

U.S. Leadership on AI Global Governance

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About the American Leadership Initiative

The American Leadership Initiative (ALI) is working with elected officials and other stakeholders to develop a 21st century vision and policy agenda for American global leadership, based on American interests and shared values. ALI's policy work is focused on five pillars: advancing inclusive and sustainable growth at home and abroad, pursuing smart trade policies, leading on climate, meeting the China challenge, and promoting democracy, human rights, and rule of law.

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Executive Summary

Artificial Intelligence (AI) is poised to become one of the most impactful and consequential societal revolutions of the 21st century, with enormous benefits and risks that the world is just beginning to understand.

This paper will outline the AI global governance landscape and associated gaps in policy in order to establish the importance of U.S. leadership in developing a global AI regulatory framework - one that protects U.S. economic and national security interests, advances U.S. competitiveness, while ensuring transparency, protecting human rights, and promoting essential democratic values – as societies attempt to set the AI rules of the road for decades to come.

The United States, the European Union (EU), and China have each embraced different Al regulatory models. The U.S. has pursued a more limited government model that fosters innovation, encourages private sector initiatives, and limits risks. The

U.S. national and economic security depend on getting AI governance right.

recently passed EU AI Act embraces a more restrictive regulatory role over the use and design of the technology, protecting consumers and privacy, while restricting various AI applications.

Meanwhile, China is advancing a state control model with extensive censorship and surveillance capabilities. This is especially concerning as it spreads its model when it sells technology across the Global South.¹

In the U.S., the Biden Administration released its Executive Order on AI (EO)² in October 2023, which builds on earlier efforts to establish guardrails for industry and directs funding for R&D and talent development, while establishing a government-wide effort for AI deployment through federal agencies.

For now, the U.S. leads the world in terms of total AI private investment. However, AI is being deployed across China at a much quicker pace than in the U.S. While the U.S. still leads in AI, the Chinese government is investing considerable funding and political capital to close the gap.

Multilateral efforts to create common governance structures and guardrails for Al have accelerated, through the UN, the OECD, the G7 and other forums. U.S. leadership and its governance model are reflected in many of these early efforts.

In order to lead the way on global governance for AI, the U.S. needs to build on its current efforts in several important ways.

First, the Congress must pass a comprehensive federal privacy law. Strong privacy legislation would contribute to a healthy regulatory ecosystem and build greater credibility for U.S. positions on Al globally.

The U.S. will need a comprehensive endeavor to prepare its workforce for the new AI economy. This must include a focus on job training and transition to address the significant job loss that will occur as many low-income and low-skill jobs are replaced by AI. Creating a pipeline of AI talent will also be key for U.S. global competitiveness.

Globally, the U.S. should prioritize its participation in international standards bodies which have been working to create a common set of standards for AI. China prioritizes

The United States, the European Union (EU), and China have each embraced different AI regulatory models. its participation and leadership in these organizations, and the U.S. needs to do the same, to advance its approach to ethical AI and transparent standards. Similarly, agreements across national safety institutes are critical to allow countries to work together on measurement science and harmonization of testing and other quardrails.

The U.S. must rejoin the digital trade negotiations from which it withdrew in late 2023. U.S. absence opens the door to other countries advancing their own governance models, which could compromise U.S. economic security and put U.S. Al developers at a disadvantage. It could also usher in more punitive rules that impede innovation and hamper democracy.

The U.S. EO calls on federal agencies to increase their AI capacity and AI workforce, and to responsibly adopt AI into their operations, while managing risks from AI's use. The U.S. must use this deployment across the federal government as a testing

ground for AI regulation and deployment, deepening its regulatory infrastructure, and establishing guidelines and regulations that other countries can adopt.

Inclusivity among diverse stakeholders is essential to get Al governance right. Transparency in the U.S. policy process, together with a tradition of facilitating stakeholder input into regulations and laws, positions the U.S. to be a leader in developing inclusive regulations that reflect diverse interests.

Perhaps the most acute short-term threat that AI governance raises is its impact on democracy. With elections this year in at least 64 countries, including the U.S.,³ the increased sophistication of AI in facilitating misinformation and disinformation is of grave concern. We have already seen the use of deepfakes and misinformation used in political campaigns, including in the U.S.

The U.S. must take steps to ensure election integrity at home and abroad. It must position itself to lead the effort to regulate misinformation, minimize false information spread by bad actors and protect democratic values.

U.S. economic and national security depends on getting Al global governance right. Working with diverse stakeholders to harness the power of Al, investing in training, reskilling, and deploying Al in an inclusive, transparent, humane, and democratic way is essential to ensure Al achieves its full promise. The U.S. should use its domestic initiatives to lead the way on global Al governance, ensuring that Al does not become a tool of authoritarians, but rather is used to make societies more equitable, ensuring a brighter future for all the world's citizens.

