UNLEASH PROSPERITY


June 2026

# Boomsday Not Doomsday

AI Will Make Us Richer, Happier, and Healthier

**By Neil Chilson & Stephen Moore**

**Stephen Moore**

Co-Founder of Unleash Prosperity, columnist,
and regular guest on *Fox News*.

**Neil Chilson**

Head of AI Policy at the Abundance Institute.

# Introduction

Artificial intelligence is not simply another software tool or a narrow labor-saving technology. It is a general purpose technological breakthrough that can lower the cost of expertise, raise productivity, expand access to services, and increase real living standards. AI is already driving major economic activity by making the U.S. economy more productive and American industries more efficient as they compete with China, Japan, Europe and other developed nations.

Just as with the internet age and inventions like GPS, AI creates value by making access to expertise and the information much less expensive and more widely available. The claims that AI will destroy job opportunities is economically and historically unsound. Similar claims about every invention and technological breakthrough from the automobile to the farm tractor to the computer to automation sparked similar panics.

What AI will do, like those other technologies, is automate some (often drudgery) tasks, transform many jobs, and create a wide range of new opportunities. This will expand humankind's ability to solve problems - from building affordable housing for all, to curing cancer and other killer diseases, to expanding the frontiers of space, to reducing wealth inequality - as services and extravagances that were once only available to the richest segments of society become routinely available to all.

The prophets of doom predicting mass unemployment will be wrong this time, just as they have been wrong before.

The two much more valid policy concerns should be:

1) whether America will permit AI to diffuse widely enough to deliver real benefits for workers, consumers, small businesses, and families and

2) whether it is the United States or China that ushers in this new era of innovation and wealth creation.

# I. AI is Already a Major Economic Driver

AI is the strongest candidate in decades for a broad-based productivity catalyst. AI is moving from invention to novelty to economic infrastructure at extraordinary speed. Over half of U.S. adults have used generative AI within three years of its mass-market release — faster than the early uptake of the personal computer or the internet.[1] Organizations are embracing AI quickly: 88% of organizations reported using AI in at least one business function in 2025, up from 78% in 2024.[2] Often we use the tools of AI routinely when we don't even realize it.

Investors expect AI's biggest builders to create substantial value. The S&P 500 gained 84% from ChatGPT's launch on November 30, 2022 to May 28, 2026.[3] During that time, the Mag 7 (Microsoft, Nvidia,

---

1 Stanford AI Index Report 2026 at 199 (2026), https://hai.stanford.edu/ai-index/2026-ai-index-report; OpenAI, *Scaling AI for everyone* (Feb. 27, 2026), https://openai.com/index/scaling-ai-for-everyone/.

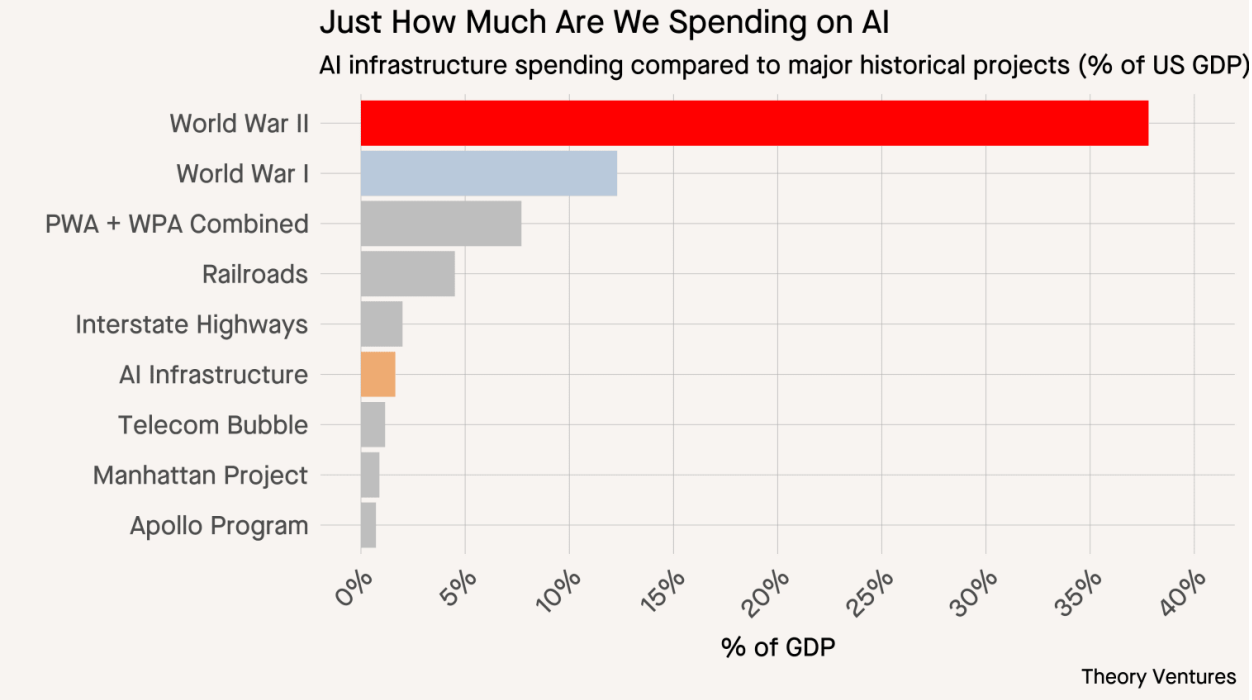
2 AI Index Report 2026 *supra* n.1 at 193.

3 Yahoo!Finance Historical Data, https://finance.yahoo.com/quote/%5EGSPC/history/?period1=1669766400&period2=1780012800.

Alphabet, Amazon, Meta, Tesla and Apple) added more than $15.3 trillion dollars to their market caps – an estimated 51% of the total S&P 500 gain over that period.[4]

Investment and spending are tracking accordingly. Global private AI investment reached $344.7 billion, and generative AI alone attracted $170.9 billion, up more than 200% from 2024.[5] The U.S. leads this trend, with nearly $285.9 billion invested in 2025 and a projected $650 billion in projected 2026 investment just by the four big tech hyperscalers (Microsoft, Alphabet, Amazon, and Meta).[6] Much of this is being spent to build physical infrastructure – the supercomputers needed to develop and use AI tools.

The end result: in constant U.S. dollars and even as a percentage of total GDP, AI infrastructure is one of the largest privately-funded infrastructure projects in U.S. history.[7] President Trump and some in Congress want to have government involvement and ownership of private AI companies. We believe that to the fullest extent possible, government regulation, taxation and ownership of AI should be avoided. America came to dominate the internet revolution in large part because the government played mostly a hands-off role.




4 Based on data from https://companiesmarketcap.com/; *see also* Joe Rennison, *Stocks Overcame a Long List of Worries to Gain in 2025. A.I. Helped a Lot* (Dec. 31, 2025) NYTimes, https://www.nytimes.com/2025/12/31/business/stock-market-2025-artificial-intelligence-bubble.html.

