

How the Business and Humanities Schism Shapes AI Implementation, Entrepreneurship and Justice Experiences

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Abstract: This paper considers how competing worldviews, rooted in an underlying schism between business and humanities understanding of economics, increasingly shape AI advancements, their use, and the implications for the experiences of justice in society. The schism emerged during the mid-19th century as classical economics (originating around Adam Smith's *The Wealth of Nations*) developed into the utility-based, ahistorical Marginalist Revolution, which prioritized efficiency and quantitative models (now dominant in business and management education), and the dialectical-based, historical Marxist Revolution (underlying the assumptions of theorists in the Humanities and many social sciences). These reflect deeper ideological tensions: a focus on objective optimization and AI-driven decision-making versus a commitment to subjective autonomy and the preservation of human agency. We discuss "justice experiences", a wide range of events ranging from actions in the judicial/legal system to personal and social impressions of, and expressions for, what is just. While AI promises to reduce costs and accelerate resolutions across civil disputes, criminal cases, and broader social justice concerns, automation risks deepening economic and legal inequalities. Further, the issue of alienation from the production of justice suggests another bifurcation: those who have lower incomes and few assets might only be provided with AI-generated resolutions, with traditional lawyers and court proceedings available only to the wealthiest. Beyond supply, this may increase demand for justice experiences, potentially widening the gap between what justice people receive and what they believe they deserve, and lead to exacerbating, and not reducing, social justice issues.

Keywords: Justice Experiences, Economic Schism, AI Entrepreneurship, Social Justice

Introduction

This paper investigates how competing entrepreneurial worldviews shape the development and application of Artificial Intelligence (AI) in justice experiences and the implications for equity and human agency. The implementation and commercialization of AI reveal a variety of entrepreneurial approaches that arise out of competing worldviews that, in turn, have roots in the schism between business and humanities perspectives of economic development. Some approaches to implementation result in management practices that reify technology-based solutions and lead to the current drive behind uncritical and inhumane implementation of an "AI-driven capitalism."

The structure of the paper is as follows: First, we explain the theoretical foundations of the two traditions that have influenced economic thought and management practices: the Marginalist and the Marxian traditions. Linked to this, we explore different entrepreneurial worldviews that have developed in the last 30 years and how entrepreneurial founders of AI companies perceive different ways of creating and capturing value from the AI revolution. We connect these to current developments in AI and their relevance to justice experiences. We define justice experiences and consider their different forms, including legal, personal and social/cultural. AI-driven efficiency gains carry the risk of a new form of alienation and experiences of inequality. We consider the ethical concerns should the implementation of AI be driven purely through the lens of efficiency and optimization of technology and profits. Finally, we explore areas for further research.

Theoretical Foundations

Progress in the use of AI (and other technological advances) in the field of justice will require bringing together two seemingly divergent perspectives on economics: business-oriented, and humanities or social sciences oriented. To do so, it is useful to consider when they diverged, how they differ, and why it matters. This divergence is not a complete, separate siloing, as there are interdisciplinary efforts. Yet, the gap in perspectives is large enough to make it difficult for these approaches to constructively advance societal interests.

The divide between business and humanities perspectives originates in the historical emergence of two competing economic traditions—neoclassical (marginalist) economics and Marxist economics. While both derive from classical economics, they diverge sharply in their treatment of history and economic dynamics. Marginalist (neoclassical) economics is ahistorical, focusing on optimal decision-making at a given moment, where profit maximization occurs through equilibrium-based analysis. In contrast, Marxist economics is historical, examining capitalism as an evolving system that depletes profit opportunities over time, leading to internal contradictions and crises.

This fundamental difference—static optimization vs. dynamic contradiction—has profound implications for management practices and modern AI development, shaping both business strategies and social critiques of technologically evolving capitalism. It is helpful to keep in mind that this divergence occurred at the end of the classical economics era around 1870. It had begun in earnest in the West with Adam Smith’s “The Wealth of Nations” in 1776 and further developed by others such as Ricardo and Mill into the first half of the 19th century. It was based on the search for surplus value which occurred when the value of what was produced exceeded the value of what was required to produce it. While the development of technology and expansion of the physical production base (physical capital) was understood as critical, they also used a labor theory of value. This assumed the value of the goods produced was dependent on the amount of labor required to produce it, even if that also meant the labor required to produce the tools and manufacturing plant. It could also be interpreted as the amount of labor reduced by using that physical capital.