Introduction

Though Artificial Intelligence (AI) has been around for decades, the advent of generative AI and release of ChatGPT in November 2022 put AI in the hands of the public and raised the profile of the many challenges - and opportunities - of AI. AI is already having broad impact across the economy and on the workforce in the U.S. and around the world. Estimates say it will contribute \$15.7 trillion⁴ to the global economy by 2030,⁵ with tremendous benefits across sectors.

As Al developers and governments rush to embrace the many beneficial uses of Al, there is also increasing alarm regarding the many risks. Disinformation, deepfakes, cyberthreats, election interference, and Al warfare have all raised critical concerns, creating a new urgency to craft guardrails.

From a national security perspective, U.S. leadership on Al global governance is urgent. Over five years ago, the U.S. National Defense Strategy⁶ was already calling for major investments in Al, noting that it will be central to global conflicts of the future.

U.S. economic and national security depend on our ability to harness the potential of AI, invest in training and reskilling, and deploy AI to solve societal problems an equitable and transparent way. This is especially challenging for a technology that is still rapidly evolving. Making AI work for economies and societies will require collaborating with a diversity of stakeholders and getting AI governance right.

Countries around the world are struggling with how much and in what way to regulate the risks of AI, while still fostering innovation and allowing their citizens to reap the benefits. The number of bills globally containing the phrase "artificial intelligence" that were passed into law grew from just one in 2016 to 37 in 2022, according to an analysis of 127 countries by AI Index. Within the U.S. alone, hundreds of bills related to AI are circulating at national and state levels.

Similarly, multilateral efforts to tackle global governance are growing in number. Although they are disparate with overlapping participation by countries, each has different elements to offer.

The United States, the European Union (EU), and China have each embraced different Al regulatory models, echoing their approach to digital governance. The U.S. has pursued a more limited government model that fosters innovation, encourages

private sector initiatives, and seeks to limit risks. The EU has pursued a model with a greater regulatory role, protecting consumers and privacy, and restricting various AI applications. China has adopted a state control model with extensive censorship and surveillance capabilities.

While several other countries, like Singapore, have adopted AI regulations, much of the world is still grappling with how to engage with this rapidly evolving technology. There are a number of initiatives throughout the Global South, where many countries see AI as an opportunity for economic development, and are looking for ways to accelerate deployment, rather than focusing on governance.

Given the breakneck speed with which AI is developing globally and its broad ramifications for workers, economies, national security, democracy, and societies, developing a framework for international governance is essential. While the U.S. has not passed sweeping legislation like the recently passed EU AI Act, it has taken some very important steps, like the NIST AI Risk Assessment Framework⁸ and the recent White House Executive Order (E.O.) on Artificial Intelligence, both of which have been widely lauded. Given the diversity of governance approaches and especially the autocratic approach of China, Russia and other actors, the U.S. has an important opportunity to lead the way in developing an AI governance framework.

An Al governance framework should include input not just from government entities, but also from a diverse group of stakeholders including Al developers, users, and civil society organizations. The U.S. can lead by advocating a framework that encourages the adoption of ethical, transparent, secure, and humane standards. These standards should take a measured approach to foster innovation, address risks ranging from warfare to disinformation while focusing on the broad impact of Al on the workforce.

This paper will look first at the AI regulatory models in the U.S., EU, and China, and then examine the current state of multilateral models and regulations. It will then explore the imperative of U.S. leadership, both in terms of U.S. competitiveness, national security, and values.

The development of AI is likely to be one of the most impactful revolutions of the 21st century, with enormous benefits and risks that are only just beginning to be understood. It is important that the U.S. take a leadership role in establishing a comprehensive global framework, advancing both U.S. competitiveness and democratic values. Our national and economic security depend on it.

The U.S. Approach

On October 30, 2023, the Biden Administration released Executive Order (E.O.) 14110 on Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence.¹⁰ While the E.O. lacks the force of law, it contains detailed mandates and establishes a government-wide effort to guide responsible AI development and deployment through

The three pillars of U.S. AI governance are a comprehensive approach.

federal agency leadership, regulation of industry, and engagement with international partners. The E.O. looks to address the biggest AI security risks and provide funding for R&D and talent development.

This E.O. builds on prior U.S. government efforts to support the development of responsible AI technologies and policies, including the White House Blueprint for an AI Bill of Rights¹¹ and the National Institute of Standards and Technology's (NIST) AI Risk Management Framework.¹²

The U.S. Executive Order should be viewed alongside various federal agency developments and dozens of new AI state bills, ongoing application to AI of existing laws, and new AI-focused government investigations and civil lawsuits. While there are numerous AI bills pending in Congress, the U.S. approach to date has focused on establishing guardrails, managing risks and leaving space for innovation.

