

## Opinion

Timothy J. Peirson-Smith

# In the age of artificial intelligence, can we rise to the challenge of mass unemployment?

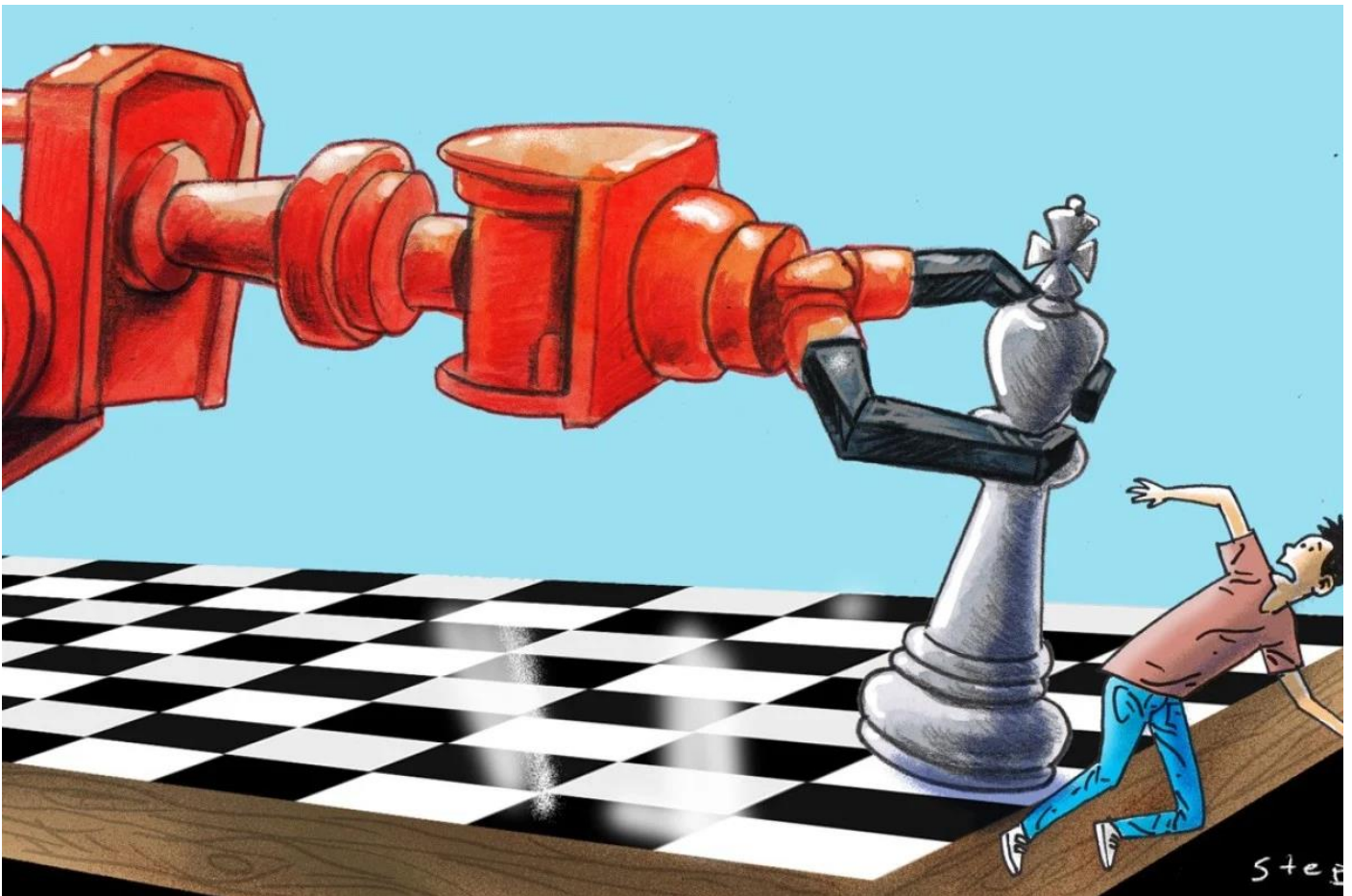
Timothy J. Peirson-Smith says we must heed the warnings of the potentially massive job losses that come with technological advances – not by panicking but by devising sensible strategies to deal with all the moral, social and financial issues



**Timothy J. Peirson-Smith**

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Experts are predicting that over half of today's jobs are "at risk" to AI in the foreseeable future, with only a minority of elite left working. Illustration: Craig Stephens

Artificial intelligence is with us today and not purely as a term that appears in technology magazines and websites for geeks. Instead, it is an ongoing series of fundamental changes to our world that has the potential to alter most of the existing rules that govern global society.

