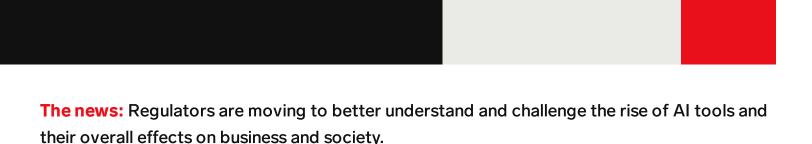
UK's CMA, FTC, and the White House initiate regulation on Al's use and effects

Article







- The UK's Competition and Markets Authority (CMA) is launching a review of the artificial intelligence market. It's focusing on foundation models, including the software underlying popular chatbots like OpenAI's ChatGPT.
- US **Federal Trade Commission** (FTC) Chair **Lina Khan** wrote an op-ed in the New York Times calling for regulation of AI, fearing it could pave the way for Big Tech's dominance as well as fraud and a threat to personal privacy.
- The White House unveiled various initiatives to reduce the risks of AI, including a meeting between Vice President Kamala Harris and executives of AI and tech companies.

What regulators are saying:

- CMA CEO Sarah Cardell said they will evaluate opportunities and establish principles to ensure competition and consumer protection.
- White House officials pledged to release draft guidelines for government agencies to ensure that their use of AI protects "the American people's rights and safety." They added that AI companies agreed to open their products to scrutiny at a cybersecurity conference in August.

Why it's worth watching: Generative Al's mainstream popularity has already transformed the business landscape, but its arrival has been contentious.

- The shift from manpower to AI has already resulted in <u>massive layoffs during a down</u> <u>economy</u>.
- Education and learning company Chegg saw its stock crash 50% Tuesday. The company says students are increasingly using ChatGPT to help with homework.
- IBM plans to slow hiring and replace thousands of jobs with AI.
- Al pioneer Geoffrey Hinton left Google to speak out about the dangers of Al.

Our take: Government regulators are reacting to calls to step in on AI. Paying more than lip service will require extensive investigation of the technology, how it is implemented, and its wider effects.

 Regulatory bodies are overworked with existing Big Tech regulation. Planning guardrails and implementing them are very different things and could take months before plans solidify.



Regulation is coming whether AI companies like it or not. They have an opportunity to help frame the narrative by working alongside regulators to help them better understand the technology.