In the absence of Federal legislation, many states have introduced Al legislation—191 Al bills were introduced at the state level in 2023. Many of these focused on regulating specific Al use cases and requiring state level governance frameworks.¹³

While not as comprehensive and prescriptive as the EU AI Act, taken together, the three pillars of U.S. AI governance – the E.O., the AI Bill of Rights and the NIST Risk Management Framework - are a comprehensive approach to AI governance architecture that the U.S. can hold out as a model in its bilateral and multilateral conversations on AI governance.

Competing with China

The Chinese government unveiled its national strategy for AI, the New Generation Artificial Intelligence Development Plan, in 2017,¹⁴ With this plan, it hopes to overtake the U.S. by 2030 and establish itself as a global leader in AI technology and talent.¹⁵

For now, the U.S. leads the world in terms of total AI private investment - in 2022, the U.S. invested \$47.4 billion – and China comes in second with \$13.4 billion. However, across China, AI is being deployed much quicker than in the U.S. in many sectors,

While the U.S. still leads in AI, the Chinese government is investing large amounts to close the gap.

driven by higher levels of trust and incentives from the government.¹⁷ For example, China dominates industrial robot installations. In 2021, China installed more industrial robots than the rest of the world combined.¹⁸

While the U.S. still leads in Al, the

Chinese government is investing large amounts of monetary and political capital to close the gap. China ranks first globally in Al patents, In 2022, China had 61% of global Al patents compared to 21% for the U.S.¹⁹ China also leads on research papers and highly cited Al papers, and in Al venture capital investment. It ranks number two to the U.S. in the number of Al companies and importantly, in its talent pool.²⁰ It has made investment in its Al talent pool a high-level priority.

China was one of the first countries to regulate AI, taking a strong, government-led regulatory approach, reflecting its goal of information censorship and societal control. It has imposed strict, binding regulations on companies—including with respect to specific components like algorithms, synthetically generated content, and generative AI.²¹ China's Generative AI Measures, a set of regulations that took effect in August 2023, include requirements to conduct security reviews and register their algorithms with the government, if their services are capable of influencing public opinion or can "mobilize" the public.²² China also announced a Global AI Governance Initiative at its annual Belt and Road Forum in October 2023.²³

Of greater concern is that, as part of its Digital Silk Road initiative, China spreads its authoritarian digital governance model, promoting censorship and surveillance when it sells its technology across the Global South.²⁴

A key determinant in the AI race is access to sufficient data. China has significant advantages in AI implementation, in that it has a population of over a billion people, from which the government collects and extracts extensive data through a policy of constant surveillance and monitoring.

It also collects data from countries in Africa and elsewhere in the Global South where it has embedded its surveillance equipment, giving it unique access to data from a wide range of populations.²⁵

In contrast, American AI developers, such as Open AI, Anthropic and Google claim to be running out of good data.²⁶

The EU'S Regulatory Advantage

The EU lacks critical mass in the number of domestic AI companies and has focused instead on regulation. In March, the EU Parliament approved the EU AI Act,²⁷ which is now on track to be adopted by the member countries. The Act sets binding and comprehensive rules that directly apply to businesses throughout the AI value chain. The most stringent requirements address providers of AI systems, but obligations also apply to deployers, distributors, importers, and others.

The Act bans certain high risk AI systems, such as untargeted scraping of facial images from the Internet and a rigorous compliance system for AI developers. As the world's first comprehensive AI legislation, it will have a global impact, as businesses try to access the EU market and governments borrow and build on the regulatory framework that is already established.

The EU and U.S. are taking distinctly different regulatory approaches when it comes to using AI for impactful socioeconomic decision-making in areas such as hiring, educational access, and financial services. The EU's approach has both wider coverage of applications and a broader set of rules. Uneven authorities between the EU and U.S. may make alignment a challenge.

The EU has begun to tackle Al-related impacts in online platforms, e-commerce, social media, and search engines through its Digital Services Act (DSA) and the Digital Markets Act (DMA). The U.S. has no comparable legislation, and there has been significant concern in the U.S. that the DSA and DMA disproportionally impact large U.S. digital platforms and their parent companies.

Under the EU AI Act, chatbots face a disclosure requirement, presently absent in the U.S. Further, facial recognition technologies will have dedicated rules under the EU AI Act, while these provisions continue to be hotly debated in Washington. The U.S. approach so far has been to contribute to public information through the NIST Facial Recognition Vendor Test program,²⁸ but no mandatory rules are anticipated.

The Trade and Technology Council (TTC)²⁹ is a bilateral forum for enabling U.S.-EU cooperation on trade and technology policy. The TTC has acknowledged the differing risk-oriented approaches of both the EU and the U.S. and committed to three projects to advance the collective understanding of trustworthy AI:

- 1. Discussing measurement and evaluation of trustworthy AI;
- 2. Collaborating on AI technologies designed to protect privacy; and
- 3. Jointly producing an economic study of Al's impact on the workforce.

