# Legal and ethical battles reshape the future of AI development



The accelerating development of artificial intelligence (AI) technologies has spotlighted major ethical concerns surrounding their creation and use. A seminal 2020 report by Timnit Gebru and fellow researchers at Google, which precipitated Gebru’s contentious departure from the company, criticised large language models for perpetuating societal biases through training on large-scale, uncurated datasets scraped indiscriminately from the internet. This raised profound questions about data provenance, intellectual property rights, and fairness in AI systems—a debate that has only intensified exponentially as AI capabilities have expanded.

These concerns are not theoretical. Since 2023, multiple high-profile lawsuits have emerged against leading AI companies over alleged unauthorised use of copyrighted material to train their models. Salesforce, for example, now faces a proposed class-action suit brought by authors accusing the company of using thousands of pirated books without permission when training its xGen AI language models. The plaintiffs’ legal team insists on transparency and equitable compensation for creators, highlighting a perceived contradiction in Salesforce CEO Marc Benioff’s prior criticism of competitors’ data practices. Meanwhile, Meta Platforms has fought to dismiss a similar lawsuit by arguing its use of copyrighted books in training its Llama AI system falls under “fair use,” claiming the material is transformed for new purposes rather than replicated verbatim.

OpenAI, a prominent AI developer, is also embroiled in legal disputes. Publisher Ziff Davis filed a copyright infringement case against OpenAI, alleging that the company systematically exploited its proprietary content across media outlets such as PCMag and CNET to train ChatGPT. OpenAI disputes these claims, asserting its datasets arise from publicly available data and adhere to fair use standards. Another lawsuit led by a coalition of renowned authors including John Grisham, Jodi Picoult, and George R.R. Martin accuses OpenAI of “systematic theft on a mass scale,” alleging that ChatGPT has generated content derived directly from their copyrighted works without permission or compensation. These cases exemplify growing tensions between rapid technological innovation and the traditional frameworks of intellectual property law.

Beyond intellectual property, the ethical challenges extend into environmental and social spheres. A study from the University of Massachusetts Amherst estimated that training a single large AI model can emit greenhouse gases equivalent to the lifetime emissions of five cars, underscoring the significant resource consumption entailed. Social implications include concerns over labour exploitation, with reports documenting underpaid workers in developing countries who perform crucial data labelling tasks, and the detrimental effects AI-driven social media algorithms may have on mental health. The Centers for Disease Control and Prevention (CDC) linked rising teen suicide rates to excessive screen time and addictive technologies, underscoring the societal risks of unchecked AI integration.

Industry discussions continue to intensify around the ethics of AI’s expansion, particularly in sensitive domains like generative content creation. Critics, including Gebru in recent interviews, question the conflict of interest in tech companies pursuing profit from niches such as digital erotica while simultaneously promoting ambitions for artificial general intelligence aimed at humanity’s benefit. This scrutiny emerges alongside efforts by leading AI firms such as Anthropic and Microsoft to prioritise ethical principles and safety mechanisms in their newer models, which include advanced techniques like federated learning to protect data privacy and reduce risks of theft.

From a business standpoint, these ethical dilemmas present both significant risks and lucrative opportunities. The AI market is forecast to reach $407 billion by 2027, with increasing demand for transparent, ethically developed AI propelling venture capital investments in responsible AI startups. Companies like IBM have leveraged rigorous internal ethics guidelines to build trust and capture market share in sectors such as healthcare and finance. Additionally, regulatory frameworks are evolving rapidly; the European Union’s AI Act, set for enforcement in 2024, will require impact assessments and classifies many AI systems as high risk. Compliance with such regulations offers new avenues for monetisation through consulting and tech solutions. Conversely, reputational damage and legal costs loom for firms failing to meet these standards, highlighted by Meta’s $725 million settlement in 2022 for data privacy violations.

Technically, resolving ethical challenges demands sophisticated strategies like differential privacy to protect user data, and hybrid models combining human oversight with AI to improve bias detection by an estimated 40% by 2025. Cloud providers like AWS are investing heavily in green data centres to optimise energy efficiency and reduce environmental footprint. The future points to a landscape where explainable AI and governance tools, championed by major players such as Microsoft, will become essential for building consumer trust and securing long-term sustainability in the AI industry.

Collectively, these developments illustrate that the future success and acceptance of AI will hinge on embedding ethics deeply into every stage of development and deployment. The firms that navigate this complex matrix of legal, social, and environmental responsibilities will not only mitigate risks but will shape the market’s trajectory towards a more transparent, accountable, and sustainable AI-driven economy.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://blockchain.news/ainews/ai-industry-critique-timnit-gebru-highlights-ethical-concerns-over-agi-data-practices-and-monetization)
* Paragraph 2 – [[2]](https://www.reuters.com/sustainability/boards-policy-regulation/salesforce-sued-by-authors-over-artificial-intelligence-software-2025-10-16/), [[3]](https://www.reuters.com/legal/litigation/meta-says-copying-books-was-fair-use-authors-ai-lawsuit-2025-03-25/)
* Paragraph 3 – [[4]](https://www.reuters.com/business/publisher-ziff-davis-sues-openai-copyright-infringement-2025-04-24/), [[5]](https://apnews.com/article/37f9073ab67ab25b7e6b2975b2a63bfe), [[6]](https://www.dw.com/en/openai-lawsuit-us-authors-allege-chatgpt-copyright-theft/a-66895907)
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## Bibliography