During the period when classical economics was prominent, two other related developments occurred. One was the rise of utilitarianism. Its proponent Jeremy Bentham, argued for a moral philosophy based on “the greatest happiness for the greatest number of people.” It appealed to those with a quantitative comprehension of the world and the subjective nature of well-being. It also tends toward collapsing the temporal view to a point in time where such comparisons could be made meaningfully. The other development was Hegel’s dialectic. While the dialectic process as a dialogue between people with opposing views goes back to ancient Greek philosophers, Hegel adapts this in a form such that explicating a limit, or negation, of an abstract idea can lead to synthesizing a more concrete conception. He goes further to describe it as a method toward understanding things in their own being as well as historical developments (Hegel, 1812).

Humanities and many social science views of economics can trace their foundations to the works of Marx and Engels, and the very influential book “Das Kapital” (Marx, 1867). It provided a criticism of capitalism, with a compelling narrative using material dialecticism to describe the long historical arc over various economic systems. Important themes include exploitation and the alienation of workers from the value of what they produce, as well as the eventual collapse of capitalism as it reaches a late stage focusing on finance. The dialectical element is that the pursuit of profits eventually leads to the depletion of profit opportunities which would imply the end of economic production. They argue the collapse of capitalism generates the need to embrace a different economic system to sustain society. For many the Great Depression era was the moment of collapse, with its remnants propped up by aspects of socialism (such as the New Deal in the U.S. and the theories of Keynes (1936)). While there is much contention over Marx’s economics, he does bring to the fore that productive activity

can have harmful physical and psychological impacts on workers and that the relationship between worker, manager and owners impacts the well-being, and humanity, of individuals and society. Largely excluded from mainstream business education, Marxist critiques influenced critical management studies, labor movements, critiques of automation, corporate social responsibility, and stakeholder capitalism.

Business economics tends to focus on the behavior of markets, in particular prices and interest rates, with attention toward the impact on a business entity's profitability (or other measure of success). The 21st century cannon has foundations based on the "Marginalist Revolution" in the late 19th century, led by William Jevons (1871), Carl Menger (1871), and Léon Walras (1874). It is also known as *neoclassical economics* and shifted from classical economics' labor value theories to individual utility maximization. In essence, the change is from understanding value generated by the amount of time and effort of productive work (cost-of-supply), toward value of the product being subjectively perceived by the consumers (willingness and ability to pay). Influenced by utilitarianism, marginalists viewed economic decisions as isolated, optimizing processes, assuming (often tacitly) stable political, technological and cultural environments. These could provide a formal, mathematical approach to profit and utility maximization. Since the approach centers on the success of businesses, it has been criticized as lacking respect for the value of being human.

In its simplest form, the decision maker considers whether to buy (or sell) one more unit (the marginal quantity). If the change in benefit (the marginal benefit) exceeds the change in cost (the marginal cost) then the extra unit is included in the solution, otherwise not. From a for-profit business perspective, the benefit is measured in revenue, since Profit = Revenue – Cost. Thus, the marginal profit equals marginal revenue (MR) less marginal cost (MC). Only when MR is greater than MC would the firm choose to produce more. It is very important to note that the amount of production is assumed within the same chronological moment of production. That moment could be a day, a week, a month, even a year. Thus, while it might require more labor time to produce the greater quantity, it is understood as having more labor within that moment, in contrast to having more time for the laborers to finish their work. What can be produced by a thousand people working together for one week is very different from one person working for a thousand weeks. We will return to this critical distinction later. This approach could be used in both scientific (predictive) models and managerial (prescriptive) decision making. The ahistorical features are also seen in market equilibrium analysis where markets move toward balancing supply and demand via the price mechanism, within a specific market period, as well understanding crises as exogenous shocks rather than inevitable consequences.

Neoclassical economics developed alongside important practical advances in science and engineering. Consider the similarity between Boltzman's conception of entropy based on the permutation of molecular states, and Marshall's description of human effort toward "... arrangement of matter to adapt it better for the satisfaction of wants..." (Marshall, p.63) It should be no surprise that since Shannon's information definition of entropy (Shannon, 1948), the world is now conceived as an arrangement of information, and that business and marketing are enamored with AI, and large datasets, for the satisfaction of objectives through optimization algorithms. This decontextualized approach allowed neoclassical economics to dominate business and management education, where efficiency, cost-benefit analysis, and profit maximization often define corporate strategy.