All these projects have begun to execute specific deliverables. In the April 2024 TTC meeting,³⁰ the U.S. and EU Al Safety Institutes agreed to align more closely and undertake joint work on benchmarking and evaluation. Agreements across global safety institutes are critical to align on measurement science and harmonization of testing and other guardrails. Working together could prove to be a bright spot in collaborating on a shared vision for future Al policy and regulation.

U.S. Participation in Multilateral Efforts

Al Governance Initiatives

Multilateral efforts to create common governance and guardrails for the safe Al deployment have accelerated over the past four years, reflecting the need to manage its challenges and opportunities. In 2019, countries in the Organization for Economic Cooperation and Development (OECD) adopted the OECD Al Principles,³¹ as the first standards for trustworthy Al. The Principles, which include five values-based principles – accountability; security and safety; transparency; fairness and human values; and inclusive and sustainable growth - are the first intergovernmental standard for trustworthy Al. In the four years since adoption, numerous countries have included these principles into national policies.³²

In 2020, the OECD formed the Global Partnership on AI (GPAI), an international and multi-stakeholder initiative to guide the responsible development and use of AI, based on human rights, inclusion, diversity, innovation, and economic growth.³³

At the most recent meeting of the G7 in Japan in June 2023, leaders issued the International Guiding Principles for All Al Actors in the Al Ecosystem³⁴ and the Hiroshima Process International Code of Conduct for Organizations Developing Advanced Al Systems.³⁵

The G7 AI communiqué, which copies broadly from the U.S. E.O., outlines potential AI risks, including online harassment, hate and abuse, threats to children's safety, privacy, foreign information manipulation, undermining democratic values, suppressing freedom of expression, and threatening human rights.³⁶ Countries agreed to identify and adopt risk-based management policies and establish the Hiroshima AI Process Working Group, in cooperation with the OECD, by the next G7 meeting in Italy in June 2024.

In October 2023, the United Nations created the UN High-Level Advisory Body on AI,³⁷ a global advisory body that is gender balanced, geographically diverse and multigenerational. The group was tasked with making recommendations on

international governance of AI and how to leverage AI to accelerate the Sustainable Development Goals (SDGs.)

In mid-March 2024, the UN General Assembly (UNGA) adopted a U.S.-led resolution, co-sponsored by 120

The G7 AI communiqué copies broadly from the U.S. Executive Order.

countries, on the promotion of "safe, secure and trustworthy" Al that will also advance the UN's SDGs. It is the first resolution on Al that the UNGA has adopted. This resolution was a good example of U.S. diplomacy leadership. The U.S. engaged in intensive consensus-building discussions with countries across the Global South as well as China, driven primarily by the focus on Al supporting the SDGs.

The U.K. hosted the Al Safety Summit in November 2023. The Summit was attended by 28 countries, including the U.S. and, notably, China. The countries issued The Bletchley Declaration.³⁸ It states that substantial risks may arise from potential intentional misuse or unintended issues of frontier Al, with concern focused on cybersecurity, biotechnology, and disinformation.

Standards Setting and Safety

International standards bodies have also been working to create a common set of definitions and processes for Al. The International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) established a joint technical committee, JTC 1/SC 42, dedicated to Al standardization including definitions, foundational concepts, trustworthiness, and use cases.

China's government has made it a priority to become more influential in the ISO and the IEC and has increased its participation in international standards-setting organizations. Its China 2035 Standards Initiative has set a goal to increase its leadership roles in those groups, especially regarding AI.³⁹ This initiative states that China will actively work together with Belt and Road countries towards standards alignment with many countries in the Global South. China's government subsidizes standards' development and provides significant financial incentives for its companies to participate in and take leadership positions in standards setting organizations (SSOs).⁴⁰

Although participation in SSOs is typically industry-led, it is important for the U.S. Government to support commercial sector efforts to lead standards work and ensure that the U.S. is represented and takes leadership roles and is able to advance its own transparent and ethical standards in SSOs.

Having a consistent and coherent approach towards AI safety standards across borders is vital, and agreements across global AI safety institutes is necessary to align on measurement science and harmonization testing and other safety guardrails. The recent agreement between the U.S. and EU AI safety institutes is an important step forward. The U.S. should use this model to pursue similar agreements with other partners.

Al in Trade and Digital Agreements

Trade and digital agreements will play an important role in cross-border AI regulation. Under the auspices of the World Trade Organization (WTO), more than 70 countries are trying to reach an agreement on e-commerce, although major policy differences have made consensus challenging.

The most recent digital agreements include provisions governing AI, including the Digital Economy Partnership Agreement (DEPA) between Chile, New Zealand, and Singapore, the Australia–Singapore Digital Economy Agreement, and the UK–Singapore Digital Economy Agreement.

