

The Impact of AI on US Productivity

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The Big Bet on AI Productivity

1. AI firms

2. Investors

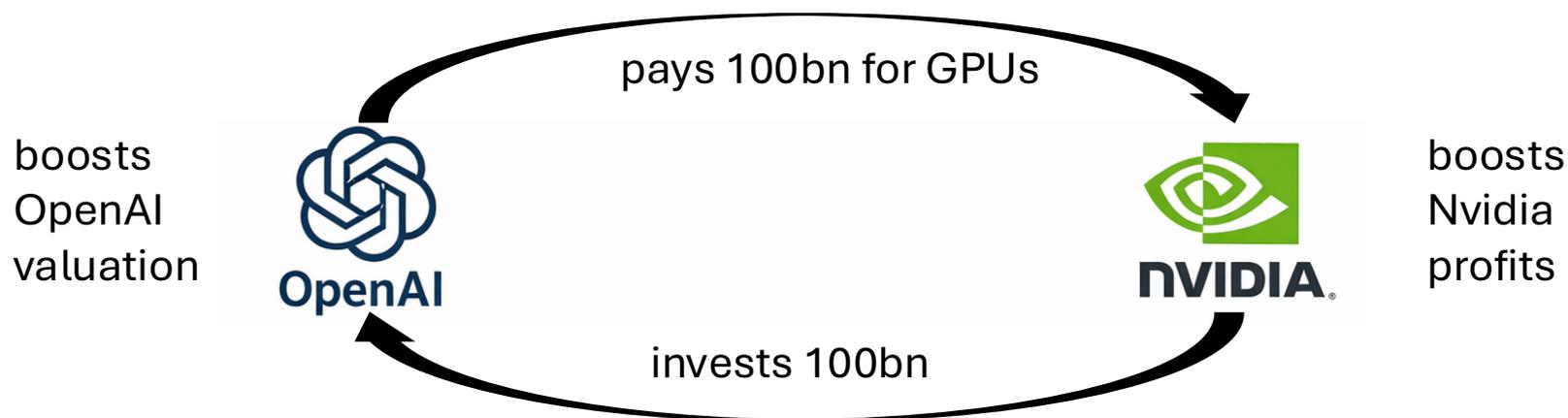
3. US government

The Big Bet on AI Productivity

1. AI firm AI circular financing

▪ Investment

- Alphabet, Amazon, Meta, Microsoft: \$650bn
- OpenAI: (via Nvidia) \$100bn



▪ Revenue

- OpenAI: 35M paying subscribers + enterprise
- Anthropic: enterprise focused

The Big Bet on AI Productivity

1. AI firms

- Real investment

2. Investors

- Magnificent 7 greatly outperformed rest of S&P500
- Private equity and debt
(via data centers)