There are two threads we can weave to bring the divergence in economic thought together. The first thread, profit maximization occurring within the **moment** (e.g., day, week, quarter), is focused on the optimal quantity to produce – and avoiding producing more than that. Related to this is the distinction between short-run and long-run decision making, which is used to explain the conditions under which producing at a loss is still consistent with profit maximization (in this case loss minimization). However, the second thread arises in the

context of time as a **path**, especially through historical analysis and sociological change. The same insight, that the profit motive limits how much is produced, is interpreted by Marx as capitalism eventually exhausting all opportunities to make profit (what he refers to as the internal contradiction of capitalism), leading to the end of its ability to guide economic production. Hence, the frequent referencing of late-stage capitalism in the humanities and social sciences. One implication is that technological advances that change how we make decisions impact the sustainability of the worldview underlying those advances. AI is such a technology. To paraphrase from above, being able to make a million decisions within a second is very different from having a million seconds to make one decision.

The contrast between time horizons is part of the schism. This is also found in the role of discounting the future and its relationship to the interest rate. For profit maximization to work, it must be able to calculate a finite number, and this almost always requires ignoring deep time in its analysis (Axelrod, 2017). However, as has become clear in the more recent developments in behavioral economics, whether one uses profit maximization or some other means of decision making, humans can't avoid ignoring most of the consequences of the choices they face. We often focus on only a few feasible alternatives (Simon, 1955). If one is running an enterprise, even if there is a preference for the well-being of employees and other stakeholders, as that enterprise grows the capacity to maintain regard for them is exceeded. This leads to either ignoring individuals and/or focusing on statistical measures of population well-being. This also applies to growing political entities. Ironically, the alienation of the worker from the value of their production would be replaced by their alienation from the measure of their social value.

The above hints at another limitation of Marx's dialectic - in the process of transforming economic production toward socialism, profit opportunities would be regenerated. Instead of a linear movement through phases of development, a cycling between capitalism and socialism could occur (fig. 1).



Figure 1. Cyclical Dialectic of Capitalism and Socialism

One consideration is that advances in methods to produce experiences can lead to similar cycling. AI can be used for both increasing supply AND demand. Proponents for AI often focus on the supply chain, touting its increased efficiency and reduction of production costs. However, it is also a tool to increase demand, which can be seen in algorithms to push ads customized to the moment. In the case of social media, it starts like the public provisioning (no or low priced) of interactions between people, but in this process the accumulation of information generates the revenue potential from selling ads and eventually selling the data. People developing heightened expectations of what they should experience leads to the greater demand for those experiences, which supports higher profitability. Yet, if those expectations grow faster than what is received, the overall sense of well-being could fall due to a greater distance from the ideal. This cycling potentiates greater concentrations of wealth and political power, and a faster consumption of natural and human resources that challenge long-term stability and social cohesion.

This leads to an important distinction: the practical versus utopian approach toward the best solution. A business-like approach starts from what is feasible, the facts on the ground and in the moment: who owns what, where are the revenue flows, and what capital and labor are available now? The practical focus comes at the cost of ignoring larger cultural and political trends, and whether current behavior is even “acceptable.” In essence, it is what Mullainathan and Shafir (2013) referred to as *tunneling* in decision-making. In contrast, a humanities-based approach often conjectures on what the ideal should be, independent of what is feasible. Consider Marx’s take, “A spider conducts operations that resemble those of a weaver, and a bee puts to shame many an architect in the construction of her cells. But what distinguishes the worst architect from the best of the bees is this, that the architect raises his structure in imagination before he erects it in reality” (Marx, 1961, p.178). In terms of Justice Theory, Rawls has been influential with the use of the *Original Position* behind a veil of ignorance to the facts of what is currently true. It requires us to imagine a world where we do not know what we do. These devices allow us to imagine the loftiest of principles and ideals, and our imaginings are part of our experience of well-being and justice.