These include specific provisions on AI and emerging digital technologies that draw on digital trade principles such as privacy, standards, IP protections, data flows and storage, and requiring governments to develop governance and policy frameworks.

The U.S. absence from digital negotiations opens the door to authoritarian models.

Many provisions, to date, have been hortatory.

In late 2023, the U.S. withdrew from its participation in digital negotiations at the WTO and as part of the Indo-Pacific Economic Framework (IPEF), while it tries to work out political and

substantive disagreements. Resolving these issues and rejoining the WTO discussions, as well as regional and bilateral digital negotiations in a timely manner is critical, if the U.S. wants to lead in Al governance. The U.S. absence opens the door for other countries taking a leadership role and advancing their own governance models, which could disadvantage U.S. companies in the case of the EU, or promote authoritarian ideals in the case of China.

U.S. officials have taken the approach that successful global convergence on Al governance will require engaging in multiple fora, bilaterally and multilaterally, as well as with multiple stakeholders from business and civil society. The U.S. should continue to pursue deeper and more fully aligned efforts with allies and partners, but it must be as inclusive as possible of other countries that would be willing to subscribe to Al governance that is transparent, democratic, and ethical.

U.S. AI Leadership: The Role of the Federal Government and U.S. Values

In their recent piece on AI, Secretaries Gina Raimondo and Antony Blinken said that as home to many of the leading companies, technologies and minds driving the AI revolution, the U.S. "has the ability and responsibility to lead on its governance."

Below are several elements to U.S. leadership:

Deepening U.S. Government AI implementation and governance

The global position of the U.S., combined with its leadership in innovation and talent, means that the steps it takes domestically will have global impact. With its three building blocks of Al governance - the Executive Order on Al, the NIST Al Risk Framework, and the Al Bill of Rights - the U.S. has built a solid framework for engagement with other countries.

The U.S. E.O. and NIST standards have already become the basis for the International Code of Conduct for Organizations Developing Advanced Al Systems released by the G7, and the Hiroshima process.⁴² The U.S. was also the primary mover behind the recent UNGA resolution on Al.

The U.S. Government serves as an important testing ground for AI implementation.

The U.S. Federal Government serves as an important and transparent testing ground for Al regulation and deployment. As the U.S. deepens its regulatory infrastructure, it will establish guidelines and regulations that other countries can adopt.

U.S. regulatory agencies, including the Federal Communications Commission, the Federal Trade Commission, and the Equal Employment Opportunity Commission, are bolstering their regulatory tool kits with an eye to Al's impact on civil rights, fair competition, consumer protection, and equal opportunity, while putting Al tools to use for good in their respective domains. As FTC Chair Lina Khan noted, "There is no Al exemption to the laws on the books, and the FTC will vigorously enforce the law to combat unfair or deceptive practices or unfair methods of competition."⁴³

In March 2024, Vice President Kamala Harris announced three new binding requirements to promote "safe, secure, and responsible use of AI by our federal government."⁴⁴ The guidance to agencies tries to strike a balance between managing risks while encouraging innovation. The three requirements are: to protect the rights and safety of the American people; to mandate transparency requirements so that citizens know when and how the government is using AI; and a requirement for internal oversight. Each agency will now appoint a chief AI officer and create compliance plans.

Vice President Harris stated that the Administration hopes that these Al policies will "serve as a model for global action,"⁴⁵ and encourage other governments to put the public interest first.

The release of guidelines from the Office of Management and Budget (OMB) called on federal agencies to increase their capacity and AI workforce, to adopt AI successfully and responsibly into their operations, while managing risks.⁴⁶

The OMB guidelines also encourage agencies to expand their use of AI and develop more AI use cases, so that it can act as a model for AI deployment and standardization. Whether to manage grant applications, protect against cyber threats, or detect illegal rhino horn in airplane luggage X-Ray scanners, agencies are using AI to streamline government services and make them more effective - to the benefit of taxpayers and U.S. national security.

The issue of AI governance is one that Congress is paying close attention to. It has not been a partisan issue to date. As of June 2023, there were 40 bills pending with AI-related measures, including federal oversight of AI, disclosure of AI uses, export controls and support for AI in specific cases, including cybersecurity, airport safety and weather modeling.

On May 15, 2024, the Bipartisan Senate Al Working Group, issued an Al Roadmap, "Driving U.S. Innovation in Artificial Intelligence." This roadmap includes a \$32 billion investment in Al innovation and R&D across a broad swath of U.S. government agencies, together with recommendations supporting Al's use in the workforce, in securing elections, privacy and transparency, and national security. The work will now begin in a number of congressional committees to translate the group's recommendations into legislation.