The Big Bet on AI Productivity

1. AI firms

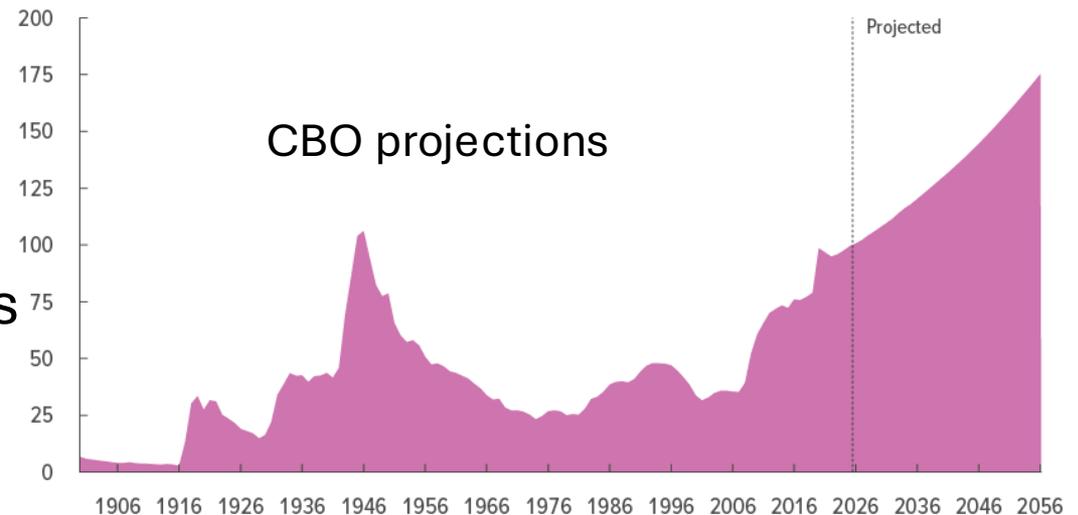
- Real investment

2. Investors

- Magnificent 7
- Private equity and debt (via data centers)

3. US government

- Fiscal debt is only sustainable if productivity spikes



AI Productivity Studies ...

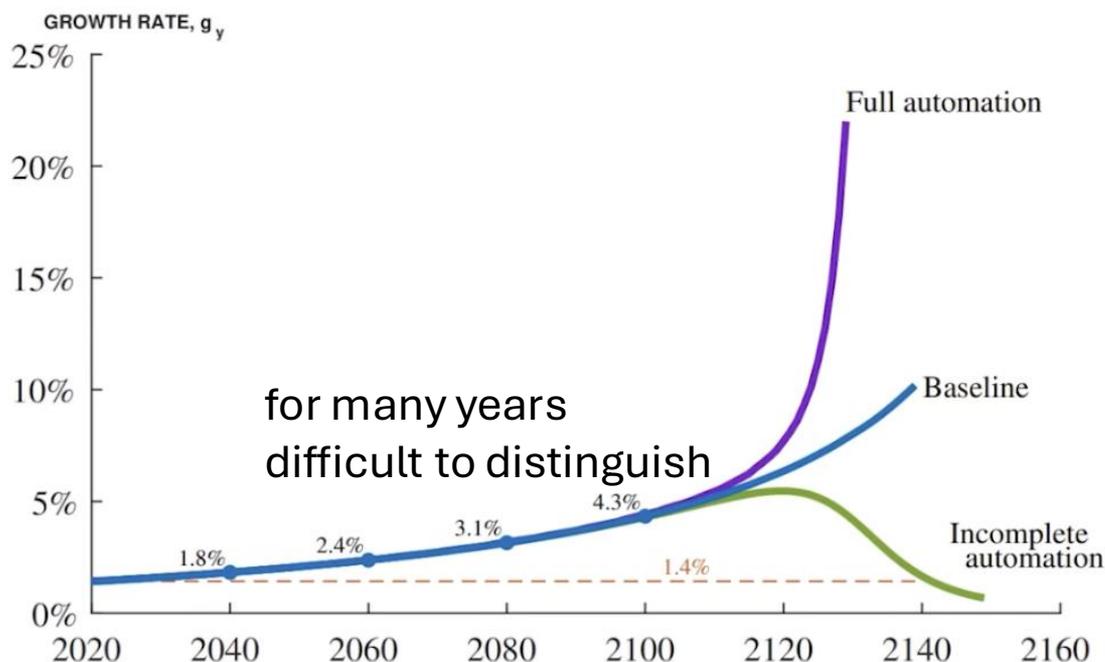
- Studies show consistently **high gains** (in quantity and quality)
- **for certain tasks** or **up to a certain level of complexity** but highly unreliable beyond that point.
=> verification protocols
- **Skill compression:** boost output of lower-performing workers
- **Selection:** studies tend to focus on jobs where it seems intuitively plausible that the gains might be substantial
- **Viable team size compression:** reduces **entry costs**
=> strengthens downstream competition
- **Other factors:** availability of finance, regulation, supply of scientist & engineers, computing power, infrastructure

Source: Timothy Talor based on Fruits and Stout (2025)

... Long-run AI Productivity Growth

■ Jones-Tonetti-Webinar

- Explosion: AI is self-reinforcing (like a flywheel)
- Slow-down: Weak links (bottlenecks) hold growth back
 - Can weak link ever be overcome or not?

