

## SESSION 7

### Part 1: Digital Transformation: Main Features of the Digital World Towards 2040

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- Ajit Jaokar, Visiting Fellow, University of Oxford and EIF Rapporteur, presented the key elements of the EIF interim report entitled “The Digital World Towards 2040” which will be published early in 2024. **The slide show presenting this draft report is attached.** The main emphasis will be on the question: What can we do to shape and prepare for the AI future?
- A recent McKinsey report estimates that 60 -70 % of the workload that today’s employees currently face will be replaced by AI. Questions concerning the geopolitical, macroeconomic, social, and political implications will have to be faced. The difference with other technical revolutions that happened is that this time, higher wage earners will be touched. That means consequences for white collar workers. Re-skilling people will be at the core of the solution with a firm view on social implications.
- AI could mean a shift towards Western Societies. In the end, this could also mean a net creation of jobs and a new democratization process in which open societies matter. China has a disadvantage in this respect. The key question will be whether humans can still keep control. The main concerns will circle around geopolitical, educational, and job questions.

### Part 2 - Digital Transformation: Can Transatlantic Partnership Seize the AI Opportunity Now?

- The AI act of the EU will come at the end of 2023. The principles of the Digital Rights Act will remain: Inform people, have transparent standards, and respect IPR (who is reliable?). A risk-based approach is the base. A job selection process should always be a human decision at the end. Ideally, the hope is that the AI act may be a true transatlantic initiative and stress that the code of conduct for risk should be “enforceable”. Social questions are a key concern.
- Large Language Models are already used. An eye-movement observation on the screen is already possible. But the US approach is different than the one of the EU. Seven large US companies that use AI have been to the White House and presented principles of AI that they want to adhere to. The accent was put on opportunities, safety, security, and transparency. The question arises: how do companies active on both sides of the Atlantic deal with rules on the one side and principles on the other?
- We struggle to agree on data privacy on both sides of the Atlantic. If we don’t have an ongoing agreement with the US, data exchange can still become illegal. The US attitude is more a case-by-case and a code of conduct solution. That could be seen as non-compliant with the GDPR.
- Dangers of AI being used to abuse elections create public concern as to the manipulation of democracy. Some AI applications are so sophisticated that elected politicians or government employees are unable to understand them and, therefore, unable to discuss them coherently. Companies may simply be able to do what they like because nobody understands what they do. The cultural aspect of how to deal with AI can be different from one culture to another, as would be the degree of vulnerability.