Congress has yet to pass a comprehensive federal privacy law. The U.S. is the only developed country in the world that does not have a comprehensive federal privacy standard governing its data. Strong legislation would contribute to a healthy regulatory ecosystem and build greater credibility for U.S. positions on Al globally.

Al Governance with U.S. Values

Inclusiveness

The U.S. should be a global leader in demonstrating, and calling on other countries, to take an inclusive approach to developing Al governance, incorporating views from a variety of stakeholders.

The U.S. Government has taken the right steps towards developing inclusive AI governance. The White House E.O. starts by stating that harnessing AI for good, while mitigating its substantial risks, "demands a society-wide effort that includes government, the private sector, academia, and civil society." The E.O. has "Advancing Equity and Civil Rights" as one of the key actions required of federal agencies. 49

Many U.S. civil society groups have stated the urgency of including diverse groups in developing AI governance. For instance, the AFL-CIO recently said that working people must be included in the development and implementation of AI to protect workers' job quality, safety, and rights.⁵⁰

Similarly, the Center for Democracy and Technology has called on the Administration to model an inclusive approach by engaging public interest groups, consumers, and affected communities when crafting AI programs.⁵¹

Congress has taken an important step and held a series of nine "Senate Insight Forums on AI" during 2023. The forums covered a wide range of issues from technology competition to workforce, privacy, inclusivity, and human rights. In addition to companies, a very diverse range of groups were represented including unions, democracy groups, housing and consumer associations, and other civil society groups.⁵²

The U.S. Department of Commerce recently announced the creation of the U.S. Al Safety Institute Consortium, which includes Al creators and researchers, together with users and civil society organizations.⁵³

Other countries have taken important steps towards multistakeholder input in crafting Al governance, including in the Digital Economic Partnership Agreement (DEPA) which calls for multistakeholder input as one of its key pillars.

Transparency in the U.S. policy process, together with a tradition of stakeholder input into developing regulations and laws,

positions the U.S. to be a leader in formulating AI regulations that are inclusive and reflect the broad group of interests.

Workforce

Al will have massive workforce impacts that economies will be

A massive AI workforce initiative must be inclusive and reach underserved communities.

adapting to for decades. In its recent study, McKinsey notes that with generative AI, up to 30% of workforce hours today could be automated by 2030.⁵⁴ While there are different estimates regarding whether AI will lead to an increase or decrease in total jobs, it is clear that AI will lead to huge shifts in the labor market.⁵⁵

Preparing the U.S. workforce for the Al-enabled future is critical. Just as digital literacy made its way into K-12 curriculums, Al literacy will need to be part of basic education. The U.S. will need a comprehensive endeavor to prepare its workforce for the new economy, knowing that Al will create different jobs requiring different skills. This must include a focus on job training and transition to address the significant job loss that will occur as many low-income and low-skill jobs are replaced by Al.

This massive workforce initiative must be inclusive and reach underserved and low-income communities that will likely be hardest hit. Attention should also be paid to facilitating uptake of AI by small businesses, who may have a harder time accessing the technology that could benefit them significantly.

Building a talent pool will also be important for U.S. global competitiveness. In addition to accelerating AI education and training, the U.S. should consider changes in immigration regulations that would allow for foreign students with AI skills to stay in the U.S., together with provisions to attract AI researchers and developers from foreign countries.

The President's E.O. asks agencies to develop principles and best practices to "mitigate the harms and maximize the benefits of AI for workers by addressing job displacement; labor standards; workplace equity, health, and safety; and data collection." It further states that these principles and best practices will benefit workers "by providing guidance to employers to prevent undercompensating workers, evaluating job applications unfairly, or impinging on workers' ability to organize."⁵⁶

The federal government can set a global example by how it prepares its workforce for the coming Al transition, as well as insist that workforce training and transition measures are included in any multilateral and bilateral agreements that it joins.

Democracy

2024 is a historic year for elections. Globally, the most voters in recorded history will head to the polls, with at least 64 countries (plus the EU)— representing a combined population of about 49% of the people in the world expected to cast votes.⁵⁷ These

The U.S. must take a vigorous approach to address AI-enabled political disinformation.

elections, including in the U.S., come at a time when the potential to create misinformation and disinformation enabled by AI is both easier and more sophisticated.

A report from the World Economic Forum in Davos in January 2024 listed Alpowered misinformation as the world's

biggest short-term threat,⁵⁸ and that a surge of deepfakes could erode the public's trust. Aggressive use of deepfakes has already been seen in elections in Slovakia, Moldova, and Bangladesh.⁵⁹

Russia and China have for years used disinformation to manipulate their citizens, and the wider availability supercharges the ability to spread that disinformation. In recent years, we have seen politicians in democracies like Poland or even the U.S. use social media to spread disinformation targeting susceptible voters.