5 AI Index Report 2026, *supra* n.1, at 179.

6 AI Index Report 2026, supra n.1, at 182; Laura Bratton, *Big Tech set to spend $650 billion in 2026 as AI investments soar* (Feb. 6, 2026), https://finance.yahoo.com/news/big-tech-set-to-spend-650-billion-in-2026-as-ai-investments-soar-163907630.html.

7 Thomas Tunguz, *Are We Being Railroaded by AI?* (Nov. 6, 2025), https://tomtunguz.com/llm-impact-gdp/; In constant dollars, AI spending ($1.6 trillion thus far) falls between total spending on railroads ($3 trillion) and on telecom networks ($910 billion). *See*, https://www.reuters.com/graphics/USA-ECONOMY/AI-INVESTMENT/gkvlqbgxkpb/.

Rising demand is driving these investments. Revenues at major AI labs continue to soar. Anthropic reports more than 1000 corporate customers spending $1 million or more annually.[8] The company's current "run-rate revenue has now surpassed $30 billion–up from approximately $9 billion at the end of 2025."[9] That's approximately $2.5 billion per month in revenue, and climbing.

Customers are spending as a bet on booming productivity. OECD estimates that AI could add 0.4 to 1.3 percentage points to annual labor-productivity growth in high-exposure, high-adoption countries like the United States and United Kingdom.[10] Total productivity increases could approach or surpass those of the post World War II boom.

# II. AI Drives Growth by Making Knowledge Cheaper to Use

Investors, businesses, and AI entrepreneurs all agree that AI will lift productivity of American workers and industries. But how? AI drives growth by lowering the cost of applying knowledge to specific problems.

Earlier information technologies made knowledge easier to collect, store, search, and distribute. AI makes it easier to apply that knowledge to specific problems. AI labs have distilled vast amounts of human knowledge into AI models, and companies have packaged those models into chat interfaces almost anyone can use. (Chatbots are only one possible way of working with AI models.) These services are available to consumers for free, with more premium versions available for less than the cost of a daily cup of coffee. In return, every person can get knowledgeable, conversational advice on a wide range of problems, opportunities, and tasks.

Applying knowledge more easily to specific problems can drive growth in three ways. First, it can make existing tasks more efficient. AI can lower the cost and raise the quality of existing cognitive tasks, such as writing, coding, analysis, support, translation, and administration. Individual workers can delegate these tasks to AI and focus on other parts of their jobs. Access to AI is like having an Albert Einstein working right next to us - but smarter and faster.

Second, AI can expand the market for new services. When expertise and information gets cheaper to deliver, services that were once uneconomic become viable — and new ones become possible. Think of how many more areas where you or a business might, if money were not a constraint, hire an expert to advise on personal health, transportation, mathematical algorithms, logistical issues of supply and demand, predictions about the future, and so on. By lowering the cost of acquiring and applying expertise, AI can expand the number of services offering such expertise, benefiting both providers and customers.

Third, AI can accelerate growth by increasing innovation. AI can help researchers and firms recombine existing knowledge and produce new ideas. It can help researchers search literature, generate hypotheses, write

---

8 *Anthropic expands partnership with Google and Broadcom for multiple gigawatts of next-generation compute* (Apr. 6, 2026), https://www.anthropic.com/news/google-broadcom-partnership-compute.

9 *Id.*

10 Filippucci, F. et al. (2025), *Macroeconomic productivity gains from Artificial Intelligence in G7 economies*, OECD Artificial Intelligence Papers, No. 41, OECD Publishing, Paris, https://doi.org/10.1787/a5319ab5-en.

code, design experiments, analyze data, create simulations, and recombine ideas across fields. This matters because modern innovation faces a "burden of knowledge." As scientific progress has expanded knowledge it has tended to isolate expertise into silos. Innovators need longer training and narrower specialization as the knowledge frontier expands. But innovation often requires looking across many areas and identifying patterns and connections. AI can help with this process, and as a result promises to increase the rate at which society turns existing knowledge into new ideas.

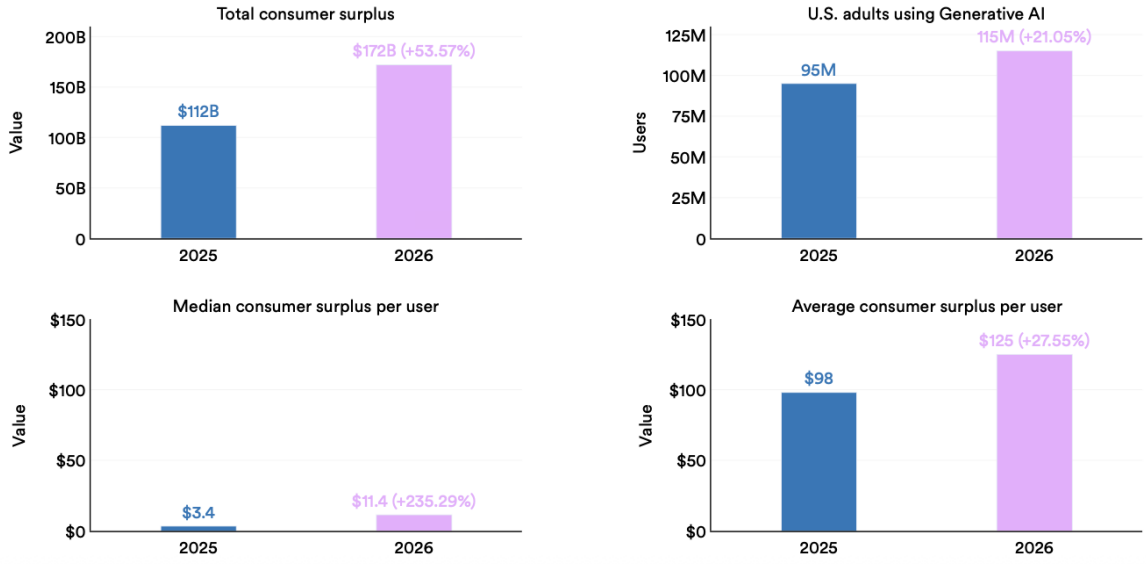
AI is not a utopian growth solution. It has limits. Tacit judgment, verification, moral values, and trust still matter. AI cannot calculate its way to facts about the real world that it has not been given. AI's growth effect will therefore be largest where outputs are easy to check and workflows can be redesigned, and smaller where errors are costly, context is tacit, or accountability cannot be delegated.

But AI does show the potential for vastly expanding human prosperity. The rich already buy expertise, but AI can make versions of that expertise available to everyone. The richest sultan and the average middle-class American probably carry very similar iPhones. Imagine if AI can make actionable expertise as common and accessible as mobile phones. As one example, AI and robotics are now being used to build new homes. This technology can build a new home at half the cost and in half the time of current technology. This will mean in the future, affordable and even luxurious homes will be abundant and available to nearly everyone.

Users see value, and that value is growing. U.S. consumer surplus from generative AI tools reached $172 billion annually by early 2026 — up from $112 billion the year before — based on what users say they would need to be paid to give the tools up.[11] What they value is the chance to apply a vast store of human knowledge to whatever problem is in front of them.

