

ECONOMIC IMPACT OF ARTIFICIAL INTELLIGENCE: TRANSFORMING THE GLOBAL LANDSCAPE IN THE DIGITAL AGE

In today's fast-moving world, economy is influenced by rapidly changing factors and processes. Besides globalization, international economic integration, and scientific and technological progress, which are long established global trends, it is also worth noting the increasing importance of digitalization. As defined by Gartner, a leading US research and consulting firm, digitalization is the use of digital technologies to change a business model in order to provide new revenue and value-producing opportunities [1]. Artificial intelligence (AI) serves as a vivid example of such transformative technologies. Enabling businesses to operate with greater efficiency, it has the potential to impact the economic landscape significantly.

The purpose of this research is to analyze the capacity of artificial intelligence (AI) to influence the global economy.

It should be noted that the IMF has examined the effect of AI on the global labor market, and the results are impressive: almost 40 percent of employment worldwide is exposed to AI. Initially, automation and information technology tended to influence the performance of routine tasks, but what is remarkable about artificial intelligence is its ability to affect high-skilled jobs. As a result, advanced economies face greater risks from AI, but more opportunities as well. Developed countries can take advantage of AI integration to enhance productivity. At the same time, AI applications are capable of taking up key tasks, which are currently performed by humans. This may drop labor demand, leading to lower wages and reduced hiring [2]. This technology is likely to create a shock in labor markets and associated costs to manage labor-market transitions. Artificial intelligence will cause unemployment, and unemployment will cause a subsequent decrease in consumption. This, in turn, will lead to a decline in GDP.

On the other hand, global revenue associated with artificial intelligence software, hardware, services and sales is predicted to grow at 19% per year, reaching \$900 billion by 2026, compared with \$318 billion in 2020 [3]. This expected growth demonstrates the great demand for AI applications, as they enable the advancement of new solutions, which can address complex challenges and drive innovations.

Nowadays most studies emphasize that AI will have a significant economic impact. Research launched by the consulting company Accenture covering 12 developed economies, which together generate more than 0.5 % of the world's economic output, forecasts that by 2035, artificial intelligence will double annual global economic growth rates.

Furthermore, a study conducted by PricewaterhouseCoopers (PwC) has similarly impressive outcomes. It estimates that global GDP may increase by up to 14 % (the equivalent of \$15.7 trillion) by 2030 as a result of the accelerating development and take-up of AI. PwC sees two main channels through which artificial intelligence will impact the global economy. The first one leads to productivity gains in the near term. According

to the research, productivity will improve as businesses will be complementing and assisting their existing workforce with AI technologies. This will not only enable employees to perform their tasks better but will also free up time to focus on more stimulating and higher value-added activities. The second channel – the availability of personalized and higher-quality AI-enhanced products and services – will become even more vital as it is likely to boost consumer demand that will, in turn, generate more data [4, p. 3].

The result of our research shows that artificial intelligence is a powerful force driving economic transformation in today's increasingly digitalized world. While concerns exist regarding job displacement, the overall impact of AI on the economy looks positive. Studies by leading institutions project significant economic growth through higher productivity, innovation, and revenue generation. Effective integration of AI technologies, however, requires careful planning to manage potential labor market disruptions and ensure a smooth transition towards an AI-powered future. By harnessing the transformative potential of AI while mitigating its risks, nations can unlock new avenues for economic prosperity and societal well-being.

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THE IMPACT OF THE GENDER GAP ON THE ECONOMY

The gender gap, defined as inequality between men and women in society, is a pressing issue that has a significant impact on the economy. Looking at the gender gap provides insight into the factors that contribute to or hinder women's participation in the economy and the benefits and losses that society suffers from gender inequality. The purpose of these papers is to consider the impact of the gender gap on the economy.