The challenge to democracy is that once the public no longer trusts facts or news sources, they will not have confidence in elections or the democratic process. Some countries, like France, have already taken strong measures to ensure the integrity of

their elections, including appointing independent bodies to oversee campaigning and monitor the integrity of the election process.⁶¹

In the U.S., attempts to regulate misinformation and disinformation have been impeded by the challenges of partisanship and concerns regarding free speech. Some Members of Congress have called for federal legislation to ban Al deep fakes in political ads. However, no bills have gained traction yet.

To address this gap, federal agencies are taking action within their authority. In February 2024, the Federal Communications Commission outlawed unwanted robocalls generated by AI,⁶² after thousands received robocalls from an AI-enabled voice sounding like President Biden.

At the 2024 Munich Security Conference, 20 major Al companies—including OpenAl, Amazon and Google—released a voluntary pledge to fight Al-powered election misinformation.⁶³ This is an important first step but may not be sufficient to deter bad actors. Minnesota, Michigan, California, Washington, and Texas have all passed laws to curb Al misinformation in politics, and 30 more states introduced legislation in 2024 to address the issue.⁶⁴

The U.S. must take a more vigorous approach to develop a regulatory toolkit to deal with Al-enabled political disinformation. Both the U.S. Government and democracy groups should ensure that the topic of Al election interference continues to be addressed both in the U.S. and globally.

Public attitudes toward AI vary, with the public in Asia having more positive feelings of AI adoption and its possibilities. A global survey of attitudes toward AI showed that 78% of Chinese respondents agreed that products and services using AI have more benefits than drawbacks. After Chinese respondents, those from Saudi Arabia (76%) and India (71%) felt the most positive about AI products. By contrast, only 35% of sampled Americans agreed that products and services using AI had more benefits than drawbacks.⁶⁵

The U.S. must lead in regulating misinformation and disinformation both to improve attitudes towards AI and to ensure election integrity at home, as well as to enable it to lead the global effort to regulate false information being spread by authoritarian regimes.

Conclusion

To shape the future of AI and ensure that countries can safely harness its extraordinary potential, the U.S. must act quickly. The U.S. enjoys a lead in funding R+D in AI technologies. To maintain this edge, the U.S. must play a leading role in creating the global norms around AI governance. The U.S. must do this in partnership with its democratic allies, but also include developing countries who stand to benefit from AI's potential.

Governments around the world are interested in cultivating AI ecosystems as well as protecting against the risks of AI, especially workforce disruptions and misinformation. The U.S. Government has much to offer and should lead the way, promoting U.S. interests, values of democracy, workforce solutions, and measured, risk-based regulatory approaches.

It is unlikely that there will emerge a single global framework for AI governance. Rather, there will be multiple overlapping frameworks and fora, ones that are multilateral, regional, and bilateral. The U.S. must be involved at all levels. The U.S. needs to lead on AI global governance, even as it is still resolving competing interests at home.

Congressman Ro Khanna recently said, "The real challenge is how to center the dignity and economic security of working-class Americans during the changes to come." U.S. engagement should tackle this question globally, ensuring that Al governance is inclusive and interoperable, ethically focused, addresses workforce issues, mitigates risk, while remaining pro-innovation. In order to bridge the digital divide, rather than exacerbate it, a core tenet of a global governance approach needs to be focused on accelerating responsible use of Al to address societal challenges.

Achieving this goal will be challenging. It will require strong and consistent effort by the whole of the U.S. Government, the private sector, and civil society. The U.S. has the potential to determine whether the future of Al makes societies more or less equitable, unlocks breakthroughs or becomes a tool of authoritarians. It is our responsibility to be a global leader in ensuring that Al delivers a bright future for all the world's citizens.

Annex: Survey of Multilateral Initatives on AI Governance

December 2023

Name	Participants	Scope/Summary		
Multilateral (no specific forum)				
Bletchly Declaration (Nov 1, 2023)	28 countries, including UK, US, EU and China	 Countries agreed substantial risks may arise from potential intentional misuse or unintended issues of control of frontier AI, with particular concern caused by cybersecurity, biotechnology and disinformation risks. The Declaration sets out agreement that there is "potential for serious, even catastrophic, harm, either deliberate or unintentional, stemming from the most significant capabilities of these AI models." Agreed to work together to support a network of scientific research on Frontier AI safety. Republic of Korea has agreed to co-host a mini virtual summit on AI in the next 6 months. France will then host the next in-person Summit in a year from now. In March 2024, the U.S. and UK signed an MOU to collaborate on AI safety and research. https://www.gov.uk/government/publications/ai-safety-summit-2023-the-bletchley-declaration/the-bletchley-declaration-by-countries-attending-the-ai-safety-summit-1-2-november-2023 		
G7 Hiroshima Al Process				
Comprehensive Policy Framework (Oct 30, 2023)	7 members: Canada, France, Germany, Italy, Japan, U.K. and U.S.	 The March 2024 Industry, Technology and Digital Ministerial declaration affirmed "the importance of international discussions on AI governance and interoperability" with likeminded partners and developing countries. The G7 plans to expand outreach to partner governments to broaden support for the International Guiding Principles and the International Code of Conduct, and to further advance the Hiroshima AI Process by intensifying coordination and cooperation across multilateral tforums including the OECD and the UN. https://www.whitehouse.gov/briefing-room/statements-releases/2023/10/30/g7-leaders-statement-on-the-hiroshima-ai-process/ 		