**Generative AI consumer surplus in the United States, 2025 vs. 2026**

Source: Brynjolfsson et al., 2026 | Chart: 2026 AI Index report




11 AI Index Report 2026, *supra* n.1 at 192.

# III. The Jobs Story: Reallocation, Not Apocalypse

But as expertise becomes more accessible, what will that do to jobs and employment? If the small business owner can consult AI instead of a marketer, what happens to that marketer's job? Headlines about AI's labor effects border on apocalyptic. "AI Job Destruction Accelerates," says a recent yahoo!finance article. "AI emerges as a top cause of layoffs" says another. Dario Amodei, CEO of AI lab Anthropic, has warned of a "bloodbath," saying AI will eliminate 50% of white collar jobs and could push unemployment to 10 - 20%. Senator Bernie Sanders issued a report claiming AI could eliminate 100 million U.S. jobs in the next decade. Some claim the goal is to replace all human workers. Elon Musk went the furthest, claiming "AI and robots will replace all jobs" and saying that "Working will be optional."

These claims are bad economics and even worse history.

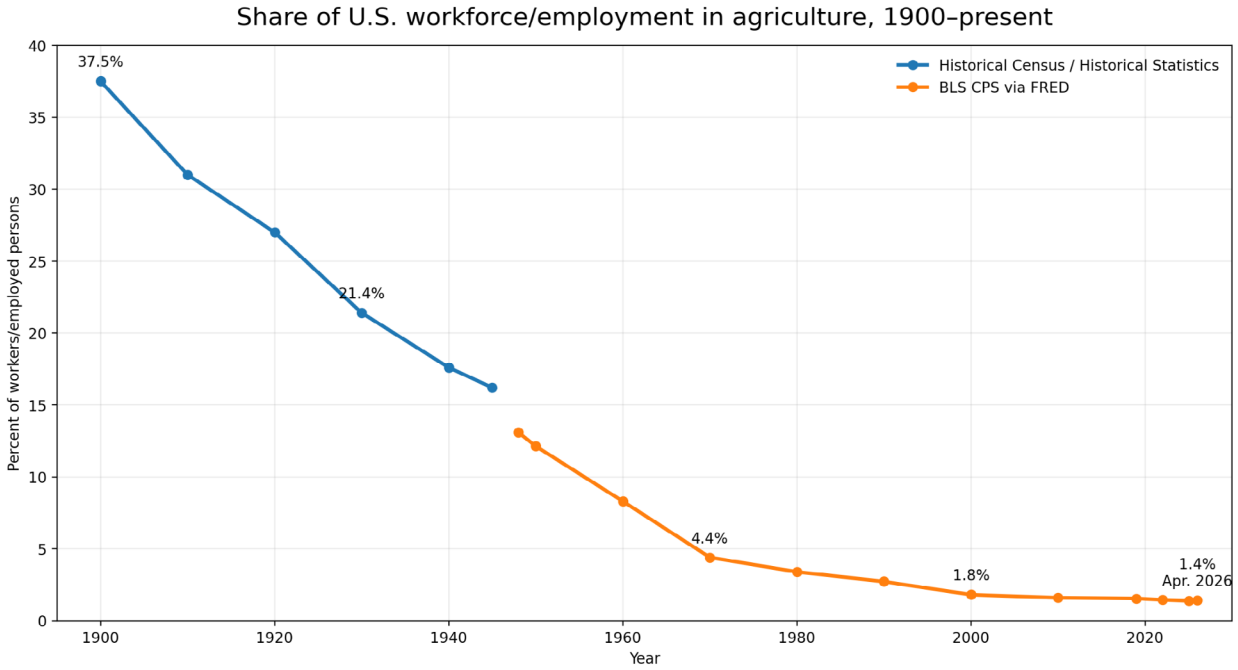
The future of work belongs to millions of people who will use AI to become better doctors, nurses, teachers, builders, designers, entrepreneurs, coaches, caregivers, and entrepreneurs. AI will automate tasks, reorganize jobs, and shift work toward new areas of human value.

We have experienced similar transitions before, and many have expressed concerns over employment effects of new technology – with some even rejecting new innovations:

- Emperor Vespasian, as reported by Suetonius, refusing to use a labor-saving method for moving columns (1st century AD): "You must let me feed my poor commons."
- David Ricardo (1817): "[T]he discovery and use of machinery may be attended with a diminution of gross produce; and whenever that is the case, it will be injurious to the labouring class, as some of their number will be thrown out of employment, and population will become redundant…."
- Karl Marx (1867): "The instrument of labour strikes down the labourer."
- James J. Davis, U.S. Secretary of Labor (1927): "Is automatic machinery… going to leave… chronic and increasing unemployment? Is the machine that turns out wealth also to create poverty?"
- John Maynard Keynes (1930): "We are being afflicted with a new disease… namely, technological unemployment."
- John F. Kennedy (1962): "I regard it as the major domestic challenge, really, of the sixties, to maintain full employment at a time when automation, of course, is replacing men."
- Norbert Weiner (1973): "[T]he automatic machine … is the precise economic equivalent of slave labor. Any labor which competes with slave labor must accept the economic conditions of slave labor. It is perfectly clear that this will produce an unemployment situation, in comparison with which the present recession and even the depression of the thirties will seem a pleasant joke."

Technology-driven job panics follow a recurring pattern: a new capability appears and people reasonably fear losing familiar work. Eventually the panic recedes as people reorganize their efforts across jobs and organizations. The initial anxiety makes sense, because a new technology's immediate effects are concrete. A loom replaces a weaver's labor. A threshing machine speeds winter farm work. Automatic switching equipment replaces the operator connecting calls. An ATM takes over cash dispensing. A refrigerator ends the ice-delivery route. The technology affects specific people in recognizable occupations, while the gains begin as abstractions: lower costs, new products and services, greater abundance, new infrastructure, new demand.

Over time, the deeper benefits become visible. Technology expands society's capacity to solve problems. Mechanized textiles eliminated much hand production, and then made cloth cheaper, more abundant, and more widely available than any preindustrial society could have imagined. Agricultural machinery reduced the need for seasonal labor, and then helped feed a growing population with a smaller share of workers tied to the land. (Nearly 40% of the U.S. workforce in 1900 labored in agriculture, compared to under 2% today.)




Notes: Early data use Census/Historical Statistics 'agricultural pursuits' and 1945 agricultural employment. Recent data use BLS CPS/FRED Agriculture and Related Industries divided by total employment. Definitions shift over time, so read as a long-run trend.

Automatic telephone switching obsoleted a common occupation, and then helped make instant communication ordinary. ATMs automated a routine banking task, lowered the cost of opening branches, and shifted branch work from cash handling toward service, advice, account management, and exception-handling. Cars erased the urban horse economy, while spurring an enormous system of roads, manufacturing, repair, logistics, mobility, and commerce. Refrigeration ended the iceman's trade, while enabling supermarkets, cold chains, safer food, vaccines, frozen goods, and modern distribution.

