

Abundance Tech

Modelling how advanced AI¹ will affect employment and global wealth distribution is extremely challenging. The consensus from economists seems to be that labour markets will adjust to and expand through AI, but their argument is based on analyses of earlier technological adaptation and makes risky assumptions that run against the grain of what AI actually is. Many experts in AI development insist that what they are creating is an automation technology: a tool that primarily replaces, rather than augments, labour. Indeed, extrapolating from this belief, Sam Altman, CEO of OpenAI, has previously proposed establishment of a capital tax on frontier AI labs as a means of wealth redistribution in a possible future context of mass unemployment. Most mainstream economists, by contrast, continue to hail the technology as a vector for growth and wealth creation. And this has consequences, with many governments currently focussing their AI policies around furthering AI capability development and embedding the technology.

There is a dangerous leap of faith in the assumption that advanced AI will lead to human job creation and continued, accelerating growth in this way. This thinking also fails to recognise the potential the technology may hold for radical social transformation and betterment. But how watertight is the thesis that labour markets will adjust with job creation matching or exceeding job replacement? What assumptions underlie the argument that AI will fuel (exponential) growth and that this will lead to broader prosperity? Are growth and mass unemployment compatible? And what are the implications for global prosperity of the ownership of Frontier AI models by only two states (the US and China), and the similarly limited number of states involved in the underlying supply chain?

If current economic thought struggles to answer these questions,² there is reason to be concerned by its gung ho assumption that we will simply adapt to AI as the technology continues to advance. A green light from economists has profound implications for government policy and social preparedness, insofar as it leaves a vacuum where ideation and deliberation may be needed to avert catastrophic consequences. Should advanced AI instead lead to labour market instability and massive job losses, this may lead to social devolution and criminality on an unprecedented scale. Without extensive planning and global coordination, redistributing wealth to mitigate these effects may be extremely difficult, if not impossible. We can expect global disparity to amplify tension; it is easy to imagine a worst-case Hobbesian scenario of an all-against-all planetary civil war.

My concern here is not to present imagined doom scenarios, but rather to articulate the need for proactive economic policy and governance that takes into account much greater uncertainty about the economic and social changes advanced AI may soon be ushering in. Yet I also don't want to underestimate the magnitude of the task here. Economics is, fundamentally, a discourse built around models of scarcity. The notion that resources, labour and time are limited is at the heart of everything it has to say about the world.

¹ I refer to 'advanced AI' to indicate more highly developed models that are likely to have increasingly transformative effects in the future. I don't believe it's necessary to distinguish between the effects of 'transformative', 'general' or 'super' AI for the purposes of this paper as it seems likely that we will see profoundly transformative social and economic effects from the technology even if general or superintelligence is not developed.

² I intend to evaluate this in an expansion of this paper.

By contrast, advanced AI will be an abundance technology. It promises instantaneous, indefatigable production with none of the constraints that human labour brings. Time will be of diminishing concern for advanced AI and as it recursively self-improves, we might expect it to research and discover ever more innovative ways to make its other bottlenecks, such as energy and the critical minerals that make up its material substratum, recede from view. Perhaps this is why our economics can't comprehend what is at stake.

From economics to politics

If we need to reformat our economic thought for a context of abundance, we may also need to reformat our political thought, insofar as it relies (heavily) on market forces to meet human needs. Shifting the emphasis from taxing labour to taxing capital³ may be a step in the right direction, but will likely be insufficient to provide an adequate safety net in the case of rapid automation of significant strata of labour. Moreover, unevenness in the ownership of Frontier AI models and critical infrastructure may make wealth distribution through national instruments ineffectual; indeed, the current landscape of tax incentives and loopholes makes it easy to imagine this unevenness being exploited by companies to evade wealth redistribution.

We need to explore different models for integrating AI economically. It promises to be a technology that can vastly facilitate us in meeting our needs and it may be helpful to take this promise at face value, demanding of any model we devise that it does indeed make our lives easier and that it does so in ways that are fairly distributed (ideally, globally).

Growth may be a poor proxy for success. Current society frequently equates work with meaning, but a model that pushes work for the sake of work seems similarly misguided: redundant drudgery is no formula for self-worth and a flourishing society. On the other hand, a society devoting more time to building meaningful relationships, to creative expression, sport, caring for others and the natural world, or so many other socially valuable pursuits, strikes me as something worth fighting for.

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Assuming collective deliberation lands upon such an abundance model, how do we actually get there? It's not clear to me whether or how the fiscal instruments of scarcity economics can be used to help switch to a post-scarcity economy. It's similarly unclear how one nation might transition in a context of international market competition and uneven AI ownership. These are knotty problems. But if we keep hiding behind conservative economic thinking to avoid them, we cannot expect a future where AI maximally aids human flourishing.

³ Piketty on wealth tax, aspects of current Labour policy, formulations specifically relating to AI mass unemployment contexts.