Name	Participants	Scope/Summary	
International Guiding Principles for all Al actors in the Al ecosystem (Oct 30, 2023)		 This non-exhaustive list of guiding principles is discussed and elaborated as a living document to build on the existing OECD AI Principles. 5 pages with 11 principles for entities from academia, civil society, the private sector, and the public sector. https://digital-strategy.ec.europa.eu/en/library/hiroshima-process-international-guiding-principles-advanced-ai-system 	
International Code of Conduct for Organizations Developing Advanced AI Systems (Oct 30, 2023)		 Organizations should apply these actions to all stages of the lifecycle to cover, when and as applicable, the design, development, deployment and use of advanced Al systems. 8 pages with 11 actions. https://digital-strategy.ec.europa.eu/en/library/hiroshima-process-international-code-conduct-advanced-ai-systems 	
OECD	OECD		
Global Partnership on Al (GPAI) (June 2020)	29 members: Australia, Belgium, Brazil, Canada, Czech Republic, Denmark, France, Germany, India, Ireland, Israel, Italy, Japan, Mexico, Netherlands, NZ, Poland, Republic of Korea, Singapore, Slovenia, Spain, Sweden, UK, US, EU + Argentina, Senegal, Serbia and Türkey as of 2022	 To guide the responsible development and use of artificial intelligence consistent with human rights, fundamental freedoms, and shared democratic values, as reflected in the OECD Recommendation on AI. Work of GPAI experts is presented in reports and during sessions at the GPAI Summit each year. The Summit in India in December 2023 showcased recent work around four themes: responsible AI, data governance, future of work and innovation and commercialization. GPAI Tokyo Summit 2022, Second annual GPAI Summit was hosted by France in November 2021 https://oecd.ai/en/gpai 	
OECD AI Principles / Recommendation of the Council on Artificial Intelligence (May 21, 2019)		The OECD AI Principles promote use of AI that is innovative and trustworthy and that respects human rights and democratic values. They set standards for AI that are practical and flexible enough to stand the test of time. https://oecd.ai/en/ai-principles, https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0449	

Name	Participants	Scope/Summary	
United Nations	United Nations		
UN High-Level Advisory Body on Al (Oct 23, 2023)		 The Advisory Body is comprised of 39 experts from across the world. Membership is gender-balanced, geographically diverse, and multigenerational. US members are: lan Bremmer, President and Founder of Eurasia Group, Vilas Dhar, President of the Patrick J. McGovern Foundation, and Alondra Nelson, Harold F. Linder Professor at the Institute for Advanced Study. The Body is expected to make recommendations by the end of the year on the areas of international governance of AI, shared understanding of risks and challenges, and key opportunities and enablers to leverage AI to accelerate the SDGs. https://www.un.org/sg/en/content/sg/personnel-appointments/2023-10-26/secretary-generals-advisory-body-members-artificial-intelligence 	
UNESCO Recommendation on the Ethics of Artificial Intelligence (Apr 8, 2022)		 This landmark text defines values, principles and policies that will guide countries in building legal frameworks to ensure that AI is deployed as a force for the common good. It addresses transparency, accountability, and privacy in action-oriented policy chapters on data governance, education, culture, labor, healthcare and the economy. https://unesdoc.unesco.org/ark:/48223/pf0000381137 	
Standards Bodies			
ISO/IEC JTC 1/SC42		https://www.iso.org/committee/6794475/x/catalogue/p/0/u/1/w/0/d/0	
Spatial Web Foundation / IEEE		 Socio-technical <u>standards and protocols</u> to govern transmission of information through the spatial web—the interaction between AI in the physical and digital world, anticipated to be released in 2024. https://sagroups.ieee.org/2874/ 	

Name	Participants	Scope/Summary	
World Economic Forum (WEF)			
Al Governance Alliance		 Uniting industry leaders, governments, academic institutions, and civil society organizations to champion responsible global design and release of transparent and inclusive AI systems Apr 2023 The Presidio Recommendations on Responsible Generative AI, 30 general recommendations for policymakers and other stakeholders https://www3.weforum.org/docs/WEF Presidio Recommendations on Responsible Generative AI 2023.pdf https://initiatives.weforum.org/ai-governance-alliance/home 	

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