The lesson: work expands as society's ambitions expand. When technology solves one class of problems, people find new ones worth solving. They notice new constraints, raise their standards, and pursue goals that once looked impossible, luxurious, or unimaginable. Cheap cloth created demand for variety, fashion, retail, design, and global trade. Abundant food allowed more people to work on education, medicine, engineering, entertainment, software, finance, and care. Reliable communication created new coordination work in clerical, service, and administrative roles. Refrigeration ended the household struggle to preserve food and created new ecosystems in grocery, logistics, and culinary abundance. Each solved problem reveals the next frontier.

Each past job panic reflected the same mistake: treating the existing map of jobs as the final map of human need. But that map keeps changing because human beings keep converting yesterday's luxuries into today's expectations. Once we can produce enough food to feed the population, we demand safer food. Once transportation is faster, we invent commuting, tourism, emergency response, and global supply chains. Once

we can communicate instantly, we create customer support, remote work, media, coordination, and real-time services. Technology replaces some labor. It also changes what each of us can notice, value, and attempt.

Early panic is often rational about the threatened task, but far too pessimistic about the future shape of work. The handloom weaver, farm laborer, telephone operator, bank teller, iceman, and stable worker all had reason to fear disruption. The tasks they knew were changing. Yet society's capacity expanded vastly. More goods, more services, more infrastructure, more coordination, more specialized knowledge, and more problems worth solving. Progress often requires closing one chapter of labor to open a new, larger one.

# IV. The Productivity Gains Are Still Emerging but Real — Especially Where AI Fits the Task

This exact pattern is playing out for AI.

AI's productivity effects are already visible in structured, measurable work. The strongest early evidence comes from real workplace studies in call centers, software development, marketing, and accounting, all of which show double-digit productivity gains. Research demonstrates that at least in certain roles, AI can compress the experience curve. It helps workers become productive faster and helps firms do more with the same labor and capital.

Research into actual labor effects is still developing. Young workers in AI-exposed fields show signs of pressure. Employment for software developers ages 22–25 has fallen nearly 20% from its 2022 peak, and the most AI-exposed young workers have seen roughly 16% relative employment declines.[12] But the story is more complicated than these statistics. AI is highly capable at coding, and yet software-developer hiring keeps climbing and new jobs are emerging. In fact, several of the major AI labs have launched entire divisions or new companies of "forward-deployed engineers" to help customers integrate AI.

No evidence points to an AI-driven economy-wide job collapse. Unemployment is low, at 4.3% in April 2026.[13] From 2022 to early 2025, unemployment rose 0.94 percentage points for the least AI-exposed workers but only 0.30 percentage points for the most exposed.[14]

Meanwhile, demand for AI skills has climbed rapidly across sectors. Job postings seeking generative AI skills grew 111% between 2024 and 2025, and across the U.S. made up more than 2.5% of all job postings.[15] Other areas of AI expertise, including agentic AI, have also seen similar growth.

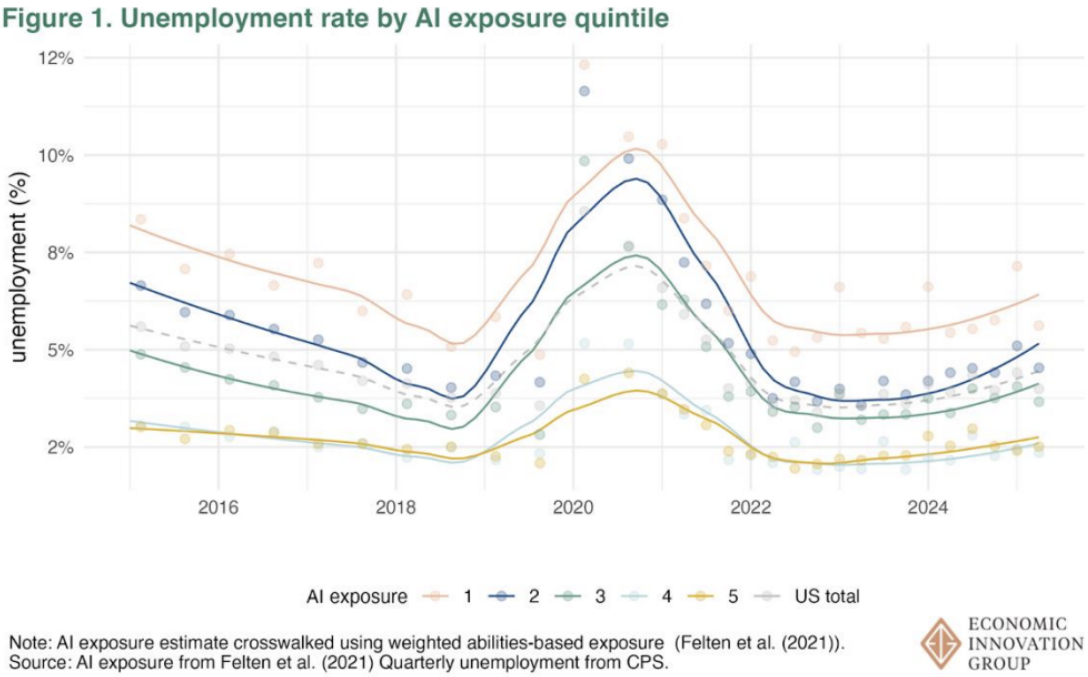
---

12 Brynjolfsson et al., *Canaries in the Coal Mine? Six Facts about the Recent Employment Effects of Artificial Intelligence* (2025), https://digitaleconomy.stanford.edu/app/uploads/2025/11/CanariesintheCoalMine_Nov25.pdf.

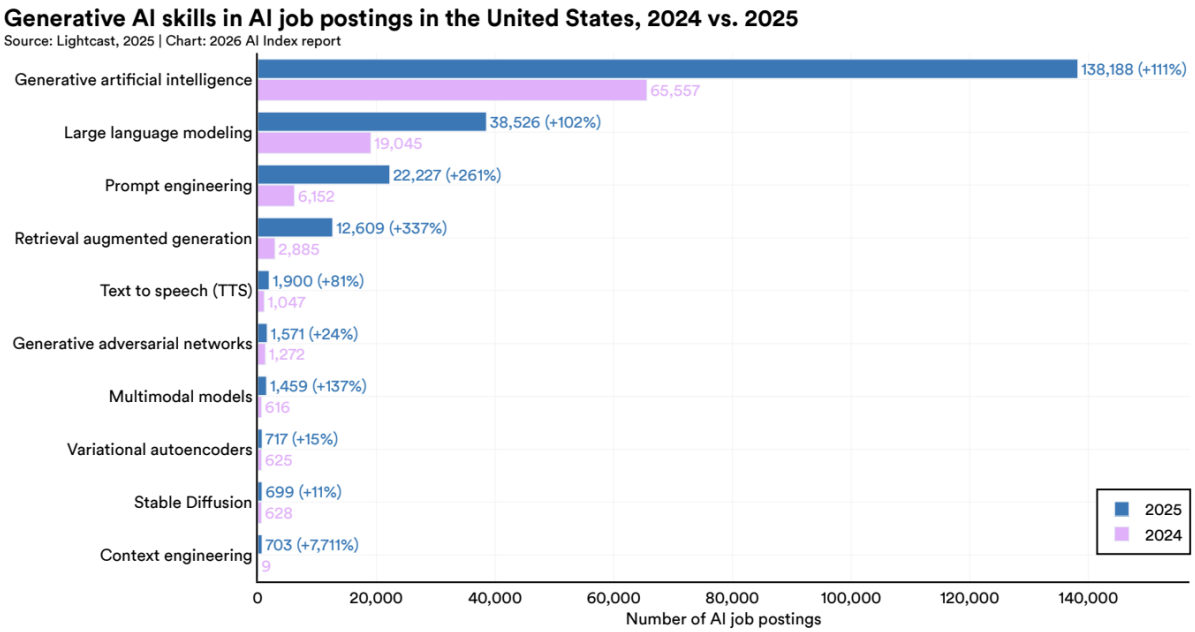
13 Paul Wiseman, *US employers defy economic shock from Iran war and add a surprisingly strong 115,000 jobs in April* (May 8, 2026), https://apnews.com/article/jobs-economy-unemployment-trump-iran-war-2cf46bfbf7748403ea0245100af45504.

