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Table of Contents

- I. Introduction**
- II. Key Terms**
 - A. Economy**
 - B. Artificial Intelligence (AI)**
 - C. Large Language Models (LLM)**
 - D. Labour Market**
- III. Major Parties Involved**
- IV. Timeline of Key Events**
- V. General Overview**
 - A. Potential Benefits**
 - B. Risks and Potential Risks**
- VI. Conclusion**
- VII. Questions to Consider**
- VIII. Sources for further Research**
- IX. Works Cited**

I. Introduction

Ever since humanity and our economic structures, principles and technologies have changed in a way that has deeply influenced our lives. In today's world, Artificial Intelligence (AI) plays an increasingly important role in our lives, economy and therefore also in the labour market.

Worldwide competition to reap its benefits is fierce. Companies and new start ups are competing in a way that is fast and challenging, generating new revenue streams. And as the importance of such new technologies begins to rise, critics and people trying to protect



private data, nations and supranational/international organisations want to regulate it.

AI is seen by many experts as an engine of productivity and economic growth, also creating new job opportunities while boosting new services and markets. This technology, based on complicated models and algorithms, can increase the efficiency with which things are done and it simplifies large analysing processes.

However sometimes, a highly disruptive effect on the economy and society is anticipated. Some people warn that AI can lead to the creation of super firms, can widen the gap between LEDCs and MEDCs and can expand the need for well-qualified workers, while rendering others redundant and fostering socio-economic inequality.

Hence, it is the task of carefully designed policy and regulations, to encourage the development of AI while keeping its negative repercussions in check. Every nation should be interested in directing AI onto a path that benefits its economy and citizens. Another crucial factor is a common strategy that paves the way for collaboration and trade.

II. Key Terms

A. Economy

Economy is the term referring to the system of trade and industry¹ in regards of the wealth and capital of a country.² The economy, often measured in the Gross Domestic Product (GDP), is essential for the prosperity and well being of a country and a direct correlation between a working economy and a certain standard of living.³

B. Artificial Intelligence

Artificial Intelligence (AI) is a machine with the capability to display human-like activities and actions like learning, reasoning, and creativity while usually staying completely rational and not having any emotions.⁴ AI can be incredibly helpful in many regards like analysing large amounts of data, quickly generating and summarising material, making quick decision processes and other

¹ Cambridge Dictionary. "ECONOMY | Meaning in the Cambridge English Dictionary." Cambridge.org, 2019, dictionary.cambridge.org/dictionary/english/economy.

² Merriam-Webster. "Definition of ECONOMY." *Merriam-Webster.com*, 2019, www.merriam-webster.com/dictionary/economy.

³ Investopedia. "Economic Growth Definition." Investopedia, edited by Charles Potters and Katrina Munichiello, 30 Sept. 2023, www.investopedia.com/terms/e/economicgrowth.asp#:~:text=Understanding%20Economic%20Growth.

⁴ European Parliament. "What Is Artificial Intelligence and How Is It Used? | Topics | European Parliament." *Www.europarl.europa.eu*, 4 Sept. 2020, www.europarl.europa.eu/topics/en/article/20200827STO85804/what-is-artificial-intelligence-and-how-is-it-used.



tasks.⁵ It also poses risks though, as for example a possibility of misinformation exists as well as AI that are uncontrolled and start making decisions against their original incentive and much more can lead to safety concerns regarding AI.⁶ Regarding the future, AI poses even larger possibilities and threats for example as replacing large parts of the work force and being able to take over complex tasks that may be world threatening.

C. Large Language Models (LLM)

The large language models (LLM) describe foundation models which were trained on large amounts of data to make them able to understand a wide variety of directions and are able to react through the ability to generate natural language and much more.⁷ This sort of AI can summarise and create new content which is also the reason it is also sometimes referred to as “generative AI”.⁸ Famous examples of LLM are ChatGPT and Google’s Gemini model.

D. Labour Market

The labour market refers to the job opportunities in a country while regarding the human capital in that country.⁹ ¹⁰ A tight labour market refers to the time where more workplaces than workers exist, which often leads to a bettering in working conditions from the employer to remain competitive.¹¹

III. Major Parties Involved

⁵ Coursera. “5 Benefits of AI to Know in 2024.” Cousea.org, 19 Mar. 2024, www.coursera.org/articles/benefits-of-ai?utm_medium=sem&utm_source=gg&utm_campaign=B2C_EMEA_coursera_FTCOF_career-academy_pmax-multiple-audiences-country-multi&campaignid=20858198824&adgroupid=&device=c&keyword=&matchtype=&network=x&devicemodel=&adposition=&creativeid=&hide_mobile_promo&gad_source=1&gclid=CjwKCAjwouexBhAuEiwAtW_Zxx8HeI9UkVXXHDN1sZPwF9XN9HCxyS3MTOqOBn3S3XczAKVC5Kxn2hoCGzYQAvD_BwE.

⁶ Center for AI Safety. “AI Risk | CAIS.” Wwww.safe.ai, www.safe.ai/ai-risk.

