**, and a 2.5% surge in its price on Wednesday helped contribute to the Nasdaq [hitting an all-time high](#) of 20,000.

BITS + BYTES

MIT Professor Reads The Tea Leaves On Trump Cybersecurity Policy

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MIT Sloan School of Management information technology professor Stuart Madnick. MIT

Cybersecurity incidents and threats are growing, and President-elect Trump will be at the helm of the next generation of policies to keep U.S. residents, businesses and government protected, as well as deter bad actors from new threats. I talked to Stuart Madnick, a longtime cybersecurity researcher and professor of information technology at MIT Sloan School of Management, about what Trump may do. This conversation has been edited for length, clarity and continuity.

What do you predict will be some of the major themes President-elect Trump addresses in cybersecurity when he takes office?

Madnick: The U.S. Cyber Command, I would imagine, [will make a] much more forward process. We haven't seen a lot of offensive moves on the part of the United States. My suspicion is because most of the other parts of the U.S. that deal with cybersecurity are primarily limited to

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defensive activities. I imagine the cyber command may take on a much more proactive role on offensive activities.

Trump likes to reorganize the marbles a lot. One of the problems with cybersecurity, particularly in the U.S., is it's scattered all over the place. There's roles for the FBI, NSA, the Department of Homeland Security and CISA. It is somewhat of a chaotic mess. I haven't heard him say anything about it, but that would not be surprising if that was consolidated or made more manageable.

It is a blooming industry of regulations. It's very chaotic and something's got to be done about it. There are things being done at the national level all over the place [at the state level]. So getting the regulations in some kind of orderly manner is going to be a big issue. Whether he tries to reduce them or tries to make them more potent, I don't know.

A huge number of cyber attacks emanate from outside the United States. Things need to be looked at internationally. This is a movement that I think everybody in the world sees. There needs to be more international collaboration, [such as the] relatively recent United Nations Treaty on Cybercrime. On the other hand, that does impinge on sovereignty issues. And so trying to balance the two things. Trump is a mixed blessing. He has not been a big fan of the United Nations, at least historically. On the other hand, they tend to be the

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major player. The United Nations is going to be a tough road for him to go along with, but it may be the most practical group.

Of all the things Trump talked about on the campaign trail, cybersecurity didn't get top billing. But he's gotten close to Elon Musk. What impact do you think Musk will have on policy decisions here?

This is a work in progress. He likes to listen to various people and then make his own opinion. And I think Elon Musk definitely is someone who has a clearer attention. The real big challenge: I don't think anybody has a silver bullet. He's got to figure out what he thinks is best.

I can't predict when it'll get to be top-of-mind. Because a cyber attack impacts certain people in certain ways, and other people hardly know what happened at all.

Under President Joe Biden, the SEC was starting to take a more active role in corporate liability for cybersecurity. Do you see that trend continuing in the Trump administration?

Trump more or less tends to be anti-regulatory, and I don't think he's likely to reverse that. There's still a lot more regulatory things being talked about, so [I don't know] whether Trump will stall them or pull back on them. My suspicion is the tide is moving so strongly in this direction.

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One of the things Trump is clearly fond of is Wall Street, and one of the big things the SEC has pointed out is that if companies suffer cyber attacks, it has a huge impact on stock prices and occasionally rippling impact, which means even broader impacts. That's something Trump's not going to want to have happen. Even though he may be against regulations in general, there may be specific ones that he sees value in, that are so strong, it's hard to resist.

So much cyber crime comes from outside of the U.S., and attacks are increasing as technology provides more ways to breach systems. Do you think that any U.S. president can really do much through policy to mitigate this?

That's a tough call. We have had nuclear bombs around for how many years now? With the exception of World War II, I don't think any of them have been dropped intentionally. I think we are reaching the brink of a mutual issue of destruction in cybersecurity. Basically, if you start attacking, you'll be attacked back so much worse. Will that happen in the near future or not? It's hard to tell. I think we are getting close to not-quite extinction events, but things almost of that catastrophic variety in the cyber world. That could be the changing element when we finally have that wake up call, and the president could do a lot in trying to make that clear.