

IN MY VIEW: ARTIFICIAL INTELLIGENCE AND DATA ANALYTICS CAN UNLOCK NEW ECONOMIC OPPORTUNITIES

Timothy Kotin, CEO and Co-Founder, Superfluid Labs

All human beings deserve a chance to fulfil their potential. However, in today's world, opportunity is not evenly distributed. Barriers include limited or lacking access to essential elements of a good life, such as healthcare, education, nutrition, energy, communication, mobility, financial services and gainful employment. Current economic realities combined with the adverse effects of climate change threaten to accelerate and codify this state of inequity.

The use of data analytics and artificial intelligence (AI) technologies can help overcome some of these barriers and re-balance opportunity. Superfluid Labs focus on empowering hundreds of small businesses and millions of individuals across Africa with technology. The goal is to unlock new economic opportunities where there were none and expand existing avenues where they are limited. Business efficiency through better data insights yields many dividends for small businesses, such as the millions of informal merchants who employ most of Africa's increasingly youthful workforce. For example, informal merchants in Nigeria and Kenya can now better predict consumer demand for their goods and easily place orders for new stock via basic mobile

devices. Additionally, by digitising their sales transactions for the first time, many of these businesses can access loans from local lenders through the alternative credit scores Superfluid Labs generate using artificial intelligence. The result is enhanced business viability and expanded employment capacity, which in turn attract more risk capital for new business formation.

It is true that increased digitisation of services, accelerated by COVID-19, means that individuals leave ever-larger digital footprints, raising concerns around data privacy and the harms that can come with technology, such as mis- and disinformation. But digital footprints can be useful signals that help access new products and services, using blockchain and other decentralised technologies to harness the potential of AI without sacrificing security. For example, AI can use credit scores to determine who should be eligible for a personal loan. AI-based systems are also used to provide smallholder farmers with better insurance. By capturing and sharing the precise co-ordinates of their farm sites using GPS-enabled mobile devices, farmers now enjoy weather-related risk insurance that can also trigger automatic pay-outs via mobile money wallets.

Policies that promote, improve and multiply the positive aspects of AI are needed just as much as regulations around consumer data protection, consent and privacy. Development actors and governments have important roles in mobilising the potential of AI by creating enabling policy environments and expanding AI skills training.

Access to computing devices is essential to capture relevant data as input for AI models and to access new services enabled by AI. But many in low- and middle-income countries cannot afford a smartphone to participate in the digital economy even as the world becomes decentralised and remote-first, with COVID-19 accelerating the transition of businesses to digital delivery models. To avoid a worsening of the digital divide, development partners must give greater explicit support to private-sector initiatives that provide access to affordable smartphones via innovative financing models. Google, Facebook and Starlink have undertaken many promising initiatives across East and West Africa. Governments too should embrace connectivity-for-all as a worthwhile goal because computing and connectivity are the first step towards harnessing the power of AI.

Development partners and governments can play an important role in catalysing economic opportunities and shared prosperity. Introducing data and AI content

early in the educational curriculum will improve the readiness of graduates to join and improve the fourth industrial revolution and address the AI talent shortage – a major barrier to the growth of data-first companies. The existing workforce needs support for training and reskilling initiatives around data, analytics and AI to ensure that new job opportunities are being created as fast as automation is redefining many traditional job roles. Such training is especially important to maintain adequate productivity for healthy economic growth and curb the risk that digital transformation might lead to massive unemployment or job displacement.

Also, funding and support for early-stage AI businesses will go a long way to help the ecosystem flourish while delivering direct societal impact. Support could take the form of direct investments, access to expertise or local computing infrastructure such as data centres, and commercial contracts for businesses to pilot solutions to pressing international and domestic development challenges.

It is time to view artificial intelligence and data as the electricity of this century – a potentially revolutionary and overwhelmingly net positive. For this reason, we must act cautiously but also with hope, optimism, decisiveness and urgency. Let's build a world where everyone can rise to their full potential.

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