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COMMENTARY

*Shareholders vs. Society: Expanding Director Duties Beyond
the Bottom Line*

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It is a staple principle of American corporate law that a corporate board of directors must prioritize shareholder profits over philanthropic objectives.¹ However, the rapid pace and development of artificial intelligence (AI) warrants scrutiny of this longstanding practice.

Think tanks encompassing the fields of engineering, economics, and the social sciences continue to grapple with the reality that the acceleration of artificial intelligence will inevitably reshape the entire modern economy.² Many people plausibly worry that AI could replace millions of jobs.³

At the geopolitical scale, the United States and China are currently in a race to reach artificial general intelligence (AGI).⁴ AGI is a popular buzzword that describes the point at which AI can match or exceed the cognitive abilities of human beings across any task.⁵ As one Forbes commentator has put it:

AGI is now an explicit aim for some of the largest corporations on the planet. Mark Zuckerberg's new goal at Meta is to create smarter-than-humans AGI . . . and part of OpenAI's charter is "planning for AGI and beyond." If they or others achieve that goal, it could mean the death of death, the end of scarcity, and a whole new world of romance. . .⁶

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¹ See *Dodge v. Ford Motor Co.*, 170 N.W. 668 (1919).

² John E. Dunn, *Anthropic Announces Think Tank to Examine AI's Effect on Economy and Society*, CIO (Mar. 11, 2026), <https://www.cio.com/article/4143915/anthropic-announces-think-tank-to-examine-ai-effect-on-economy-and-society.html>.

³ David Rotman, *People Are Worried That AI Will Take Everyone's Jobs. We've Been Here Before*, MIT TECH. REV. (Jan. 27, 2024), <https://www.technologyreview.com/2024/01/27/1087041/technological-unemployment-elon-musk-jobs-ai/>.

⁴ See Junaid Hassan Ansari, *The AI Arms Race: Redefining Global Power and Security*, THE FRIDAY TIMES (Apr. 09, 2025), <https://thefridaytimes.com/09-Apr-2025/the-ai-arms-race-redefining-global-power-and-security>.

⁵ *What is Artificial General Intelligence (AGI)*, IBM, <https://www.ibm.com/think/topics/artificial-general-intelligence> (last visited Apr. 09, 2026).

⁶ John Koetsier, *Artificial General Intelligence: 9 Massive Changes AGI Will Cause*, FORBES (Nov. 04, 2025) (citation omitted), <https://www.forbes.com/sites/johnkoetsier/2025/11/04/artificial-general-intelligence-9-massive-changes-agi-will-cause/>.

Many have argued that AGI will be the final human invention.⁷ It is theorized that once AGI is reached and AI can perform tasks better than a human, humans won't need to work anymore. At least as it pertains to corporations, the latter premise makes perfect sense if one accepts the foundational principle that corporate boards exist to generate profits.

Once (1) AI can perform tasks better than humans, and (2) AI is more cost-effective than employing humans, corporate directors would have every incentive (and in fact a fiduciary duty) to let AI perform the work in place of the humans who once occupied those roles. To be sure, more productivity and less costs means more profits generated for the corporation's shareholders.

But in a world where work is no longer needed because AI can do everything, what are humans to do with their time? What challenges would get us out of bed? What would we work towards? How would we find meaning? How would we generate income to support our families? How would society not fall apart?

In the context of corporations, could it be the case that this new AI reality prompts a justified, albeit attenuated, extension of a duty beyond the shareholder profit framework? Could directors now be responsible for thinking of the broader economic impact to a shareholder if jobs are replaced too soon, which could very well decimate the economy and displace millions of workers?

As mentioned above, American courts have previously rejected such an attenuated a duty. But the modern economy might plausibly move the scales and prompt courts to reconsider that longstanding principle.

So, what would a more philanthropic corporate structure look like in practice? One cannot make the argument that it would be logistically simple with a straight face.

But as the scale of the modern economy shifts in this new AI revolution, the legal system may be prompted to move away from rigid precedent and reconsider the wider societal impact of corporate decision-making.

⁷ See Bernard Marr, *Why Artificial Superintelligence Could be Humanity's Final Invention*, FORBES (Oct. 31, 2024), <https://www.forbes.com/sites/bernardmarr/2024/10/31/why-artificial-superintelligence-could-be-humanitys-final-invention/>.