1. <https://blockchain.news/ainews/ai-industry-critique-timnit-gebru-highlights-ethical-concerns-over-agi-data-practices-and-monetization> - Please view link - unable to able to access data
2. <https://www.reuters.com/sustainability/boards-policy-regulation/salesforce-sued-by-authors-over-artificial-intelligence-software-2025-10-16/> - Salesforce is facing a proposed class action lawsuit filed by authors Molly Tanzer and Jennifer Gilmore, who accuse the cloud-computing company of using their copyrighted books without permission to train its xGen AI language models. The suit claims that thousands of pirated books, including those by the plaintiffs, were utilized in developing the AI. The authors’ legal representation, led by attorney Joseph Saveri, argues for transparency and fair compensation when copyrighted material is used in AI training. The lawsuit also highlights a contradiction in Salesforce CEO Marc Benioff’s previous statements, where he criticized other companies for using “stolen” data and emphasized the importance of compensating creators. This case adds to a growing trend of legal actions taken by authors and content creators against major tech companies such as OpenAI, Microsoft, and Meta for alleged copyright infringements in AI development. Notably, Anthropic settled a similar lawsuit for $1.5 billion earlier in 2025. Salesforce has not commented on the suit. ([reuters.com](https://www.reuters.com/sustainability/boards-policy-regulation/salesforce-sued-by-authors-over-artificial-intelligence-software-2025-10-16/?utm_source=openai))
3. <https://www.reuters.com/legal/litigation/meta-says-copying-books-was-fair-use-authors-ai-lawsuit-2025-03-25/> - Meta Platforms has requested a U.S. court to dismiss a lawsuit claiming it violated copyright laws by using books from authors like Ta-Nehisi Coates and Sarah Silverman to train its AI system. Meta argued that the utilization of these books in developing its language model, Llama, falls under the "fair use" doctrine. The authors, who sued Meta in 2023, assert that Meta employed unauthorized versions of their books without permission. Meta countered, arguing its use transformed the material for different purposes, such as personal tutoring and creative tasks, without replicating the books themselves. The case, Kadrey v. Meta Platforms Inc., is being heard in the U.S. District Court for the Northern District of California. ([reuters.com](https://www.reuters.com/legal/litigation/meta-says-copying-books-was-fair-use-authors-ai-lawsuit-2025-03-25/?utm_source=openai))
4. <https://www.reuters.com/business/publisher-ziff-davis-sues-openai-copyright-infringement-2025-04-24/> - On April 24, 2025, digital media publisher Ziff Davis filed a copyright infringement lawsuit against OpenAI in Delaware federal court. The lawsuit alleges that OpenAI, supported by Microsoft, unlawfully used Ziff Davis's copyrighted content to train its artificial intelligence systems, including the widely used chatbot ChatGPT. Ziff Davis, whose media portfolio includes ZDNet, PCMag, CNET, IGN, and Lifehacker, claims that OpenAI has systematically and deliberately exploited its copyrighted materials without permission. The case joins a growing number of legal challenges from publishers, authors, and artists who accuse major AI firms like OpenAI, Google, and Meta Platforms of using their intellectual property without authorization to develop generative AI technologies. OpenAI defends its practices by stating it trains models on publicly available data and operates within fair use standards. A spokesperson for Ziff Davis declined to comment further on the ongoing litigation. This lawsuit underscores the increasing tension between content creators and tech companies over the boundaries of copyright in the age of AI. ([reuters.com](https://www.reuters.com/business/publisher-ziff-davis-sues-openai-copyright-infringement-2025-04-24/?utm_source=openai))
5. <https://apnews.com/article/37f9073ab67ab25b7e6b2975b2a63bfe> - A group of 17 authors, including John Grisham, Jodi Picoult, and George R.R. Martin, have filed a lawsuit against OpenAI, accusing the company of copyright infringement. The authors, organized by the Authors Guild, assert that OpenAI's ChatGPT program has been using their copyrighted works without permission, amounting to "systematic theft on a mass scale." The lawsuit highlights instances where ChatGPT purportedly generated unauthorized content based on the authors' works, such as creating a detailed outline for a prequel to Martin's "A Game of Thrones." This legal action follows similar lawsuits by other authors and is indicative of broader concerns within the literary community about the impact of AI on intellectual property. OpenAI has expressed their respect for writers' rights and continues to engage in discussions to address these concerns. The case exemplifies ongoing tensions between technological innovation and copyright protections. ([apnews.com](https://apnews.com/article/37f9073ab67ab25b7e6b2975b2a63bfe?utm_source=openai))
6. <https://www.dw.com/en/openai-lawsuit-us-authors-allege-chatgpt-copyright-theft/a-66895907> - A trade group representing United States writers has filed a class-action lawsuit against ChatGPT-maker OpenAI in federal court. The suit, organized by the Authors Guild, was filed on behalf of more than a dozen best-selling authors, including Jonathan Franzen, John Grisham, Jodi Picoult, George Saunders, and "Game of Thrones" novelist George R. R. Martin. It alleges OpenAI unlawfully used copyrighted works by those and other authors to train its generative artificial intelligence software. The complaint is one of several currently pending against generative AI providers, including Facebook-owner Meta Platforms and Stability AI, which alleges their AI systems were trained by accessing and ingesting written copyrighted works without approval or appropriate financial compensation. The suit claims the company could have used books available in the public domain or paid licensing fees to use copyrighted material. OpenAI and the other defendants claim their use of data scraped from the internet falls under US copyright law's definition of fair use. But those companies are secretive about what datasets they use to train their AI systems, which work by gleaning information and then making statistical predictions based on that information and in response to a prompt from a human. ([dw.com](https://www.dw.com/en/openai-lawsuit-us-authors-allege-chatgpt-copyright-theft/a-66895907?utm_source=openai))