

Microsoft CEO defends OpenAI partnership after EU, UK probes

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Under CEO Satya Nadella, Microsoft has poured billions of dollars into its partnership with OpenAI.

Microsoft CEO Satya Nadella on Tuesday defended his company's multi-billion-dollar investment in ChatGPT developer OpenAI after the EU

and Britain launched probes into whether it resembles a merger.

Nadella was speaking on the sidelines during an event organized by Bloomberg at the World Economic Forum in the Swiss Alpine resort of Davos.

"If we want [competition](#) in AI against some of the players who are completely already integrated, I think partnerships is one avenue of, in fact, having competition," Nadella said.

"I'm sure the regulators will look at it and say, 'is this a pro-competition partnership or not?' And to me, I think it's a no brainer."

Microsoft has poured billions of dollars since 2019 into OpenAI, which thrust AI into the spotlight with its chatbot, ChatGPT in late 2022.

ChatGPT demonstrated AI's dizzying advances as it could produce eloquent poetry and concise essays within seconds as well as pass medical and legal exams.

But with [popularity](#) came greater scrutiny and now anti-trust regulators in the European Union and Britain are examining the Microsoft-OpenAI partnership.

Nadella insisted AI's recent rapid developments come after Microsoft's risk-taking.

"If Microsoft had not taken the highly risky (decision)—and this is now all [conventional wisdom](#)—but when we made those investments, when we backed OpenAI, went all in on a particular form of computing that led to all of these breakthroughs, it would have not been what we had.

"And more importantly, the incumbents would have been the winners,"

Nadella said.

OpenAI faced a tumultuous period late last year when its CEO Sam Altman was ousted then made a shock return, all while he maintained Nadella's support.

Nadella said Microsoft now just wanted "stability in the partnership".

He also seemed confident about limiting the risks of AI on elections as billions prepare to head to the polls this year, including in the United States, where Microsoft is based.

"It's not like this is the first election where disinformation or misinformation, and election interference is going to be a real challenge that we all have to tackle," he said. "We as a company have to do our best work."

Nadella was set to speak later on Tuesday during an official WEF event.

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