The benefit from healing this schism becomes clearer. From a neoclassical economics perspective, if a utility function includes both tangible and imagined “goods” then when the price (monetary or psychosocial) increases for tangible goods, a person would substitute into imagined goods, and vice versa. Yet, over time the accumulation of the memories of experiences can change the perceived value of an extra unit of tangible relative to the imagined. For example, family traditions, such as getting together every Thanksgiving, create deeper meaning (the imagined good) with their repetitions. Further, the present moment we experience becomes the marginal unit of history. Like a tree’s outermost ring, the inner rings are the tangible memories it grows from, even as we imagine the space to grow outward.

Entrepreneurial Worldviews Driving AI Implementation

In the previous section, we argued that a purely efficiency-driven, profit-maximizing approach to AI implementation risks deepening alienation and inequality. We now turn to the worldviews of entrepreneurs—key figures shaping AI’s development and its broader societal impact.

Recent academic research has begun to explore the societal consequences of AI innovations (Brynjolfsson & Unger, 2023). Hagtvedt et al. (2025) discuss how individuals involved in creating AI systems or features incorporated into such technology oscillate between what they term “bright imaginings” and “dark imaginings” when envisioning AI’s potential. Bright imaginings emphasize groundbreaking advancements, transformative efficiencies, and the promise of AI-driven progress. In contrast, dark imaginings foreground risks such as ethical dilemmas, unintended consequences, and the exacerbation of societal inequities. Ultimately, AI designers settle on one of these perspectives—or a negotiated balance between them—shaping their approach to implementation.

This tension is also reflected in the perspectives of leading AI figures. Pioneers such as Demis Hassabis and Dario Amodei have publicly stressed the importance of AI’s responsible use, recognizing the profound risks involved (Financial Times, January 26, 2025). However, while there is broad consensus on the need for risk management, there remains considerable divergence on how best to achieve it. Entrepreneurs, by definition, engage in calculated risk-taking as they develop what they perceive to be valuable (Sarasvathy, 2025). Their differing worldviews and decision-making processes ultimately determine whether AI’s trajectory prioritizes efficiency, social responsibility, or a balance.

We adopt a broad definition of the “entrepreneur” and this could be any person who has a vision, ideates a clear business idea and turns it into a service or product in a marketplace. Such an individual assumes risks associated with the process. These are the “doers” in society who participate in “a process by which individuals-either on their own or inside

organizations-pursue opportunities without regard to the resources they currently control” (Stevenson & Jarillo, 1990, p. 23).

The historical schism between marginalist and Marxian economic traditions, outlined earlier, fundamentally shapes how entrepreneurs develop and commercialize technologies, including AI. This divide is not just theoretical but manifests in the competing entrepreneurial worldviews that drive AI implementation, and evidenced by the battles between those developing proprietary technologies. For instance, consider the fight for control over the legal form best suited to OpenAI in 2024 (FT.com, 2026). On one side, an efficiency-driven, optimization-focused approach aligns with the marginalist tradition, prioritizing market scalability and predictive decision-making. On the other side we have social, institutional, and political entrepreneurship perspectives—rooted in critical and historical approaches to economics—that challenge the technocratic dominance of AI, advocating for justice, equity, and human-centered applications. Understanding these entrepreneurial worldviews is critical for assessing how AI will impact society by either reinforcing economic and legal disparities and/or providing pathways for more equitable systems. We distinguish four primary entrepreneurial perspectives that shape how entrepreneurs approach AI’s role in justice and society.

First, there is the classical and Austrian School perspective - **foundational** theorists framed entrepreneurship as a force for economic transformation, where innovation disrupts existing structures to create new value. Originating from economic thought and a reaction to classical economics that largely stayed silent on the role of the entrepreneur (notably Adam Smith’s idea of self-interest driving markets), Austrian economics placed this person at the forefront of developing new businesses and markets. The idea of agency is central to Joseph Schumpeter’s concept of the entrepreneur as driving “creative destruction” and our modern conception of an entrepreneur as “action oriented.” The Schumpeterian entrepreneur is critical to transition in terms of states of economic change from the old to the new, and acknowledged as overlooked in neoclassical economics (Janeway, 2012). Economic transitions are powered by one of three vectors. First, economies move from equilibrium to economic growth through growth of the population and the “apparatus of produced means of production.” notably, technological advancement and knowledge creation. Second, events that are external to the economy such as environmental change, social and political changes can power economic growth. The third and final vector is the individual who recognizes new opportunities and takes a leadership role that extends beyond the familiar (Kirzner, 1973). Economic growth and innovation require this agency and creativity of the entrepreneur or intrapreneur. In turn, as entrepreneurs effectuate and create change, they develop the capabilities to sense, seize and develop new firms (Baumol, 2010; Teece, 2022).