⁷ IBM. “What Are Large Language Models? | IBM.” Wwww.ibm.com, 2023, www.ibm.com/topics/large-language-models.

⁸ Kerner, Sean Michael. “What Is a Large Language Model (LLM)? – TechTarget Definition.” *WhatIs.com*, Sept. 2023, www.techtarget.com/whatis/definition/large-language-model-LLM.

⁹ Collins. “Labour Market Definition and Meaning | Collins English Dictionary.” Wwww.collinsdictionary.com, www.collinsdictionary.com/dictionary/english/labour-market.

¹⁰ Kenton, Will. “Labor Market Explained: Theories and Who Is Included.” Investopedia, 20 June 2023, www.investopedia.com/terms/l/labor-market.asp.

¹¹ Newman, Katherine, and Elizabeth Jacobs. “How Today’s Tight Labor Market Could Have Lasting Impacts on Poverty.” *UC Press Blog*, Mar. 2023, www.ucpress.edu/blog/64479/how-todays-tight-labor-market-could-have-lasting-impacts-on-poverty/#:~:text=Tight%20labor%20markets%20force%20the. Accessed 7 May 2024.



A. United Nations Educational, Scientific and Cultural Organization (UNESCO)

The United Nations Educational, Scientific and Cultural Organization (UNESCO) is an organisation which promotes the ethical use of AI, the integration of AI into educational curricula, cultural heritage using AI and the exploration of how can contribute to the achievement of the Sustainable Development Goals (SDGs).

IV. Timeline of Key Events

Time	Event
1935	Alan Turing first describes a machine with the traits of an artificial intelligence. ¹²
1956	The <i>Dartmouth Summer Research Project on Artificial Intelligence</i> can be regarded as the birthplace of AI. ¹³
2012	Deep learning emerged and became popular. The AI AlexNet made a breakthrough in the annual ImageNet Large Scale Visual Recognition Challenge (ILSVRC) challenge. ¹⁴
November 30, 2022	The most famous AI, ChatGPT, was launched. ¹⁵
2023	Generative AI models became widely and publicly available. ¹⁶
11 March, 2024	The resolution A/78/L.49 of the United Nations on the topic of <i>Seizing the opportunities of safe, secure and trustworthy artificial intelligence systems for sustainable development</i> ¹⁷ was

¹² Copeland, B. J. "Artificial Intelligence - Alan Turing and the Beginning of AI." *Encyclopedia Britannica*, 2019, www.britannica.com/technology/artificial-intelligence/Alan-Turing-and-the-beginning-of-AI.

¹³ Dartmouth. "Artificial Intelligence (AI) Coined at Dartmouth | Dartmouth." *Home.dartmouth.edu*, home.dartmouth.edu/about/artificial-intelligence-ai-coined-dartmouth.

¹⁴ Kamali, Kaveh. "The Revolution of Deep Learning in 2012: A Paradigm Shift in Artificial Intelligence." *Medium*, 23 Sept. 2023, medium.com/@kaveh.kamali/the-revolution-of-deep-learning-in-2012-a-paradigm-shift-in-artificial-intelligence-d4fdbfa87a42.

¹⁵ Marr, Bernard. "A Short History of ChatGPT: How We Got to Where We Are Today." *Forbes*, 19 May 2023, www.forbes.com/sites/bernardmarr/2023/05/19/a-short-history-of-chatgpt-how-we-got-to-where-we-are-today/.

¹⁶ Lynch, Shana. "13 Biggest AI Stories of 2023." *Hai.stanford.edu*, 4 Dec. 2023, hai.stanford.edu/news/13-biggest-ai-stories-2023#:~:text=Generative%20models%20dominated%20the%20year.

¹⁷ United Nations. *Seizing the Opportunities of Safe, Secure and Trustworthy Artificial Intelligence Systems for Sustainable Development. A/78/L.49*, 11 Mar. 2024, documents.un.org/doc/undoc/ltd/n24/065/92/pdf/n2406592.pdf?token=1adfDIIdOk3E1x8S5ru&fe=true.



	ratified. ¹⁸
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V. General Overview

As the time passes, AI looks increasingly likely to change the way we live in our present and modern society with its own rules, technology and standards. Smartphone assistants such as Siri from Apple, Bixby from Samsung, Alexa from Amazon or Google Assistant from Google are already expanding the field of interaction between humans and technology. And with this rise of AI, the world is facing new questions such as: “How can we capitalise the opportunities?” or “What does AI mean for my job and income?”. Increased computing power and connectedness have made it possible to analyse and agglomerate large piles of data, leading to an average growth rate in AI related patents of 6% between 2010 and 2015.¹⁹ According to the World Intellectual Property Organization (WIPO), machine learning is the main application field of AI, with deep-learning and neural networks being the fastest-growing technologies. Also, there is a dynamic growth in the number of AI patents from China, the US and Japan, which together make up around 78% of all AI-related filings today.

a. Potential Benefits

Accenture research suggests AI could double annual global economic growth rates by 2035 by increasing the labour productivity through innovative technologies, the creation of a new digital and virtual workforce capable of problem solving and self learning and the creation of new revenue streams through the diffusion of innovation across sectors. PwC is predicting a global GDP growth of up to 14% because of international AI adoption. Reasons are the Internet of Things (IoT) which is connecting devices with each other, large scale automation and support for the existing workforce through AI.

b. Potential Risks

AI can not only be incredibly helpful and necessary in the future, but it also has the potential of posing a significant risk to society. One possible risk of AI is

¹⁸ United Nations. “General Assembly Adopts Landmark Resolution on Artificial Intelligence | UN News.” *News.un.org*, 21 Mar. 2024, news.un.org/en/story/2024/03/1147831.