14 Eckhardt and Goldschlag, *AI and Jobs: The Final Word (Until the Next One)* (2025), https://eig.org/wp-content/uploads/2025/08/EIG-AI-and-Jobs.pdf.

15 AI Index Report 2026, *supra* n.1 at 204-205.




Ultimately, AI-fueled productivity solves the ultimate restraint on prosperity - scarcity. Just as average Americans today have a living standard higher than the greatest kings and princes of the 19th century, AI and other related technological breakthroughs will make goods and services now only affordable to multi-millionaires and billionaires available to everyone. Forty years ago a cell phone the size of a brick was the plaything of the top 1%. It got lousy service, it had no cameras, or wifi, or aps, or internet coverage, or GPS. Now almost all Americans and the majority of people living in very poor nations have cell phones with 100 times the computing power of those early phones in the 1980s.



The next 40 years will bring an even more rapid reduction in price and increase in "affordability" to the kind of amenities that the billionaires enjoy today thanks to AI.

As AI makes standardized production cheaper, spending and employment will shift toward what remains scarce. In many sectors this will be human-centered services where judgment, trust, care, taste, provenance, and personal attention remain valuable.

# V. Sector Pathways: How AI Improves Daily Life

The most important AI benefits will often look ordinary. Clearer instructions from your doctor. Custom, level-appropriate homework for your middle school student. Better questions to ask your home repair contractor. Easier ways to answer customer questions, schedule staff, and update inventory in your small business. Alerts that turn tragic auto accidents into forgettable close calls.

These gains show up as time, money, access, safety, and peace of mind. In each case, AI augments scarce human expertise. AI makes routine cognitive work cheaper: summarizing, drafting, translating, searching records, comparing options, scheduling tasks, detecting anomalies, and explaining rules. These incremental improvements add up to enormous benefits when doctors, teachers, contractors, and other professionals spend more of their day on real work and less on paperwork and bureaucracy.

## Healthcare

AI is already delivering major breakthroughs in medical research. AI has accelerated Parkinson's drug research.[16] It is already dramatically helping doctors detect pancreatic cancer up to 3 years earlier.[17] It could accelerate the creating, production, and testing of breakthrough drugs.[18] It detects breast cancer more accurately and earlier, and it helps prescribe drugs more reliably.[19] Soon almost all forms of cancer will be detected at earlier stages adding hundreds of millions of years of life in aggregate.

But many families will first benefit from AI in a doctor's visit that feels less rushed and less confusing. Doctors and clinicians spend significant time creating and reviewing paperwork. In one survey, thirty-two percent of

16 Univ. of Cambridge, *AI speeds up drug design for Parkinson's ten-fold* (Apr. 17, 2024), https://www.cam.ac.uk/research/news/ai-speeds-up-drug-design-for-parkinsons-ten-fold.

17 Susan Murphy, *Mayo Clinic AI helps specialists detect pancreatic cancer up to 3 years before diagnosis in landmark validation study* (Apr. 29, 2026), https://newsnetwork.mayoclinic.org/discussion/mayo-clinic-ai-detects-pancreatic-cancer-up-to-3-years-before-diagnosis-in-landmark-validation-study/.

18 PubMed Central (PMC), *Artificial Intelligence (AI) Applications in Drug Discovery and Drug Delivery: Revolutionizing Personalized Medicine* (Oct. 14, 2024), https://pmc.ncbi.nlm.nih.gov/articles/PMC11510778/

19 Christopher J. Kelly, *et al., Diagnostic accuracy, fairness and clinical implementation of AI for breast cancer screening: results of multicenter retrospective and prospective technical feasibility studies* (Mar. 10, 2026), https://www.nature.com/articles/s43018-026-01127-0; Saad *et al., Artificial intelligence in clinical pharmacy—A systematic review of current scenario and future perspectives* (Oct. 21, 2025), https://pmc.ncbi.nlm.nih.gov/articles/PMC12553886/.

physicians said they spend 20 hours or more on paperwork.[20] AI can help streamline this work. Before the appointment, AI can update the doctor on prior records, medications, lab results, and recent messages. During the visit, note-taking software allows the clinician to focus entirely on the patient. After the visit, AI can turn the care plan into a plain-language summary, translate instructions, prepare a follow-up message, help with prior authorization paperwork, and alert the care team when something important needs attention.

This is where clinicians themselves see the clearest opportunity. In a 2025 American Medical Association survey, 57 percent of physicians identified automating administrative burden as the biggest opportunity for AI.[21] Physicians named medical charts, visit notes, discharge instructions, portal-message drafts, prior authorization, translation, and chart summaries among the most relevant uses. A later AMA survey reported that 81 percent of physicians are already using AI professionally for many of these tasks.[22] In one example, physicians using AI note takers at The Permanente Medical Group were saving an average of about an hour a day at the keyboard.[23]

As a result, patients get a clinician with more time for the human parts of care: listening, explaining, coordinating, reassuring, following up. The irony is that by automating the non-patient-facing parts of treatment, a visit to the doctor's will feel less like riding through an assembly line and more like connecting with someone who cares.

Patients and clinicians benefit from this transformation. Clearer discharge instructions, easier to follow medication schedules, better awareness of patient history – all of this adds up to higher-quality care.

