

What AI slower development could mean for investors

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by Christian Gattiker and Enrico Chinello

Artificial intelligence remains one of the most important long-term investment themes, but the conversation is changing. Recent calls from industry leaders to slow the pace of frontier model development have raised questions about whether AI innovation is losing momentum. At the same time, new research highlights AI's potential to transform economic growth, productivity and labour markets over the coming decade. For investors, the key challenge is determining whether these developments alter the long-term investment case, or simply represent the next stage in its evolution.

On 12 September, Anthropic CEO Dario Amodei published an essay entitled 'We must pace the frontier' in which he argued that the AI industry should voluntarily slow the pace of capability improvements. The proposal includes embedding third-party evaluators inside frontier labs, coordinating among leading democratic countries on common safety standards, and eventual discussions with authoritarian governments on narrow restrictions such as bioweapons up-lift and recursive self-improvement. So far, only the first step is a formal commitment, with Anthropic granting evaluators employee-level access and publication rights without editorial control. OpenAI CEO Sam Altman endorsed the initiative and committed to matching the evaluator model, while SpaceX CEO Elon Musk supported the direction but announced no concrete measures.

Here are the five questions investors should be asking.

1. Is AI development really slowing down?

Not exactly. For investors, the key issue is separating the debate around AI safety from the reality of AI spending. While companies such as Anthropic and OpenAI are advocating a more measured approach to frontier development, the underlying drivers of the AI investment cycle remain intact. Infrastructure spending continues to accelerate, hyperscalers are making multi-year commitments, and adoption across corporate workflows is still in its early stages.

2. Will a slower pace of AI development hurt the investment cycle?

The evidence suggests it will not. Anthropic is not proposing to stop training models but rather to

moderate the pace of advancement. Meanwhile, demand for AI infrastructure continues to be driven by powerful structural trends. The report notes that AI infrastructure demand is increasingly supported by inference workloads and emerging agentic AI applications. At the same time, computing resources remain constrained, even for today's models.

Perhaps most importantly, the AI investment cycle remains hyperscaler-driven and supported by multi-year infrastructure commitments. As a result, spending on cloud computing, data centres and AI infrastructure is expected to remain largely untouched.

3. What is the biggest risk to the AI investment story?

Financing remains a more significant risk than safety. A slower IPO market or more limited private funding environment for frontier AI labs could affect part of the demand currently supporting contracted computing capacity.

However, the AI investment cycle is increasingly driven by large technology companies rather than by venture-funded start-ups. Demand is becoming more dependent on large-scale infrastructure programmes and long-term commitments. The industry's monetisation goals also remain unchanged.

4. How much could AI contribute to economic growth?

A new study by Anthropic's economists estimates that AI could increase US GDP by between 2% and 32% by 2030 compared with a scenario without further AI adoption. Even the lower end of that range would be comparable to the economic benefits generated during the dot-com expansion of the late 1990s and early 2000s.

The outcome will depend largely on three factors:

Interestingly, the study suggests that the various AI development paths barely diverge before 2027, implying that adoption may be a more important variable than frontier model progress over the next 12 to 18 months.

5. What could AI mean for jobs and society?

The economic impact is likely to be positive, but the labour-market impact may be more complicated. Anthropic estimates that around 2.5% of US knowledge workers could be displaced into other functions by 2030 under its base-case scenario as AI workflows increasingly automate certain tasks.

At the same time, AI is expected to increase efficiency and productivity, supporting stronger wage growth on average. However, those gains may not be evenly distributed. Knowledge workers could see more modest wage growth than other groups.

The report argues that the social impact of AI will become increasingly important as adoption expands across corporate workflows. Questions around retraining, workforce adaptation and productivity gains are likely to remain central themes for policymakers, businesses and investors.

The AI debate is evolving from a discussion about technological breakthroughs to a broader conversation about safety, adoption and societal impact. While industry leaders are calling for a more measured approach to frontier development, there is little evidence that this will derail the current investment cycle.

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