Fact Sheet: Memo to the President and Congress on Building the Generative Economy

Generative AI (GenAI) Is Poised to Transform the Global Economy. Similar to previous general purpose technologies, GenAI is sharply increasing the rate of technological change, paving the way for innovations that drive productivity and efficiency gains across the economy — and in government. As with previous waves of automation, the broad commercial adoption of GenAI capabilities will also inevitably impact U.S. and global labor markets in ways that are difficult to predict.

Economic and Societal Prosperity. U.S. policymakers should do everything in their power to position the U.S. economy and workforce to benefit from this emerging technology, as innovation-driven economic growth remains the fundamental prerequisite for pursuing all other national goals, be it reducing deficits, projecting military power, or funding social programs.

The Strategic Imperative. The emergence of GenAI comes amid escalating competition to secure advantages across a range of strategic technologies. America's primary challenger for technological leadership, the People's Republic of China (PRC), understands the geopolitical significance of GenAI and is adept at executing well-resourced strategies designed to achieve dominance in strategic sectors.

The Building Blocks of the Generative Economy. The United States enjoys substantial advantages in GenAI. To retain its leadership position — and shape the global balance of techno-economic power in favor of democratic market economies around the world for decades to come — the United States, in collaboration with allies and partners, should bolster these advantages across the fundamental building blocks that underpin AI leadership:

- **Compute:** The United States should assure access to compute resources via cloud providers, encourage sustainable AI development, protect U.S. advantages in microelectronics, and lead in developing novel hardware paradigms.
- **Data:** The United States should develop a whole-of-nation strategy for digital infrastructure and create a trusted regulatory framework that harnesses data for social and economic benefit while paving the way to increased digital trade with allies and partners.
- **People**: The United States should pursue immigration reforms to continue to attract top AI talent, establish a National Commission on Automation and the Future of Work, and develop curriculum guidelines to safely deploy GenAI in the classroom.