## Education

Traditional K–12 classrooms struggle to tailor content to each student's level. This leaves many parents frustrated as their child struggles with material above their level or with boredom from material that provides no challenge. Alone, busy teachers can't provide such customization in a crowded classroom. But with AI they can. Teachers can quickly create three versions of the same science explanation, five additional word problems for a student who missed a concept, or a short parent update in a home language.[24] Students receive more repetitions and clearer explanations. Teachers still motivate, discipline, mentor, build classroom culture, and judge. The U.S. Department of Education's AI report highlights classroom opportunities including speech recognition for students with disabilities and multilingual learners, adaptivity and personalization, and help with writing, improving, choosing, and adapting lesson materials.[25] It describes intelligent tutoring systems

---

20 Tanya Albert Henry, *Do you spend more time on administrative tasks than your peers?* (Nov. 13, 2018), https://www.ama-assn.org/practice-management/sustainability/do-you-spend-more-time-administrative-tasks-your-peers.

21 Tanya Albert Henry, *Physicians' greatest use for AI? Cutting administrative burdens* (Mar. 20, 2025), https://www.ama-assn.org/practice-management/digital-health/physicians-greatest-use-ai-cutting-administrative-burdens.

22 Kevin B. O'Reilly, More than 80% of physicians use AI professionally: AMA survey (Mar. 12, 2026), https://www.ama-assn.org/practice-management/digital-health/more-80-physicians-use-ai-professionally-ama-survey.

23 *See supra* n.20.

24 Heather Hinde, *10 Ways to Use AI in the Classroom: A Guide for Educators* (Apr. 16, 2026), https://www.discoveryeducation.com/blog/educational-leadership/ai-in-the-classroom/.

25 U.S. Dept. of Education, *Artificial Intelligence and the Future of Teaching and Learning* (May 2023), https://www.ed.gov/sites/ed/files/documents/ai-report/ai-report.pdf.

as tools that can specialize in feedback while teachers focus on engagement, self-regulation, and small-group work.[26] And teachers are adopting the technology: 61% said they used AI "a little," "some," or "a lot" in their work, according to a 2025 poll – up from 34% in 2023.[27]

The same pathway applies beyond K–12 classrooms. Traditional universities and colleges are adapting to and adopting AI tools.[28] The benefits of AI are perhaps even more pronounced for non-traditional post-secondary pathways, where students are coming from a wide variety of backgrounds: a community-college student learning algebra, a worker studying for a new credential, a nurse preparing for an exam, or a parent trying to complete a training program. AI makes it possible for each to get a lower-cost explanation and practice at the moment of need.[29]

In education, AI improves daily life by making help more available. It gives students more chances to practice, parents clearer communication, and teachers more leverage over preparation, feedback, translation, and remediation.

## Construction and Housing

Housing is the largest component of cost of living. Yet housing prices across much of America have hit historic highs while builders construct less housing than before.[30] Construction also has stubborn productivity problems. The Richmond Fed reported that construction labor productivity fell more than 30 percent from 1970 to 2020 while overall U.S. productivity doubled.[31] Paperwork is part of the problem. Construction productivity has fallen most where permits take longest, and permit-approval time correlates more strongly with declining productivity than any other regulatory factor.[32]

The sector's scale makes these productivity problems especially important. Construction accounted for 5.2 percent of nonfarm payroll employment and 4.5 percent of GDP in 2024.[33] That is a sizable portion of the workforce that has stagnated in productivity.

---

26 *Id.*

27 Lauraine Langreo, *More Teachers Are Using AI in Their Classrooms. Here's Why* (Jan. 12, 2026), EducationWeek, https://www.edweek.org/technology/more-teachers-are-using-ai-in-their-classrooms-heres-why/2026/01.

28 *See*, Harvard University, Teach with Generative AI: Resources for Faculty, https://www.harvard.edu/ai/teaching-resources/.

29 Achieving the Dream, *Creating the AI-Enabled Community College: A Road Map for Using Generative AI To Accelerate Student Success* (July 2025), https://achievingthedream.org/wp-content/uploads/2025/07/ATD-AI-Task-Force-Report-Final-7-21-25.pdf.

30 Edward Glaeser and Joseph Gyourko, *America's Housing Supply Problem: The Closing of the Suburban Frontier?* (Spring 2025), https://www.brookings.edu/wp-content/uploads/2025/03/BPEA-SP25_WEB_Glaeser_Gyourko.pdf.

31 Chen Yeh, Five Decades of Decline: U.S. Construction Sector Productivity (August 2025), Federal Reserve Bank of RIchmond Economic Brief, https://www.richmondfed.org/publications/research/economic_brief/2025/eb_25-31.

32 Daniel Garcia and Raven Molly, *Reexamining Lackluster Productivity Growth in Construction* at 19 (2025) ("[A] range of measures of regulation tend to be negatively correlated with productivity growth at the metro and state level."), https://www.federalreserve.gov/econres/feds/files/2023052r1pap.pdf.

33 U.S. Bureau of Labor Statistics, Construction Labor Productivity (visited May 29, 2026) https://www.bls.gov/productivity/highlights/construction-labor-productivity.htm.

AI can clear some of the bottlenecks that make building and maintenance slow, expensive, and frustrating. Contractors can use AI to compare drawings, streamline designs, estimate materials, draft a bid, schedule crews, track change orders, prepare a permit packet, and explain options to a homeowner.[34] A local government can use AI to check whether a permit application is complete and make code requirements easier for applicants to understand.

The physical work of building still belongs to skilled people. AI reduces the cost of paperwork and organization around that work. Day to day, that means faster repairs, fewer delays, better communication, and more time for builders and tradespeople to do hands-on work.

AI helps in home improvement, too. A homeowner trying to fix a broken appliance, compare insulation options, maintain a heating system, or understand whether a crack is cosmetic or serious often faces a knowledge barrier. AI can lower that barrier by examining evidence (including photos), explaining the problem, translating jargon, and helping the homeowner decide when to call a professional. That makes routine maintenance less intimidating and helps families catch and handle problems earlier.[35]

## Small Business and Entrepreneurship

For a small business, AI lowers the cost to obtain competent help. Small business owners are often experts in their specific offering (dry cleaning, plumbing, yard work, appliance repair). But that owner still needs all the other infrastructure of a business: business strategy, marketing copy, invoices, scheduling tools, customer message management, bookkeeping support, training materials, inventory tracking, payroll reminders, compliance checklists, a working website, and more. AI gives a solo founder or small team expert help that used to require more time, more contractors, or more employees than a young business could afford.

This is already showing up on Main Street. The U.S. Chamber reported in 2025 that 58 percent of small businesses self-identified as using generative AI, up from 40 percent in 2024 and 23 percent in 2023.[36] Some use cases are obvious: quickly drafting a weekly menu, proposal emails, or job descriptions; or creating AI-generated illustrations, visuals, or video as marketing content. Others are emerging: asking for advice on negotiation tactics or triaging legal and financial situations. More sophisticated users are using AI coding tools to automate various customer service or scheduling tasks.