Decades ago, AI and robots were introduced into heavy industry – in coal mines, steel plants and car manufacturing – resulting in losses of low-paid jobs that were bemoaned by manual workers alone. Today, however, AI and automation is not merely manufacturing muscle, but – thanks to the blockchain technology used for cryptocurrencies – it can also think, learn and understand infinite languages and respond instantly.

AI is already omnipresent. Astrophysicist Stephen Hawking foresaw threats beyond those to the working class, and suggested that the rise of AI is likely to “extend job destruction deep into the middle classes, with only the most caring, creative or supervisory roles remaining”.

**Robots will ‘no doubt’ replace millions in the tea industry in a few years, Dilmah CEO says**

The myriad of efficiencies and advantages of AI are apparent to business. AI works 24 hours a day, 365 days a year. AI never takes sick leave and needs no overtime payments. But will it only be the middle classes that will be made redundant, and will supervisors and professionals be safe? Perhaps not.

Dragon Law, for example, is a cloud-based legal software solution established in Hong Kong. It and other such sites provide legal support through cloud technology. Further, universities today are restructuring law degree syllabuses, and others, to strip out case study learning as AI simply does it better and faster.



An employee walks past a sign inside iFlytek’s regional headquarters in Guangzhou. The IT company, which specialises in voice recognition, is collaborating with Guangzhou Pharmaceutical Holdings on a network of health centres that will rely partly on artificial intelligence for diagnosis and treatment. Photo: Bloomberg

But it’s not only lawyers and their clerks who should look over their shoulders; doctors need to, too. There are numerous online medical consultation platforms that many people routinely interrogate before stepping anywhere near a surgery. Hong Kong’s trading floor recently closed due to AI-driven trades and many predict that 30 per cent of corporate audits will be done by AI by 2025.



So, if professional advisory roles can be taken over by AI, are we heading towards a jobless society in future? Experts are predicting that over half of today's jobs are "at risk" to AI in the foreseeable future, with only a minority of elite left working.

### **The clash between man and machine is capitalism's ultimate challenge**

Respected business leaders tell us not everyone wants to work. And what about all that free time to do what makes us happy?

Others say the real challenge is to harness AI to find new jobs faster than the old conventional jobs are lost. With their feet closer to the ground, others have forecast that the rate of lost jobs will be exponentially faster than new jobs can be generated. It seems more likely that we will have a job deficit and a rise in unemployment rates within several decades, especially in more "developed" economies.

Universal basic income is an idea advocated by Silicon Valley plutocrats to give these unemployed citizens a steady income. In one trial of this idea, the Helsinki government is running a programme that distributes €560 (HK\$5,200) every month to 2,000 unemployed citizens for two years. The recipients do not have to report if they are looking for employment or say how they are spending the handout.



People walk along a street decorated with festive lights in Helsinki, Finland, on November 26. The Helsinki government is running a pilot programme for a universal basic income, distributing €560 every month to 2,000 unemployed citizens for two years.

Photo: Xinhua

If this is our future, then as social subsidies and handouts rise, how can governments continue to provide the same level of public services and infrastructure to support a rapidly ageing society where the majority are jobless? The United States today receives 37 per cent of its funding from salaries tax. Where will some of this revenue come from in the future when fewer are working, earning and paying taxes?



Chess grandmaster Garry Kasparov speaks at a technology and internet conference in Lisbon, Portugal, on November 8. Kasparov, who was famously beaten by IBM's Deep Blue supercomputer in 1997 in a watershed moment in technological advancement, wrote about his experience in a recent book. Photo: EPA-EFE

Bill Gates, a transformative figure in IT, suggests that governments should tax the use of AI and impose a “robot tax” on companies, which have benefited from the massive labour savings generated by AI.

In addition, other shortcomings will adversely affect daily life. Losing a job means losing a source of family income, social esteem and a channel to maintain social relationships. We humans are social creatures and interactions in the workplace have been essential in the fabric of our lives. With fewer jobs, less money and less social interactions, experts predict that there could be a much greater demand for mental health funding and support.

As Garry Kasparov, a world chess champion who was famously beaten by IBM's Deep Blue supercomputer in 1997, observed in his new book: “Waxing nostalgic about jobs lost to technology is little better than complaining that antibiotics put too many gravediggers out of work.”

### **Why, in the age of artificial intelligence, real wisdom is needed most**

While business today stands amazed by AI's marching advancement and management consultants espouse the infinite job-killing prospects of AI, machine learning and automation, they – and we – must stop and pause, to think. Think, that is, about putting in at least the same amount of effort to better predicting the effects of AI, and mitigating the consequences, be they societal, fiscal or ethical.

**Timothy J. Peirson-Smith is managing director of Executive Counsel Limited, a public affairs and strategic communications consultancy based in Hong Kong**

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