Second, there is an efficiency-driven, market-oriented entrepreneurial worldview, rooted in the Marginalist tradition and mainstream economics that dominates business education and AI-driven decision-making. Its underlying assumptions emphasize utility maximization such that entrepreneurs are “rational” actors who are optimizing resources (in our case, AI) for maximum efficiency. In this view, scalability of a company and growth equals rapid expansion and examples abound of this worldview at play in technology entrepreneurship. The final assumption is that decision making should be “data driven,” leading to technocratic solutions measured by successful automation, and efficiency metrics. This worldview aligns with the approaches adopted by venture capital-funded start-ups, platform economies, and AI-driven business models.

A third perspective is one developed by scholars from sociology and institutional theory who have contributed to research that shows entrepreneurial actions and worldviews are embedded in social structures, geographical contexts and institutions (Teasdale et al., 2023). These entrepreneurs are often driven by specific values (Zahra et al., 2009) that address inequality, and structural or system-based issues related to sustainability or justice. This view

highlights cultural and institutional contexts of entrepreneurship rather than focus purely on efficiencies to be achieved by technologies such as AI. An important assumption also is that AI can have divergent effects by either empowering marginalized groups or reinforcing structural inequities. The design and use of the technology rather than the technology itself is seen as the deciding factor.

Our fourth entrepreneurial worldview envisions the entrepreneur as a political change agent. This worldview, influenced by critical entrepreneurship studies, challenges dominant economic narratives by framing entrepreneurship as a political act. It emphasizes how entrepreneurship can reinforce or disrupt power structures, particularly in AI governance. It proposes alternatives such as commons-based and cooperative models that decry traditional capitalist assumptions. In this view AI is seen as a battleground where entrepreneurial agency either helps or subverts social justice goals.

In sum, these four entrepreneurial worldviews currently jostle for dominance in how AI is developed and applied, with varying implications for societal impact. Understanding these tensions is crucial for evaluating AI's role in shaping "just" experiences.

AI and Justice: Conceptualizing Justice Experiences

As AI transforms the processes and activities that entrepreneurs identify as areas for new "imaginings" (Hagtvedt et al., 2025), we ask to what extent will the specific worldview of the owners of AI companies push the commercialization towards either the bright or dark side of the spectrum? The resultant outcome (bright or dark) is a key connection with how an individual experiences justice. Here we turn to Pine & Gilmore's *The Experience Economy* (1999) which presents a framework for understanding experiences as another type of economic product with increased value. While they focused on Disneyland attractions and shows, the experience concept applies to almost any event built upon goods and services. This leads us to consider "justice experiences," encompassing events such as trials, arbitrations, and civil disputes, as well as personal and social perceptions of fairness, trust, and access to rights. Justice experiences shape individuals' and communities' interactions with institutions, influencing their sense of inclusion, agency, and security. However, experiences consist of both impressions (the receptive, internalization of events, such as senses, feelings, and thoughts) and expressions (the active, externalizing aspects such as actions, emotions, and speech). Justice experiences may manifest as feeling unjustly treated or expressing outrage through protest. These experiences shape community anxieties, the distribution of privilege if only some have access to those experiences, and perceptions of fairness.

Legal Justice Experiences

Legal justice encompasses judicial mechanisms ensuring due process and fair treatment. Traditionally, human decision-making has dominated legal systems, but AI integration is transforming various aspects of legal practice. AI is employed in predictive policing, risk assessments for sentencing, and judicial decision support systems, improving efficiency and consistency in legal proceedings (Vargas-Murillo et al., 2024; Situmeang et al., 2024; Lau, 2020). AI-powered legal research tools enhance case analysis, reducing workload and expediting decision-making.

However, AI's role in legal contexts raises concerns about systemic biases. Algorithms trained on historical legal data (so-called "dirty data") risk perpetuating racial, gender, and socioeconomic disparities, reinforcing rather than mitigating injustice (Richardson et al., 2019). Moreover, reliance on AI-generated recommendations may erode judicial discretion, diminishing the human element in justice.