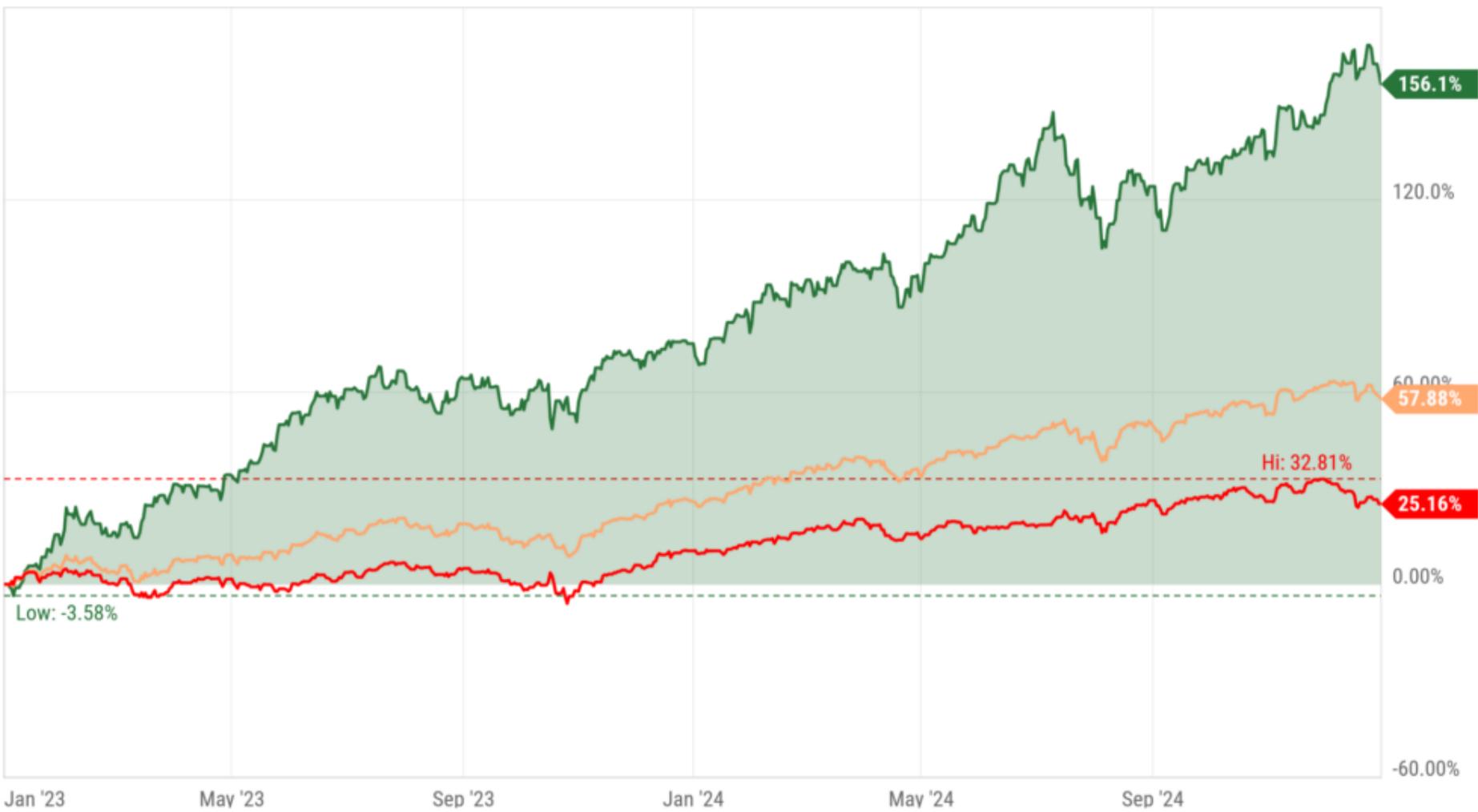


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THANK YOU

S&P 500 vs. S&P 493 vs. S&P 7

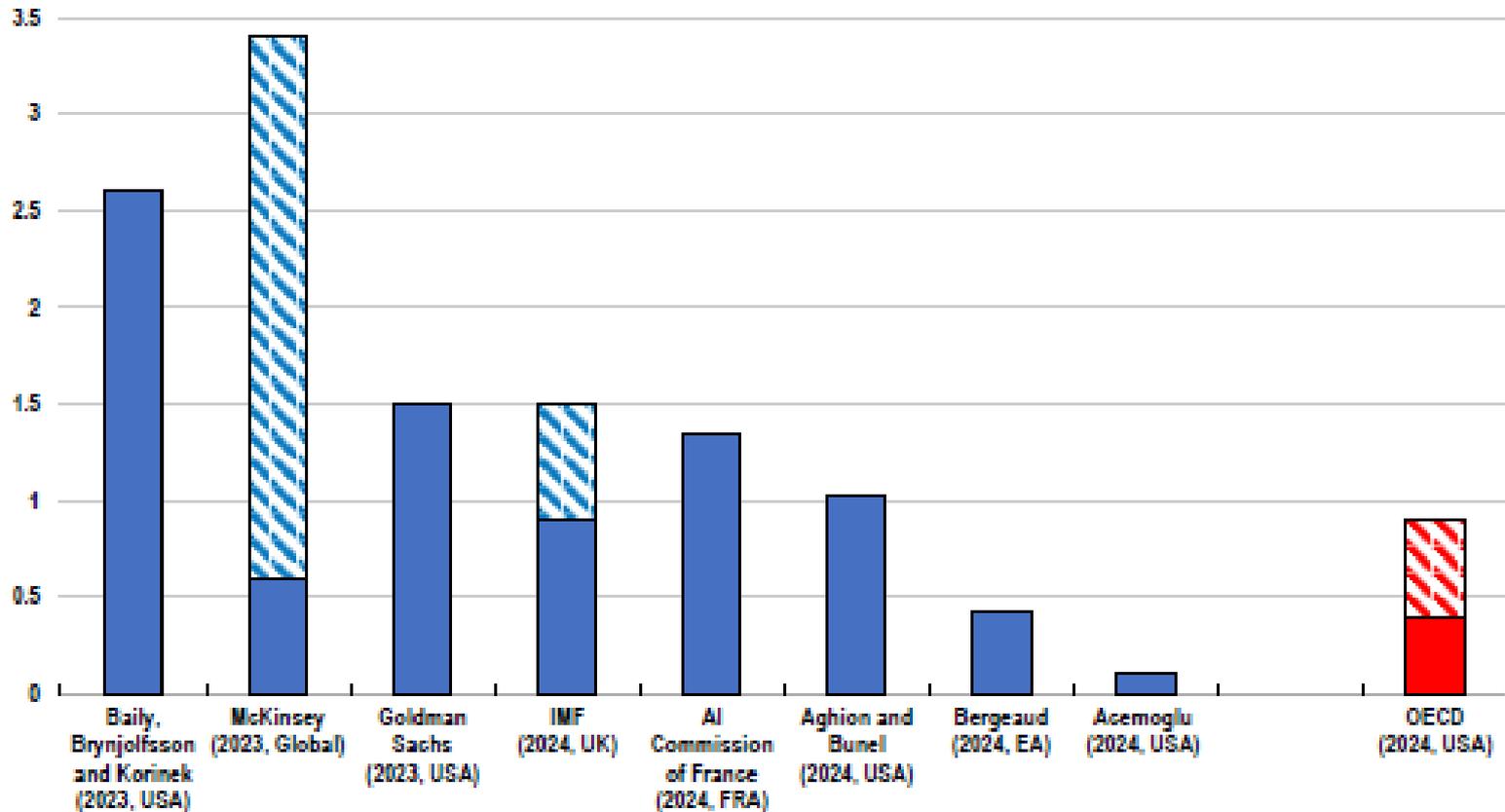
	VAL
● S&P 7 Total Return	156.1%
● S&P 500 Total Return	57.88%
● S&P 493 Total Return	25.16%



Date Range: 12/31/2022 - 12/31/2024

AI Labor Productivity Boost 10 years

Predicted increase in annual labour productivity growth over a 10-year horizon due to AI (in percentage points)



- Source: [Fillippucci, Gall, Schief,](#)
Webinar Jonathan Haskel