We're also seeing workers use AI to create side-gigs. For example, Jason Walls turned 15 years of electrical trade experience into ChargeRight, an AI-assisted tool that helps electric-vehicle owners avoid unnecessary charger-installation costs. As a Master Electrician in Kentucky, Walls watched contractors steer homeowners toward expensive panel upgrades when their existing panels could already handle an EV charger. Without formal coding training, he used AI to convert his field knowledge into working software that performs residential load calculations, generates PDF reports, accepts payments, and gives homeowners a much lower-cost way to check whether they really need a service upgrade. His work shows how trade professionals can use AI to transform their practical judgment into useful, market-ready tools.[37]

---

34 Grace Ellis, The Rise of AI in Construction (Mar. 24, 2026),

35 McClatchy Media, *How Artificial Intelligence is Transforming Home Repair and Maintenance*, https://www.winwithmcclatchy.com/blog/how-artificial-intelligence-is-transforming-home-repair-and-maintenance.

36 U.S. Chamber of Commerce, *The Majority of Small Businesses Embrace Artificial Intelligence* (Aug. 18, 2025), https://www.uschamber.com/technology/empowering-small-business-the-impact-of-technology-on-u-s-small-business.

37 *See, How an Electrician from Kentucky Built an AI Startup with Claude*, https://x.com/vivilinsv/status/2031826324667711774.

The U.S. Chamber has described simple small-business AI uses including emails, marketing content, documents, schedules, safety monitoring, staffing, scheduling, and predictive equipment maintenance.[38] These are the details and procedures that every business has to handle, but which many, perhaps most small-business owners, are not experts in.

This may be AI's most pro-worker, pro-entrepreneurial effect. People with craft, taste, relationships, local knowledge, or professional judgment can turn those strengths into viable businesses with less administrative overhead. It reaches beyond tech startups to restaurants, repair shops, childcare providers, specialty manufacturers, home-service firms, independent professionals, and local enterprises. AI helps turn know-how into a company.

## Manufacturing and Robotics

American AI isn't just about text, code generation and chatbots. AI can help America design and manufacture real products by transforming factories, machine shops, and small manufacturers. Large manufacturing facilities are already heavily automated. AI will help smaller facilities compete on quality and price. AI can help factories and workshops predict equipment failure, inspect quality, schedule production, guide technicians, interpret sensor data, and train workers on new processes.[39]

And then there are robots. Industrial robotics has been a growing capability for decades. Robots can perform repetitive, boring, or dangerous tasks, increasing workplace safety and productivity. Traditional automation has required highly specialized, single-task machines that need large throughput to be financially feasible. New AI technologies are poised to make automation much more flexible, capable, and accessible. The more flexible an industrial robot is, the better an investment for smaller manufacturers that might produce a range of smaller-run products and components. Consider 3D printing, for example, which demonstrates how software-driven design and manufacturing enables even solo individuals to manufacture custom-designed products in their home. Additional flexibility in automation at industrial scale could create a renaissance in American manufacturing.

One caveat: the U.S. faces a unique challenge in robotics. Most robot components rely heavily on Chinese supply chains. This reliance could constrain U.S. manufacturing growth. We need to increase our domestic capability to produce the key components of industrial robotics. We also need to increase U.S. adoption. The International Federation of Robotics says China installed 295,045 industrial robots in 2024, versus 34,164 in the United States. China accounted for 54 percent of global installations, while the United States accounted for 6 percent.[40] U.S. manufacturing needs a thriving, AI powered robotics ecosystem to keep pace with China.

## The Common Pattern

Across these sectors, AI improves daily life by making practical help more abundant. In healthcare, it means more clinician time and clearer patient communication. In education, it means more practice, customization, feedback, and translation. In construction and housing, it means easier maintenance, faster estimates, clearer

---

38 U.S. Chamber of Commerce, *AI In Action: Early Lessons from Small Businesses on the Front Lines of Adoption*, https://www.hiringourheroes.org/resources/ai-in-action-whitepaper/.

39 G. Nagesh Rao and Jyoti K. Malhotra, *What's Coming for US Manufacturing in 2025* (Feb. 20, 2025), https://www.nist.gov/blogs/manufacturing-innovation-blog/whats-coming-us-manufacturing-2025.

40 IFR Statistical Department, *World Robotics–Industrial Robots 2025* (2025) https://ifr.org/img/worldrobotics/Executive_Summary_WR_2025_Industrial_Robots.pdf.

permitting, and fewer avoidable delays. In small business, it means lower overhead and more people able to turn their skills into a business. In manufacturing, it means fewer breakdowns, better quality, and stronger industrial capacity.

The common mechanism is simple: AI lowers the cost of routine cognitive work around essential human activity. It helps people summarize, draft, translate, schedule, search, compare, inspect, and explain. That is how general-purpose technology becomes visible in everyday life: with incremental improvements to a wide range of activities, products and services.

# VI. America Leads in AI Invention — But Could Lose on Diffusion

Building the best AI models in the world matters only if companies and people actually use them. Adoption and diffusion are how AI's benefits reach people. AI adoption has been historically rapid — by several measures, unprecedented. ChatGPT alone has 900 million weekly active users, and generative AI overall reached 53% adoption in less than three years, far faster than earlier technological breakthroughs like the personal computer, the internet.[41] Businesses are adopting quickly, with 88% of surveyed organizations worldwide using AI in at least one business function.[42]

And yet adoption is uneven, and the U.S. is lagging. The U.S. is 24th among the top 30 geographies in population-level generative AI adoption in late 2025, with 28.3% adoption among our working-age population.[43] The United Arab Emirates is first place at 64.0%; Singapore comes in second at 60.9%.[44] Even France and the U.K. are higher, at 44.0% and 38.9% respectively.[45]

Both policy and culture threaten diffusion in the United States. On the policy side, regulation in some of the most critical sectors is a barrier to deployment. In particular, health privacy law creates complicated compliance obstacles for some promising technologies in medical research. And the growing state patchwork — more than 1,700 bills introduced this year — is slowing the people who actually build products for consumers.[46] Culturally, the U.S. population overall is far more skeptical than AI experts that AI will have a positive effect on society. Only 44% of the general public reported that they expect AI to have a positive

---

41 OpenAI, *Scaling AI for everyone* (Feb. 21, 2026)https://openai.com/index/scaling-ai-for-everyone/; Stanford AI Index 2026, supra n.1 at 199.

