LUCIA RUSSO

Artificial Intelligence Policy Analyst at the OECD

Lucia Sinapi-Thomas, Executive Vice President – Capgemini Ventures Managing Director

Lucia, we have heard about policymakers but also about the hopes for competitive gains, and the OECD is working on all that. Please tell us a bit about the OECD perspective on the general prospect for tech productivity.

Lucia Russo, Artificial Intelligence Policy Analyst at the OECD

Thank you, Lucia and first of all, thank you to the organizers for inviting me to this very insightful event. I will give a bit of the background of the OECD's role in the international AI governance landscape.

At the OECD we have been deeply involved in international AI governance for some years now and a cornerstone of our work has been the adoption of the OECD recommendations on Artificial Intelligence, which were adopted in 2019. Back then, there were the very first intergovernmental standards providing guidance to policymakers and practitioners on how to promote innovative trustworthy AI that is aligned with human rights and democratic values. Since then, the work of the OECD has been to provide policymakers with guidance on how to move from these principles to practice. We have a number of activities related to that, including a network of experts, of whom Lee Tiedrich, for example, because we really believe that interdisciplinarity and multistakeholder cooperation is what matters in this field. Another key example is the OECD's AI Policy Observatory, which is a platform that provides data and trends around AI, including policy developments and everything to inform decision-making. For instance, one of the data points, which was also mentioned by Lucia, is the search for investment and we have noticed that since 2022 investment in generative AI start-ups have risen from 1% of the total bench of capital to 18%. This is testimony to the search for the potential the technology holds and many of these have already been eloquently explained by previous speakers around potential for personalized education, accelerated drug discovery and in general, for breakthroughs in research and science, and ultimately for productivity gains across sectors of the economy.

When it comes to productivity gains there are widely divergent estimates. Colleagues in the Economics Department have done work on this and recently released a paper, which contributes to this debate. Some estimates are as low as 0.1% touch point of annual labor productivity gains, which is the study by Acemoğlu, to 1.5 percentage points. My OECD colleagues landed somewhere in-between a 0.5 and 0.9 percentage point contribution to our net productivity gains. This tells us that there is potential to boost productivity through AI but not to revamp productivity to the levels we had in the sixties though, of course, these

estimates are subject to some factors. These factors include the capabilities of AI systems, their integration across sectors including, for instance in robotics, reallocation of factories across sectors and, perhaps the most important, adoption. We have already heard from previous speakers that adoption is one of the key factors that will enable competitivity and some productivity gains, and I think we will hear more concrete cases later.

This also points to the role of policymakers, and I will complement the picture of what the Chairman of the previous session called the 'sunny side'. Lucia has outlined some of the challenges we see, and the ones that mostly concern policymakers around AI are related to, for instance, misinformation and disinformation. We know that this is not a new phenomenon, but the scale of content generation and propagation has been accelerated by generative AI. When it comes to intellectual property rights, we know that these models are trained on large bodies of text and other material that is often copyrighted, and this raises the question of fair remuneration for authors. Labor market implications are also a concern although, for instance, the OECD Digital Economy Outlook acknowledged that they have not yet materialized with the disruption we were thinking about.

Just to conclude, I would like to underline the role that policymakers must play in governing these risks while fostering these innovative gains. The first thing is to build trust in AI because the demand for these systems hinges on the fact that users trust that the systems are transparent, accountable and safe, which can be done through policy frameworks, but should not hamper innovation. Second, and perhaps the most important, is to support AI adoption through investment in complementary assets, digital infrastructure intangible but perhaps, above all, skills to enable the deployment of these technologies. Third, to facilitate the reallocation of factors across the economy, including labor, so facilitating transitions in the labor market but also ensuring that capital is reallocated through well-developed financial systems.

I will stop here but I am happy to contribute to the conversation later.

Lucia Sinapi-Thomas

Thank you, Lucia. Let us deep dive into the examples and I suggest we start with an example of a copilot or assistant to the marketing officer. It is interesting because it is usually associated with creativity and the solution we will demonstrate in a 90-second video is called Typeface, which is US-based. Because it is very short, I will explain what you are going to see. It shows how from a simple question expressed as a prompt, the solution suggests a number of ideas to the marketing officer. The marketing officer can pick and choose between them and decide what channels are going to be used, SMS, email or social media and the marketing campaign can then be adapted and customized to the targeted segments that the marketing office wants to touch.

[Video]

It is short but a perfect illustration of an assistant in one very specific role, the marketing officer.