Frontier Economics

We work with a wide range of clients from the private sector, governments, regulators, and other public authorities. We make a difference by going beyond the numbers to find out what's really going on.

Vlada Bar-Katz



A consultant at Frontier Economics specialising in public policy of the tech sector and, in particular, AI risks and benefits and AI regulation.

FOUNDED IN 1999 with consistent growth over the last 25 years

70 COUNTRIES

Project experience in over 70 countries

470+

Client projects in 2023

100% EMPLOYEE- OWNED

We're all fully invested in Frontier's future



PRACTICES

Energy

Competition

Public Policy

Telco

Transport & Water

Strategy

Firms are maximising profits

Firms will want to adopt non-binding measures (assurances, standards etc.) if, profits are lower than with them

Three main ways in which innovative technology can impact firms' profits

Production impacts

The technology is not creating the productivity gains anticipated

Direct impact on profits

Sales reduction

Reputational damages:

Ex-post repercussions

Direct impact on profits if:

- 1. The harms are visible/noticeable
- 2. Damages are traceable to the firm

Downstream assurance demand

An ex-ante demand for assurances

Direct impact on profits if demand:

- 1. Aware of the risks of technology
- 2. Knows what "good" looks like

Investment reductions

Investments impacts

Also profit maximising \rightarrow need to foresee all the aspects on the left

The government can help bridge some gaps for better uptake of soft law

 Support in developing the right testing tools (establishing multidisciplinary teams and regulatory sandboxes etc.)

- Education of senior management about risks
- Setting up tools that help assess risks
- Update legal frameworks to clarify the financial exposure of unassured risks
- Consumers education about potential risks and how assurance can help
- In particular, education and collaboration with educated subpopulations

- Educating investors about the risks and potential impacts
- Showing that prevention is more cost-effective than treatment after the fact (after a harm occurred or after all systems are deployed without assurances)