42 Stanford AI Index 2026, *supra* n.1 at 193.

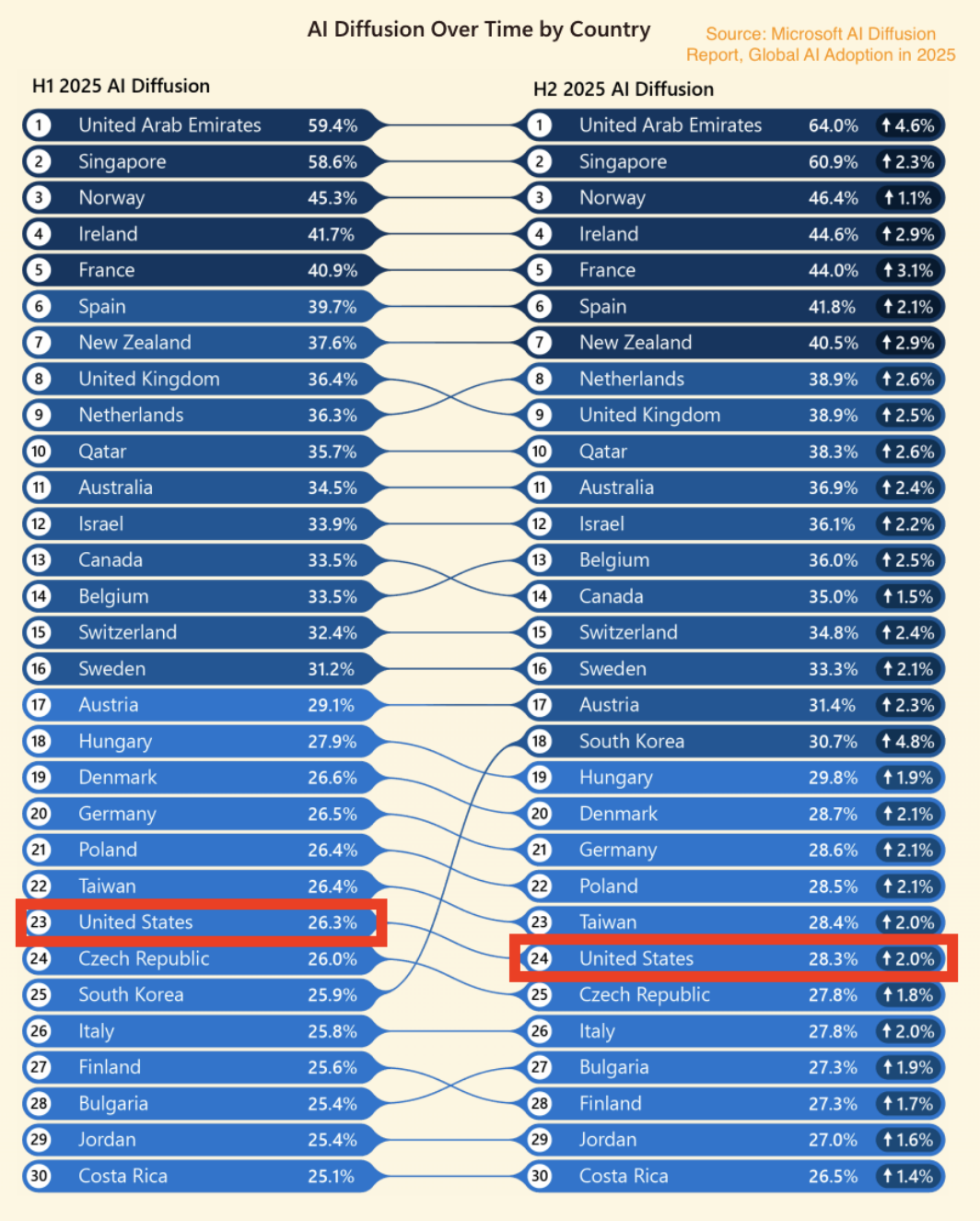
43 Microsoft AI Economy Institute, *Global AI Adoption in 2025: A Widening Digital Divide* at 4 (Jan. 8, 2026) https://www.microsoft.com/en-us/research/wp-content/uploads/2026/01/Microsoft-AI-Diffusion-Report-2025-H2.pdf.

44 *Id.*

45 *Id.*

46 Multistate AI, *Artificial Intelligence (AI) Legislation Tracker 2026: All 50 States* (visited May 29, 2026) (showing 1779 documents in 46 states), https://www.multistate.ai/artificial-intelligence-ai-legislation.

effect on medical care, and that was the highest score.[47] Across most other areas — K–12 education, the economy, jobs, the environment — only 20–24% of Americans expect positive effects.[48] Again, we trail our international competitors. In China, 75% of the population expects AI to improve the economy.[49]




47 Stanford AI Index 2026, *supra* n.1 at 372.

48 *Id.*

49 *Id.* at 367.

There is a path forward for change in the U.S. Our slow adoption may be at fault. Since only one-in-five working adults use AI in the U.S., any pessimism may be a result of unfamiliarity with the technology, its uses, and its potential. More Americans will inevitably encounter the technology firsthand. But there may be ways to speed this up.

# VII. Policy Agenda: Unleash AI Abundance

The general purpose technology of AI is already a major and growing component of our economy. To maintain U.S. leadership in this technology and to unleash the economic boom that could result, we need to tackle these policy and cultural barriers to innovation, adoption and diffusion. If we don't, we risk inventing AI here, regulating it here, and then watching as other countries diffuse it faster and benefit more.

In short, we need a policy agenda to unleash AI innovation and generate substantial prosperity. Key components of this agenda should include:

- **Avoid premature, patchwork AI regulation.** Regulate specific harms using existing legal tools where possible; do not create a permission-slip regime for innovation. Establish regulatory consistency for national products and services rather than a state-by-state patchwork.
- **Build energy and compute capacity.** AI needs chips, data centers, electricity, cooling, transmission, and capital. Anti-energy policy is now anti-AI policy.
- **Accelerate permitting for data centers, power generation, and transmission.**
- **Allow full expensing and pro-investment tax treatment** for AI, compute, software, equipment, and productivity-enhancing capital.
- **Promote AI adoption by small and midsize businesses**, not just large firms with compliance departments.
- **Train workers to use AI**, especially young and entry-level workers facing disruption.
- **Reduce barriers to new firm creation and labor mobility**, including licensing and permitting barriers.
- **Use AI to make the government itself more productive**, including permitting, benefits administration, fraud detection, procurement, and paperwork reduction.
- **Preserve America's talent advantage** through high-skill immigration and retention of AI researchers, engineers, and entrepreneurs.
- Most importantly, keep government direct taxation, regulation, ownership and subsidization to a bare minimum. With new rapid-speed technologies, the regulators and the politicians are always multiple moves on the chess board behind the innovators. A key to American exceptionalism and global domination in the internet age and the rapid expansion of these technologies to all homes and businesses was the wise hands off approach adopted by Congress.

# Conclusion

AI gives America a chance to transform cheaper expertise into higher living standards. It can help doctors spend more time with patients, teachers tailor lessons, builders cut delays, manufacturers improve quality, and entrepreneurs turn practical know-how into businesses. These gains will arrive when Americans are free and eager to use AI to solve everyday problems. American inventors create the possibility; the American people turn this possibility into prosperity.

They'll do so by using AI to automate tasks, reshape occupations, and push work toward new forms of human value. Technology has repeatedly changed the work people do while expanding the goods, services, and opportunities society can support. AI will shift labor toward scarce human capacities: judgment, trust, care, creativity, physical skill, accountability, and relationships. The right response is to help workers use the tools, help new firms form, and let businesses redesign work around higher productivity.

Washington should choose abundance. A patchwork of premature rules would slow adoption, protect incumbents, and reserve AI's benefits for organizations large enough to absorb compliance costs. A pro-growth agenda will target real harms, expand energy and compute capacity, speed permitting, reward investment, reduce barriers to entrepreneurship, train workers, and make government itself more productive. America already leads in AI invention. Now it must lead in AI use, so the gains reach American workers, businesses, communities, and families across the country.


AI