¹⁹ OECD, Science, Technology and Industry Scoreboard, 2017



job displacement, which we can also see unfold today.²⁰ It is approximated that 14% of the workers today have already been displaced by AI or AI powered tools.²¹ Right now especially jobs that are requiring simple, repetitive tasks are already being outperformed by AI and it is projected that also many other, even highly complex jobs, will be replaced by AI in mass.²² Another risk of AI is that there are many flaws regarding potential biases and the lack of transparency of AI. Artificial intelligence takes a variety of inputs and creates an output through that. This leads to it being almost impossible to see from where the AI has pieced together its information and what sources the AI uses.²³ Many AI's have ways to minimise the spread of false information through controlling the input they give the AI but still, for the user, it is almost impossible to verify if the AI information came from trustworthy and unbiased sources. There is also a, by the social medias widely spread, fear of artificial intelligence wiping out the world or humanity as a whole. It is highly anticipated that AI will develop the capability to surpass human intelligence and take over large parts of the jobs of society. In this case there is a possibility of an AI to completely eradicate human existence when going rampant or receiving the wrong input.²⁴

VI. Conclusion

All in all, AI plays an incredibly important role in our world, hence dominating economic development and labour market turbulence. Member states, policy makers and the UN should collaborate to form standards and to make this technological phenomenon a win for everybody. The benefits of this technology is huge, though there are some risks which will enhance difficulties such as criminality and unemployment if AI is not regulated.

VII. Questions to Consider

- What steps can be taken to ensure the safety and regulation of AI?
- How can the UN support LEDCs in adopting this new technology?
- How can the UN standardise rules and norms across the world in order to ensure a vital market?

²⁰ Talmage-Rostron, Mark. "How Will Artificial Intelligence Affect Jobs 2023-2030." *Www.nexford.edu*, Nexford University, 10 Jan. 2024, www.nexford.edu/insights/how-will-ai-affect-jobs.

²¹ SEO.AI's Content Team. "AI Replacing Jobs Statistics: The Impact on Employment in 2023." *Seo.ai*, 15 Jan. 2024, seo.ai/blog/ai-replacing-jobs-statistics.

²² Clark, Elijah. "Unveiling the Dark Side of Artificial Intelligence in the Job Market." *Forbes*, 18 Aug. 2023, www.forbes.com/sites/elijahclark/2023/08/18/unveiling-the-dark-side-of-artificial-intelligence-in-the-job-market/.

²³ Creative Commons. "Experts Weigh In: AI Inputs, AI Outputs and the Public Commons." *Creative Commons*, 2 Dec. 2022, creativecommons.org/2022/12/02/experts-weigh-in-ai-inputs-ai-outputs-and-the-public-commons/.

²⁴ Ward, Mark. "Does Rampant AI Threaten Humanity?" *BBC News*, 2 Dec. 2014, www.bbc.com/news/technology-30293863.



- How can the UN promote the usage of AI while preventing large corporations from forming a monopoly?

VIII. Sources for further Research

A. UN Documents

“Seizing the opportunities of safe, secure and trustworthy artificial intelligence systems for sustainable development” - 2024 (<https://documents.un.org/doc/undoc/ltd/n24/065/92/pdf/n2406592.pdf?token=ZsMlup6L0dMNI07Lxg&fe=true>) This is a USA led draft resolution adopted by the general assembly.

B. Other Sources

“Economic Policy for Artificial Intelligence” - 2019 (<https://www.journals.uchicago.edu/doi/full/10.1086/699935>) This scientific paper examines how governments can react to AI development.

“THE APPLICATION OF ARTIFICIAL INTELLIGENCE IN THE ECONOMIC SECTOR” - 2024 (<https://www.cajecs.com/index.php/cajecs/article/view/114>) This report from the Central Asian Journal of Education and Computer Sciences (CAJECS) explains how AI technology can be used in the economic sector.

“AI Geopolitics and International Relations: A Divided World Behind Contested Conceptions of Human Control” - 2024 (https://findresearcher.sdu.dk/ws/portalfiles/portal/224959944/Bode_Qiao_Franco_AI_Geopolitics_2023.pdf) This paper is extensively investigating how public policy should be formed and applied regarding AI.

“Artificial Intelligence: Its development, investment, risks, global efforts to regulate it” - 2024 (https://www.allmultidisciplinaryjournal.com/uploads/archives/20240115205131_A-24-19.1.pdf) This scientific paper is providing much information regarding the international use of AI.



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