AI and disclosure: the SEC chief economist on why cheaper processing does not mean more disclosure

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Short answer: SEC Chief Economist Joshua White said, in remarks reported on 20 November 2026 by XBRL International, that as AI makes information cheaper to process it can be tempting to conclude companies should disclose more, but materiality keeps disclosure focused on what investors need. White used the term superintelligence (SI) for AI. This is a speech reported second-hand, not a rule, and the original text was not read.

TL;DR The short version

- SEC Chief Economist Joshua White argued that cheaper AI processing of information does not mean companies should disclose more.
- Materiality keeps disclosure focused on what investors need, and producing accurate disclosures does not get cheaper just because reading does.
- This is a second-hand report of one official's speech, not SEC policy; keep human materiality judgement when automating reporting with AI.

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What was said?

Speaking to the National Association of Corporate Directors' Nashville Chapter, White made boardroom attention the theme, calling it "the scarcest resource of all". In the quoted line, SI may reduce the cost of processing information but "does not make reliable information free to produce".

How the argument works

- Cheaper reading does not make it cheaper to produce accurate disclosures.
- More disclosure can dilute what matters. Materiality is the filter that keeps it focused.
- Directors are encouraged to ask whether AI helps the company do necessary work more efficiently, and what the company does with the recovered time and resources.

The data angle added by XBRL International

The commentary adds that AI tools reading filings are only as good as the data they receive, and that focused disclosures tagged against a common taxonomy could give those tools firmer ground than ever-longer documents. That is XBRL International's view as a standards body with an interest in structured data, not the SEC's.

Limitations and open questions

- Second-hand report of a speech by one official. It does not state SEC policy.
- The original speech was not read, so context and further remarks are not covered.
- The tension between "disclose more" and materiality is an argument, and the commentary offers no evidence of effects on markets.

What it means for accountants and finance leaders

- When automating reporting with AI, measure whether outputs are more accurate and decision-useful, not just longer.
- Keep a human materiality judgement on what is disclosed.
- Structured, tagged data is an input to any AI reading your filings; quality at source matters.

Frequently asked questions

- **Is this an SEC rule?** No. It is a speech by the SEC's chief economist, reported by XBRL International.
- **What term did he use for AI?** Superintelligence, or SI.
- **What is the main point?** Cheaper processing is not a reason to disclose more; materiality still governs.

Related reading

- Responsible AI in practice
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- AI Practitioner

Sources and currency

Sources were read on 22 November 2026. Products, rules and standards change, so check the linked originals before you rely on any detail.

Related credential: AI Practitioner. Explore the exam facts and syllabus.

Sources and further reading

1. XBRL International. Cheaper processing is no reason to disclose more, says SEC Chief Economist. 20 November 2026. xbrl.org/news/cheaper-processing-is-no-reason-to-disclose-more-says-sec-chief-economist.

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