Personal and Social Justice Experiences

Beyond formal legal settings, AI impacts personal and societal justice experiences. On an individual level, interactions with AI-driven legal assistance, AI-based interviewing, and automated decision-making systems often feel less procedurally just than human-led processes (Acikgoz et al., 2020). AI-mediated justice interactions may result in perceived detachment, skepticism, and resistance to automated systems, even when their outcomes are objectively fairer.

At the societal level, AI is used to detect discrimination, monitor human rights violations, and support social justice advocacy. AI-driven analytics help identify sentencing disparities, expose police misconduct patterns, and track hiring biases (Mohamed, 2024). While these tools hold promise for promoting equity, poorly implemented AI can alienate marginalized communities. Automated decision-making systems often lack input from affected populations, and AI-driven surveillance raises significant privacy concerns.

Ethical and Procedural Challenges of AI in Justice

As AI is integrated into the systems that form part of our justice systems, researchers have raised a number of ethical dilemmas. How the companies creating the AI tools manage these will vary. First, there is the issue of algorithmic bias which occurs when AI models are trained on biased historical data, which risks replicating and reinforcing systemic inequalities (Rafanelli, 2022). Another consideration is how transparent and accountable the systems are. Krykun et al. (2024) content that AI decision-making processes often lack transparency, making it difficult to contest unfair outcomes. Excessive reliance on AI in judicial decision-making may undermine human judgment and reduce opportunities for case-specific discretion (Situmeang et al., 2024). AI-driven surveillance and predictive policing disproportionately impact marginalized communities, raising civil liberties concerns (Biryukov, 2019) and concerns about privacy violations.

Addressing these challenges requires interdisciplinary collaboration, comprehensive regulatory frameworks, and ethical safeguards to ensure responsible AI adoption. Of course, despite ethical concerns, AI does enhance efficiency in several ways. First, the use of AI-based tools can accelerate traditionally slow legal processes. Many court systems face overwhelming case backlogs, delaying justice and increasing costs. AI-driven automation streamlines case processing by handling routine administrative tasks such as document analysis, contract drafting, and evidence management, allowing legal professionals to focus on complex cases (Vargas-Murillo et al., 2024). Furthermore, AI tools can improve consistency and accuracy in legal decisions. It is well understood that human biases and inconsistencies in judicial decision-making present challenges. AI-driven risk assessment tools promote uniform sentencing decisions based on statistical models rather than subjective human interpretation, reducing disparities in legal outcomes (Biryukov, 2019). Additionally, AI-powered forensic analysis assists in detecting errors and inconsistencies, helping prevent wrongful convictions (Mohamed, 2024).

While AI's ability to optimize legal and social justice processes is undeniable, its integration must be approached with caution to balance efficiency with fairness, accountability, and human-centered justice principles.

Balancing Efficiency Gains vs. Ethical Considerations

While these efficiency gains are significant, they should not come at the cost of must not override fairness, accountability, and human dignity. Over-reliance on AI in legal decision-making could lead to mechanistic justice, where individual circumstances and ethical considerations are overshadowed by algorithmic efficiency. Too much AI reliance risks mechanistic justice, ignoring ethical nuances. A recent paper suggests that predictive models built with data that originated in an era of flawed and racialized policies and practices result in algorithms that ingest those biases (Richardson et al., 2021).

Regulatory safeguards must accompany efficiency gains. AI should be used as a support tool rather than as a replacement for human judgment. must supplement, not replace, human judgment. Policymakers must ensure that AI-driven decisions are transparent, explainable, and subject to appeal. Justice is not merely about achieving efficient legal outcomes—it is about ensuring that individuals feel heard, understood, and are treated fairly within the system. requires fairness, not just efficiency. As AI becomes an intermediary in legal and social justice experiences, it risks altering the perception of fairness by replacing human interaction with algorithmic decision-making. In justice, it risks replacing human fairness with algorithmic coldness. To harness AI’s full potential while mitigating these risks, human-centered governance must guide AI development in justice systems. without eroding justice, human-centered AI governance is essential.

