

AI's Impact on the Labor Market: A New Measurement and Early Evidence

Economics · Practice Test · 29 Questions

1. What is the primary goal of the new measure introduced in this paper?

- A) To predict future AI capabilities
- B) To measure AI displacement risk and observed exposure
- C) To assess the theoretical limits of LLMs
- D) To track the historical adoption of AI

2. Which of the following is NOT a component of the new AI displacement risk measure, Observed Exposure?

- A) Theoretical LLM capability
- B) Real-world usage data
- C) Worker demographics
- D) Weighting of automated uses

3. According to the findings, how does actual AI coverage compare to its theoretical capability?

- A) Actual coverage exceeds theoretical capability
- B) Actual coverage remains a fraction of what's feasible
- C) Actual coverage is equal to theoretical capability
- D) Actual coverage is not measured

4. Which government agency's projections are used to assess the growth of occupations with higher observed AI exposure?

- A) Bureau of Labor Statistics (BLS)
- B) National Science Foundation (NSF)
- C) Department of Commerce
- D) Federal Reserve

5. What demographic characteristics are more likely to be found in workers in the most exposed professions?

- A) Younger, male, less educated, lower-paid
- B) Older, female, more educated, higher-paid
- C) Younger, female, less educated, lower-paid
- D) Older, male, more educated, higher-paid

6. What has been the observed impact on unemployment for highly exposed workers since late 2022?

- A) A significant increase in unemployment
- B) A slight decrease in unemployment
- C) No systematic increase in unemployment
- D) Unemployment data is not yet available

7. What suggestive evidence regarding younger workers has been found in exposed occupations?

- A) Hiring has increased
- B) Separations have increased
- C) Hiring has slowed
- D) Unemployment has significantly increased

8. What is one of the key challenges in measuring the labor market impacts of AI, as mentioned in the text?

- A) AI's impact is always immediately obvious
- B) Past approaches have a strong track record of prediction
- C) The effects may be subtle and clouded by other economic factors
- D) AI's impact is uniform across all industries

9. The paper compares the potential impact of AI to which historical economic disruptions?

- A) The Industrial Revolution and the Great Depression
- B) The COVID-19 pandemic and the internet
- C) The invention of the printing press and the steam engine
- D) The agricultural revolution and the invention of the wheel

10. What is the primary goal of the new framework presented in the paper?

- A) To immediately replace human workers with AI
- B) To establish an approach for measuring AI's employment effects and revisit analyses periodically
- C) To prove AI's superiority over human labor
- D) To forecast AI's impact on job creation only

11. When are AI's impacts most likely to be unmistakable and easily identifiable?

- A) When they are subtle and gradual
- B) When they are large and sudden, like COVID-19
- C) When they only affect theoretical capabilities
- D) When they are limited to augmentative uses

12. How is 'exposure' typically defined at the task level in AI impact studies?

- A) By the theoretical possibility of AI performing the task
- B) By the number of workers who use AI tools
- C) By the cost of AI implementation
- D) By the speed at which AI can complete a task

13. Which database is used to enumerate tasks associated with US occupations?

- A) LinkedIn
- B) O*NET
- C) Indeed
- D) Glassdoor

14. What is the 'Anthropic Economic Index' used for in this study?

- A) To measure theoretical LLM capabilities
- B) To measure real-world usage data of AI
- C) To forecast future job growth
- D) To track worker demographics

15. According to Eloundou et al. (2023), what does a ? score of 1 indicate for a task?

- A) The task is not feasible for an LLM
- B) The task can be doubled in speed by an LLM alone
- C) The task requires additional software to be sped up by an LLM
- D) The task is only partially feasible for an LLM

16. What is a potential reason why actual AI usage might fall short of theoretical capability?

- A) LLMs are always perfect and have no limitations
- B) Legal constraints, software requirements, or human verification steps
- C) Lack of interest from businesses
- D) AI is too expensive for widespread adoption

17. What does the 'Observed Exposure' measure quantify?

- A) The theoretical maximum tasks an LLM could perform
- B) The gap between theoretical capability and actual automated usage in professional settings
- C) The number of AI developers worldwide
- D) The total investment in AI research

18. Which of the following is NOT listed as a factor that increases a job's 'Observed Exposure'?

- A) Tasks are theoretically possible with AI
- B) Tasks see significant usage in the Anthropoc Economic Index
- C) Tasks are performed in non-work-related contexts
- D) Tasks have a relatively higher share of automated use patterns

19. How are fully automated implementations weighted in the 'Observed Exposure' calculation compared to augmentative use?

- A) Fully automated implementations receive half weight
- B) Fully automated implementations receive full weight
- C) They receive equal weight
- D) They are not weighted differently

20. Figure 2 shows that AI is far from reaching its theoretical capabilities. What percentage of tasks in the Computer & Math category does Claude currently cover?

- A) 94%
- B) 90%
- C) 68%
- D) 33%

21. According to Figure 3, which occupation is listed as the most exposed with 75% coverage?

- A) Customer Service Representatives
- B) Data Entry Keyers
- C) Computer Programmers
- D) Financial Analysts

22. Which of the following occupations is NOT listed as having zero coverage due to infrequent appearance in the data?

- A) Cooks
- B) Motorcycle Mechanics
- C) Lifeguards
- D) Baristas

23. A regression analysis found that for every 10 percentage point increase in observed exposure, BLS growth projections dropped by how much?

- A) 1.0 percentage point
- B) 0.6 percentage points
- C) 0.1 percentage points
- D) 5.0 percentage points

24. In the three months before ChatGPT's release, workers in the most exposed professions were more likely to be:

- A) Younger and male
- B) Older and female
- C) Younger and female
- D) Older and male

25. What is the primary outcome the researchers focus on to capture potential economic harm?

- A) Changes in job postings
- B) Job creation in new sectors
- C) Increased unemployment
- D) Productivity gains

26. Figure 6 shows trends in the unemployment rate. What is observed about the gap between the most and least AI-exposed workers since ChatGPT's release?

- A) The gap has significantly widened
- B) The gap has remained consistently large
- C) The average change in the gap is small and insignificant
- D) The gap has closed entirely

27. What concern is raised regarding young workers and AI-exposed occupations?

- A) A significant increase in their unemployment rate
- B) A slowdown in their hiring into these occupations
- C) A decrease in their education levels
- D) An increase in their job separations

28. Figure 7 shows the job start rate for young workers. What trend is observed for entry into high-exposure occupations after ChatGPT's era?

- A) It has remained stable
- B) It has increased by half a percentage point
- C) It has decreased by about half a percentage point
- D) It has become more volatile

29. What is a potential alternative interpretation for young workers not being hired into exposed occupations?

- A) They are all choosing to become unemployed
- B) They are remaining at existing jobs, taking different jobs, or returning to school
- C) AI is directly causing them to quit their current jobs
- D) They are unable to find any jobs at all