Emerging Challenges and Ethical Considerations

In their recent paper, Garlow and Slaughter (2025) write: “The challenge becomes to develop a “relational economics” that can capture the value of the relationship itself, beyond the service provided within that relationship.” They call for a new economic category, “Caring,” which is distinct from a service. Their description is similar to the nature of compersion, where an individual finds happiness in the wellbeing of others. Their discussion on the limits of transactional value (price) to capture the value of a relationship goes deep to the nature of the business-humanities schism. Relationships are an aspect of how we experience the world, especially justice experiences.

One way to imagine the ethical challenges that AI will confront society with is to consider a very simple model of a two-person household, where their sense of well-being is directly influenced by the well-being of the other. Assume the first person feels competitive with the second, but the second feels compersive with the first. This could be expressed as the first person’s utility being dependent on the ratio of what they consume relative to the second person. The second person’s utility will increase with the first person’s increase in consumption. The respective utility functions might look as follows:

$$U_1(C_1, C_2) = C_1 * (C_1/C_2), \quad U_2(C_1, C_2) = C_1 * C_2 \quad (1)$$

Further, assume the household runs on the principle that each should experience the same utility from consumption. Thus, their decisions are based on $U_1 = U_2$. In other words, the equity of consumption is to generate an equality in well-being. What levels of consumption generate that equality? Doing the algebra we get:

$$C_1 = C_2^2 \quad (2)$$

In this situation, the first person would receive a great deal more in consumption than the second, even though their utilities are equal. For example, if the household had \$90/day for consumption, the first person would get \$81/day, and the second person would get \$9/day. Clearly, bringing social issues of equality and equity into a utility maximizing framework can deepen our understanding of socio-economic dynamics.

Previously, we discussed how changing the imagined ideal could increase demand for justice experiences, but potentially with a decrease in the utility or well-being from what is received. As such, the competition is not with another person, but against the ideal. If the utility function was of real experiences, R, and an imagined ideal, I, it might look like this:

$$U(R,I) = (R/I)^\alpha * I^\beta \quad (3)$$

where α and β parameters between 0 and 1. The interpretation of the function is that a greater Ideal by itself increases a sense of well-being, and the greater Reality is relative to that Ideal the

better off as well. However, the balance between α and β impacts whether the person is more moved by Reality or the Ideal. If $\alpha = \beta$, then the utility function is based solely on reality. If $\alpha < \beta$, then (holding R constant), then the greater the ideal the greater the utility. If $\alpha > \beta$, then (holding R constant) then the greater the ideal the lower the utility. From the marginalist view as the marginal utility of an extra unit of a real experience increases, so does the quantity demanded. The marginal utility of R is the first derivative of the utility function. Thus,

$$MU(R;I) = \alpha(R)^{\alpha-1} * I^{\beta-\alpha} \quad (4)$$

This implies the greater the ideal is weighted, the greater the marginal utility, and hence the demand for the experience. This is not intended to be an exhaustive proof, but rather an example of how one can use this framework to express how competing against an ideal could increase demand for real justice experiences and yet lead to a greater gap between reality and ideal (R/I decreases as I increases).

The above is intended to illuminate the risks of AI deepening economic and legal disparities, even if it was designed so that everyone ended up with the same sense of well-being (equal utility to be precise). All that is required is that the technology infers such interpersonal preferences from observations on consumption, surveys on well-being, and similar datasets. Without some form of regulation and governance, those with the greatest empathy for others would tend to receive less than those lacking empathy, and even less than those with antipathy.

Further, the model also suggests that in a society where some roles are seeking to decrease the consumption of another (as through decreased labor expenses, which entrepreneurs seeking efficiency tend toward), and other roles are happy for the success of others, even if everyone's utility were the same, the equilibrium is one of great income and wealth disparity.

Conclusions and Future Directions

The future implementation of AI toward increasing the quantity and quality of justice experiences will depend on whether entrepreneurs are guided by conceptions of value that lean toward the social and holistic or toward the transactional and reductionistic. This also aligns with the contrast between a considered, reflective planning for the future or an impulsive, reactionary improvisation of the present. Given that AI can also be understood as accelerated inference, without voluntary guardrails it will be its design to choose and act much faster than humans can track or grok. While this permits for a greater number of justice experiences (a marginalist analysis), it can lead to humans adapting their sense and intuitions of justice to what is produced (a dialectical analysis). Further research on the likely stable, attractor equilibriums between extensive measures and intensive perceptions will be needed to better understand how this brave, new code will evolve ourselves and our world.

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